

An update on the Carbon Farming Initiative

By Su Wild-River

The Carbon Farming Initiative (CFI) allows farmers and land managers to earn carbon credits by storing carbon or reducing greenhouse gas emissions on the land. The credits can then be sold to people or businesses wishing to offset their greenhouse gas emissions. Participation is voluntary.

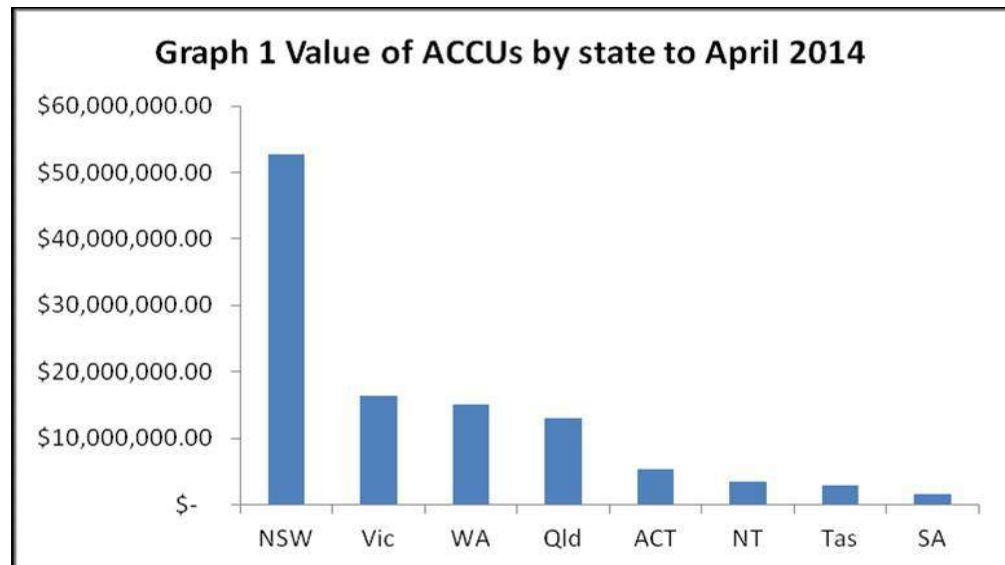
To be eligible, the emission reductions need to be permanent and additional to normal practices. Landholders also need to follow approved methodologies for their emission reductions. Some that could be relevant to the Upper Shoalhaven area include:

- [Native forest from managed regrowth](#),
- [Environmental plantings](#),
- [Human-induced regeneration of a permanent even-aged native forest](#),
- [Native forest protection \(avoided deforestation\)](#),
- [Reforestation and afforestation](#).

New methodologies are [now being developed](#) for:

- Reducing greenhouse gas emissions in beef cattle through feeding nitrate containing supplements;
- Measurement-based methodology for reforestation projects.

Despite uncertainties about the future of Australia's carbon emission reduction strategies, the CFI continues to receive bipartisan support and to achieve emission reductions. At the time of writing, nearly 5 million Australian Carbon Credit Units (ACCUs) had been issued for [118 CFI Projects](#) including 48 in NSW. Each ACCU represents one less tonne of carbon dioxide contributing to the global greenhouse effect. Landholders can currently sell their ACCUs for \$23 per tonne, making the total landholder benefit over \$112m.



NSW has banked the greatest value in ACCUs with over \$52m worth of credits (see Graph 1). Over \$90m of all ACCUs have been earned by the waste sector, \$18m through sequestration (or forestry) and only about \$630,000, or 0.6% are from agriculture (see Graph 2).

The [Horse Ridges Native Forest Protection Project](#) is an example of the sort of forestry project that might work in the Upper Shoalhaven. This Native Forest Protection Project near Nyngan in Western NSW involves carbon sequestration through the sustainable management of forestry and agricultural projects. Participating farmers can continue grazing, but get extra income by managing the farm so as to also protect and optimise carbon stocks in native eucalypt and cypress forests. The project has so far [generated \\$1.66m in ACCUs](#).

In the past, money to pay for the ACCUs has come from the carbon tax. The Australian Environment Minister [Greg Hunt has explained](#) how the foreshadowed removal of the carbon tax, and its replacement with an Emissions Reduction Fund (ERF) may affect the CFI. First, the Coalition government aims to open up the system by allowing farmers to commit to sequestering carbon for just 25 years instead of the current 100 year commitment. A second goal is to streamline administration so that new projects can be approved more quickly and easily. More methodologies for soil carbon sequestration are also in train.

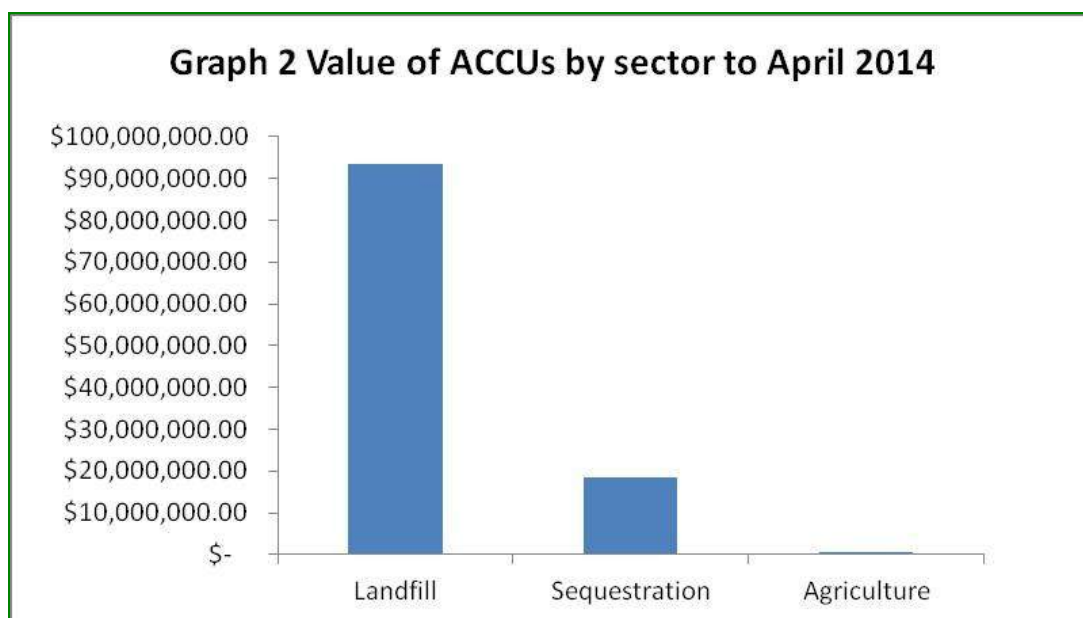
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The down side for CFI projects is that the proposed changes will drastically reduce demand for ACCUs because only Australia's 130 biggest-emitters will be required to buy offsets. And the emission reduction target is being reduced to [5% on 2000 levels by 2020](#). This makes the total emission reduction requirement lower than under the previous scheme. The likely outcome is a buyers' market, where only the lowest-cost ACCUs will be bought in carbon auctions. In such a market, agricultural and sequestration projects will likely struggle to compete against cheaper landfill projects.

The government also intends to open up the Australian carbon market to the international Clean Development Mechanism (CDM) in 2015. The carbon credits being generated in Australia are dwarfed by the CDM which has issued [over 1,451m](#) carbon credits to date. Its market is so oversupplied that credits equivalent to ACCUs have been selling for [under \\$1 per tonne](#).

We are keen to hear of any CFI projects, so call or email if you want to discuss ideas. Upper.shoalhaven@gmail.com, 48422594.



Graph data source: <http://www.cleanenergyregulator.gov.au/Carbon-Farming-Initiative/Register-of-Offsets-Projects/Pages/default.aspx>

Climate Adaptation Champions of 2014

A nationwide search is on to share the stories of Australian people, businesses and organisations who are champions of practical and innovative ways to adapt to climate change.

See: <http://www.nccarf.edu.au/engagement/nccarf-climate-adaptation-champions>

Nominations close on 30 June 2014.



Great Eastern Ranges Initiative (GER) grants are available for connectivity conservation projects in priority focus areas in the NSW section of the GER corridor, which improve connectivity, condition and resilience of landscapes and ecosystems and halt further decline and loss of species.

See: <http://www.greasternranges.org.au/how-we-deliver/ger-grants-program/landcare-grants-program>

Applications close 2pm, Monday 16 June.

The theme for the 19th Australasian Weeds conference is 'Science, Community and Food Security: the Weed Challenge'. This reflects the changing state and developing challenges management and will highlight with new developments internationally and nationally.

See: <http://australasianweeds2014.com.au/> 1-4 September in Hobart.

19th Australasian Weeds Conference
Science, Community and Food Security: the Weed Challenge
Hotel Grand Chancellor, Hobart - 1-4 Sept 2014

