



Australian Government
Department of Climate Change
and Energy Efficiency

The Carbon Farming Initiative

Eliza Murray
Carbon Farming Policy Branch



thinkchange

www.climatechange.gov.au

Stakeholder engagement

- Consultation paper
 - Around 280 submissions
- Presentations and meetings
 - More than 350 individuals from 250 organisations
- ... and more to come!



thinkchange

www.climatechange.gov.au

Carbon Farming Initiative - Overview

■ Three components

- Crediting mechanism for land sector abatement
- Development of methodologies (DCCEE & DAFF)
- Information to help farmers benefit from the scheme (DAFF)



thinkchange

www.climatechange.gov.au

Eligible Activities

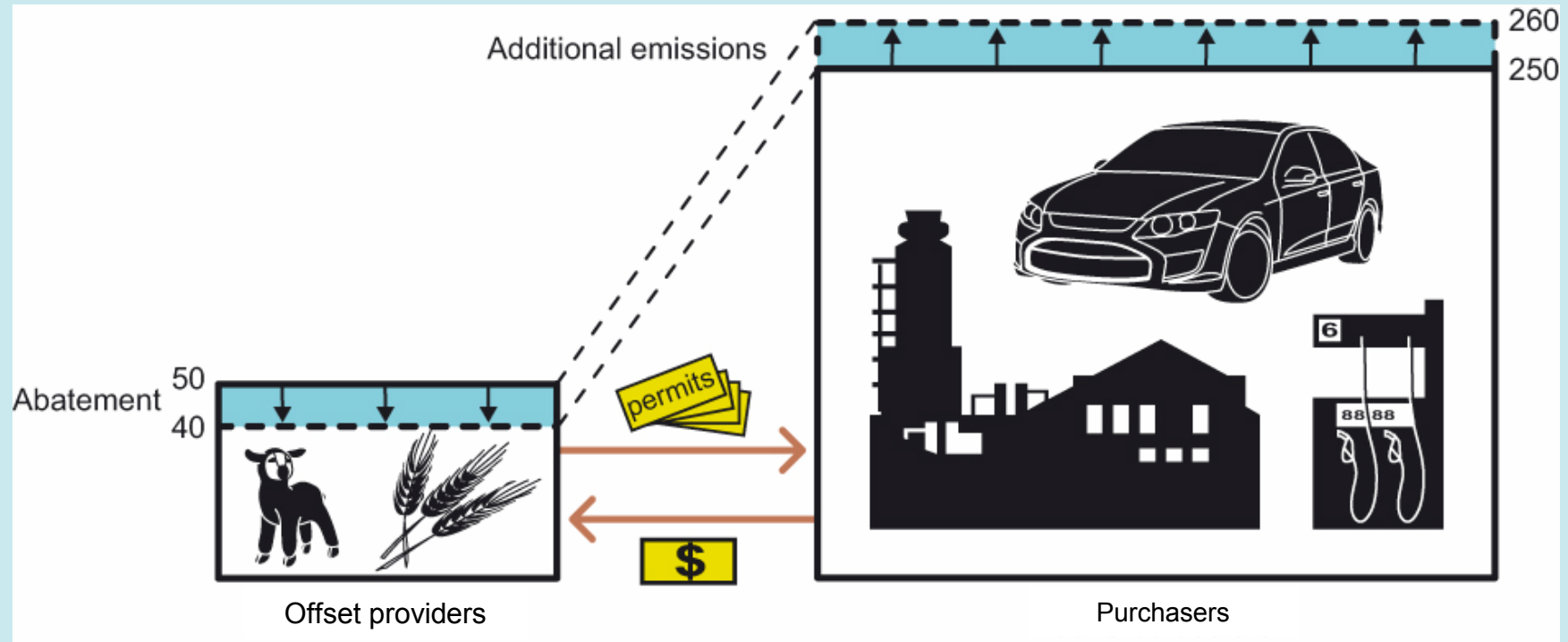
- Land sector abatement (Kyoto and non-Kyoto)
 - Reforestation, forest management, native forest protection, revegetation
 - Soil carbon, including biochar
 - Reduced fertiliser use and manure management
 - Savanna fire management
 - Reduced emissions from landfill waste
 - Reductions in livestock emissions



thinkchange

www.climatechange.gov.au

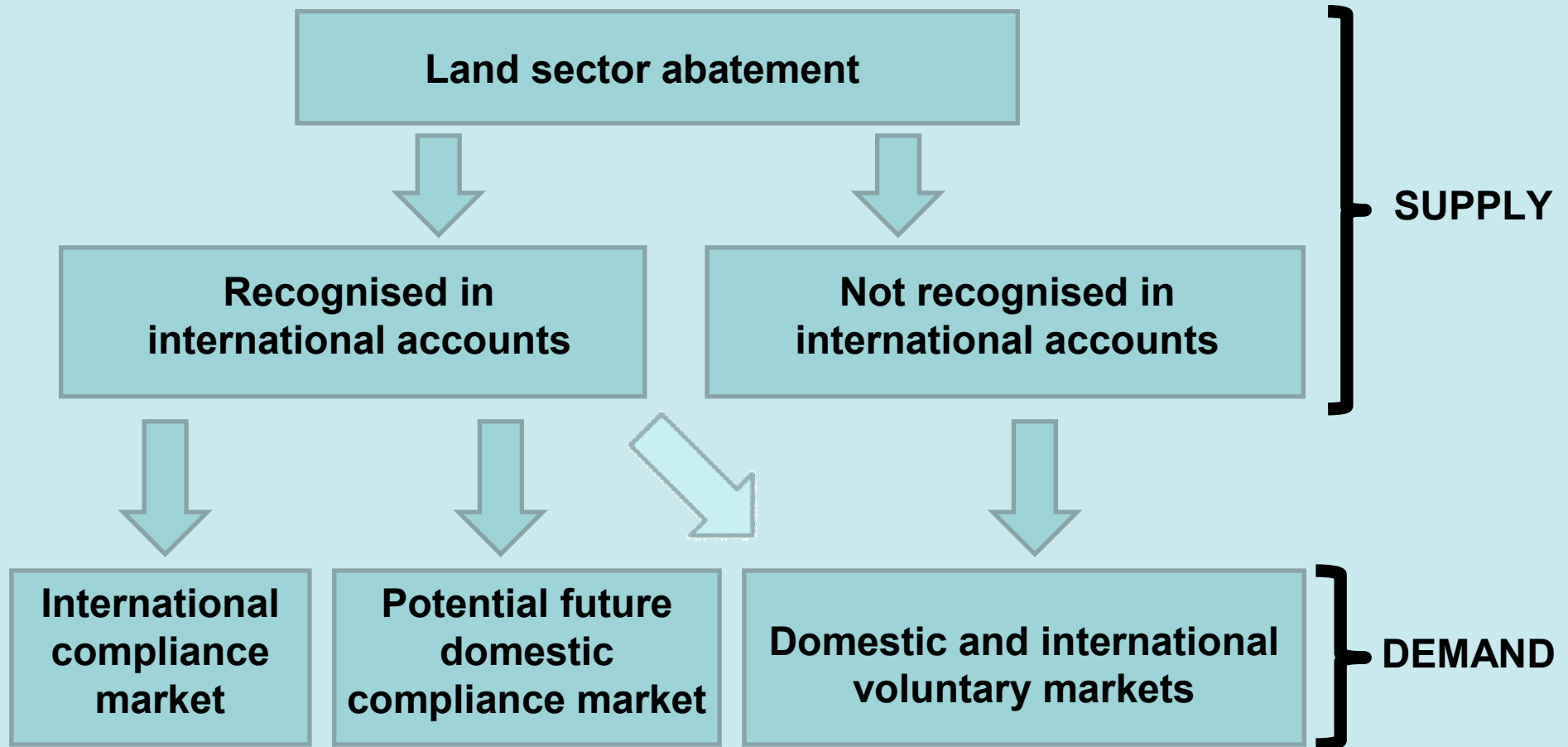
How offsets schemes work



thinkchange

www.climatechange.gov.au

Scope of Carbon Farming Initiative



thinkchange

www.climatechange.gov.au

Integrity Principles

- Additional
- Permanent
- Avoidance of leakage
- Measurable
- Conservative
- Internationally consistent
- Supported by peer-reviewed science



thinkchange

www.climatechange.gov.au

Avoiding adverse impact

- Must meet environment, planning and water requirements
- Consider regional NRM plans
- 'Negative' list
 - Projects with significant adverse impacts for water, biodiversity, communities or employment
 - No clearing of native forests
 - No conversion of plantations into permanent sinks



thinkchange

www.climatechange.gov.au

Additionality

■ Positive list

- Activities beyond common business practice
- Identified by Government – stakeholder consultation, surveys
- Likely activities:
 - Establishing permanent plantings
 - Manure management
 - Savanna fire management
 - Landfill flaring
- Not projects that are mandatory or that governments have already paid for



thinkchange

www.climatechange.gov.au

Permanence obligations

- Maintain carbon or hand back credits
- Re-establishment carbon after a fire or drought
- Carbon maintenance obligation
 - ‘runs with the land’
- Risk of reversal buffer
 - temporary losses whilst carbon is re-established
 - wrong doing that can’t be remedied



thinkchange

www.climatechange.gov.au

Measurable

- Bottom up and top down development of methodologies
- Assessed by DOIC for approval by Minister
- Rules and procedures for:
 - Determining baseline emissions
 - Identifying and estimating leakage
 - Estimating abatement
 - Project monitoring
 - Project-specific record keeping
 - Project-specific reporting



thinkchange

www.climatechange.gov.au

Government methodologies

- Reforestation – permanent environmental plantings
- Reforestation – field based methodology
- Regrowth forests
- Native forest protection

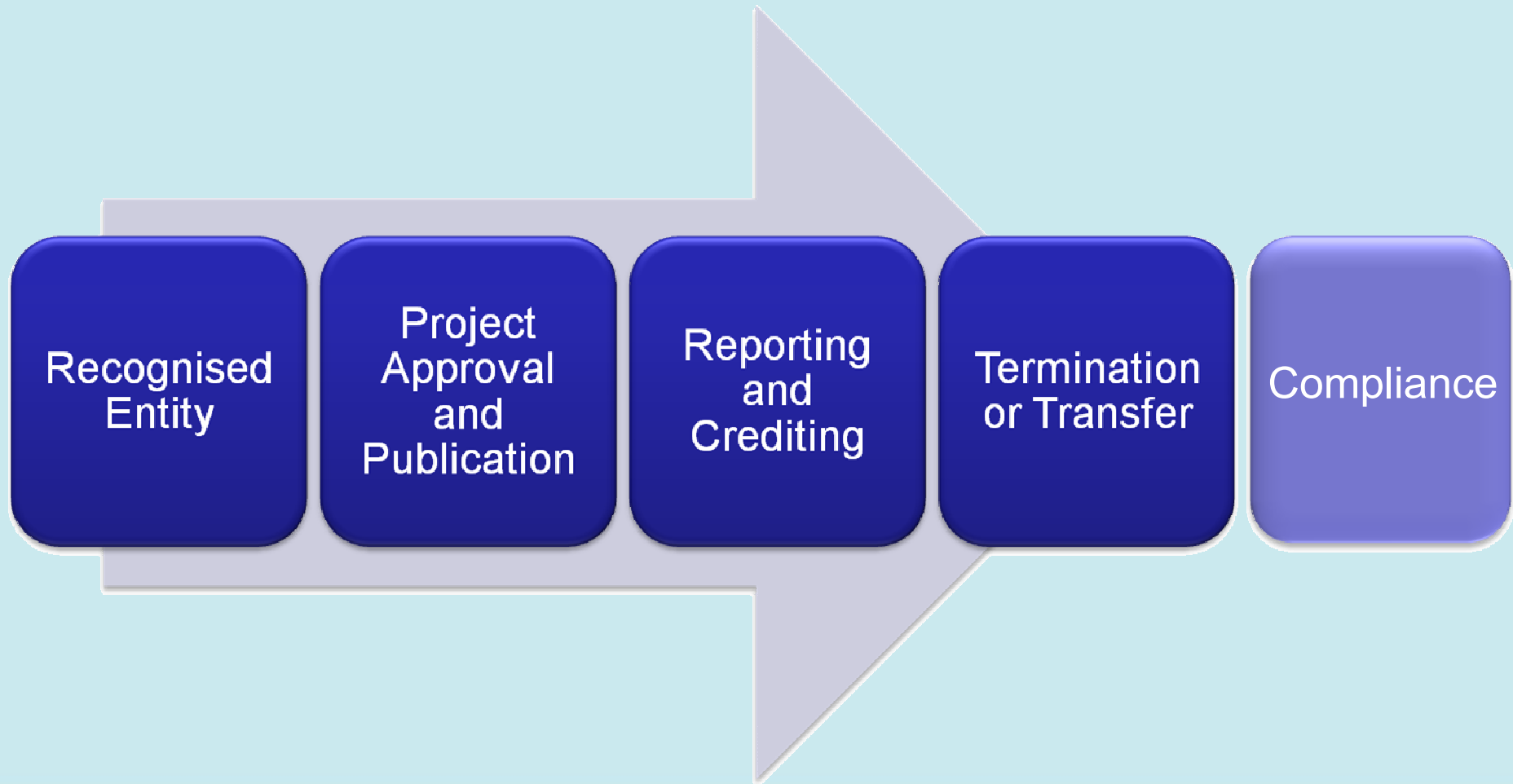
- ...and assisting private methodology developers.



thinkchange

www.climatechange.gov.au

Scheme Mechanics



thinkchange

www.climatechange.gov.au

Project Approval

- Approved by scheme administrator
 - Eligibility requirements
 - Environmental, planning and water requirements
 - Not required by regulation
 - Biosequestration projects
 - Evidence of carbon ownership
 - Consent of interest holders
 - Noted on land title
 - Consideration of regional natural resource management plans



thinkchange

www.climatechange.gov.au

Publication of Project Information

- Public database of offset projects:
 - Project description, including location
 - Project Manager and carbon rights holders
 - Offset units issued (and relinquishment)
 - Applicable methodology
 - Any carbon maintenance obligation
 - Optional: information about biodiversity and other co-benefits



thinkchange

www.climatechange.gov.au

Reporting and Crediting

■ Reporting

- In accordance with methodology
 - Between 12 months and 5 years
- Independently verified
- Report major changes to the project

■ Crediting

- Issued after abatement
- Into National Registry



thinkchange

www.climatechange.gov.au

Exporting AAUs and ERUs

- Kyoto recognised abatement
 - Guidance maps - Kyoto land eligibility
- Report and elect to receive Kyoto units by end March 2013
- New arrangements possible after 2012



thinkchange

www.climatechange.gov.au

Transfer and Termination

- Emissions reduction projects
 - terminated by the project proponent
 - transferred to another registered entity
- Biosequestration projects
 - terminated if units are relinquished
 - transferred to another registered entity with approval of the administrator



thinkchange

www.climatechange.gov.au

Questions?



thinkchange

www.climatechange.gov.au