Carbon on Country

Acknowledgment of Country

The Office of Energy and Climate Change acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land, and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

About the artwork

Regeneration:

Josie Rose is a Gumbaynggirr woman who expresses her contemporary Gumbaynggirr cultural heritage through art.

For Regeneration her chosen medium is acrylic paint on canvas and the design embodies both creative and cultural expression. The inspiration for her artworks comes from a deep place of spiritual connection to her family, community, culture and respect for Mother Earth. Gumbaynggirr Country is beautiful land with both freshwater and saltwater waterways which inspire her holistic connection to the Ancestors.

Artwork credit: Josie Rose

What will we talk about today?

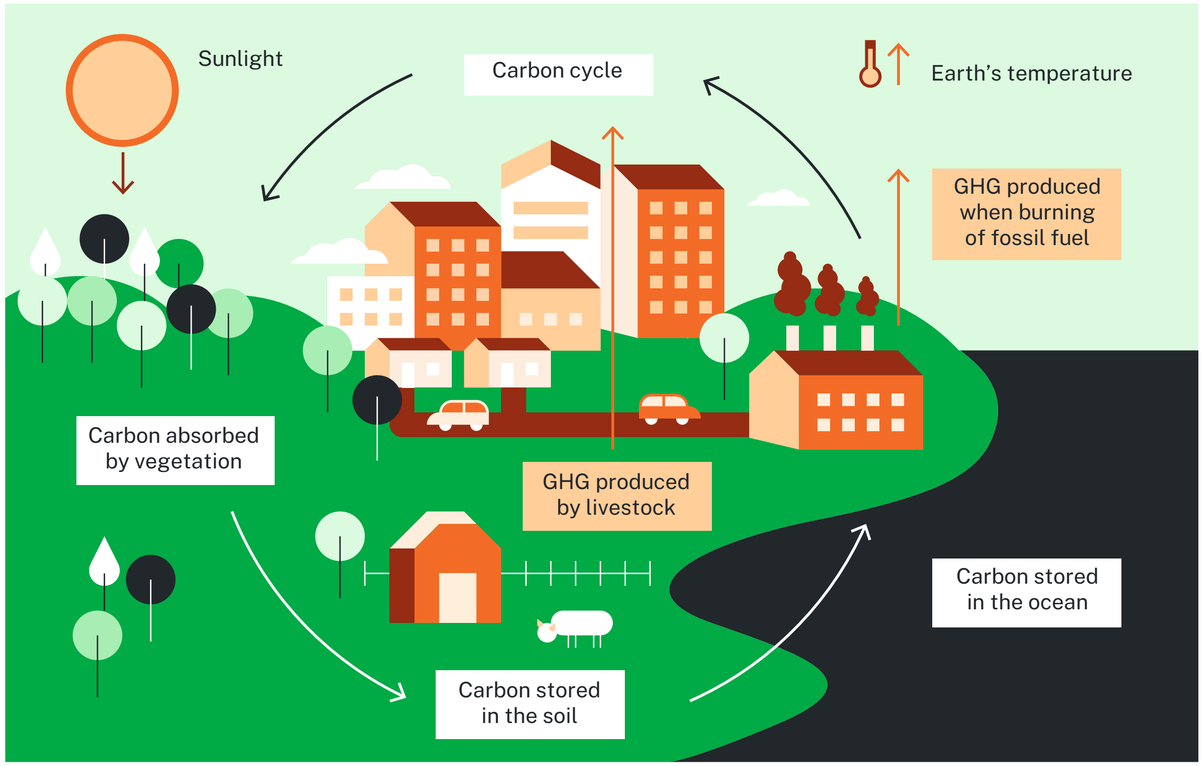
- What is carbon farming?
- How can you get involved?
- How do you know if carbon farming is good for your Country and community?
- What are the benefits and risks?
- What do you need to run a carbon farming project?

What is carbon farming?

Carbon farming involves changing the way certain activities on the land are done in order to:

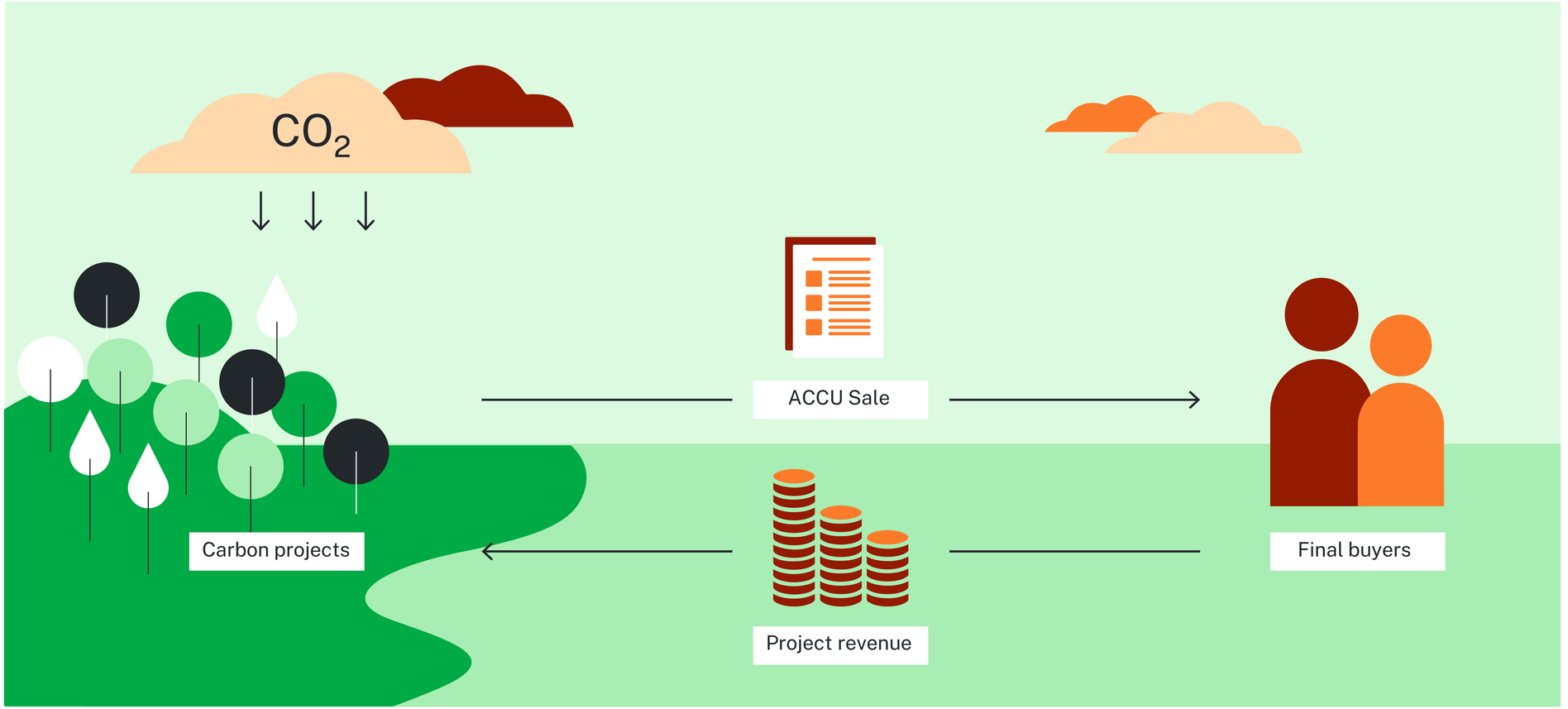
- capture and store carbon in vegetation and soils (carbon sequestration), or
- avoid greenhouse gas emissions being released into the atmosphere in the first place.

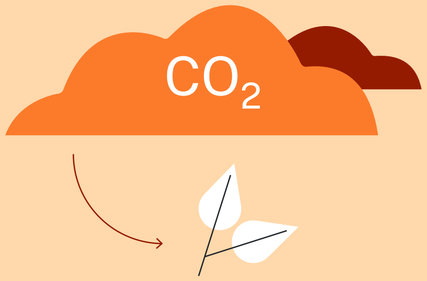
What are carbon emissions?



- Carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (NO_2) are all greenhouse gases (GHGs). GHGs are often referred to as 'carbon emissions'.
- Activities such as land clearing, burning fossil fuels and agricultural activities such as fertiliser application, beef and dairy farming, release GHGs into the atmosphere.
- Too many GHGs trap the sun's heat and cause climate change.
- Carbon farming activities such as planting trees can help reduce the impacts of climate change.
- Trees sequester carbon through a process called photosynthesis. Carbon is then stored in the plant, rather than in the atmosphere.

How does the carbon market work?





1 tonne

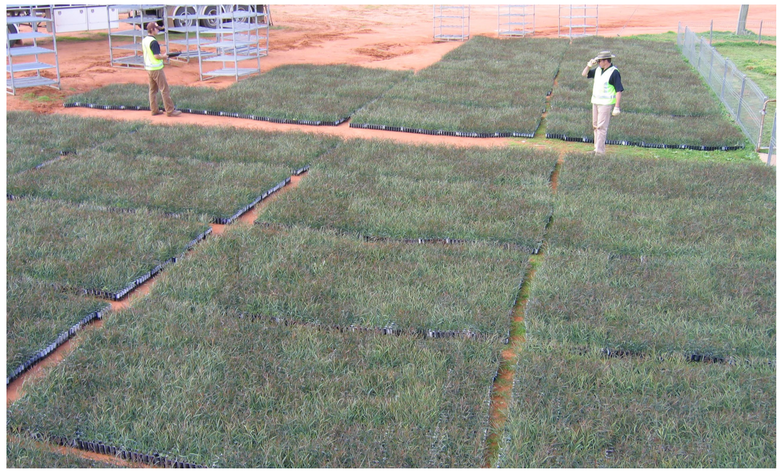
of CO_2e sequestered from the atmosphere

= 1 ACCU

What does a carbon sequestration project look like over time?

Tubestock

arriving on site - August 2005



5 months

after planting - January 2006

15 months

after planting - December 2007

Images are from Carbon Estate – Creating a Better Climate project at *Barooga Karrai. Barooga Karrai* is owned by Murrin Bridge Local Aboriginal Land Council, NSW.

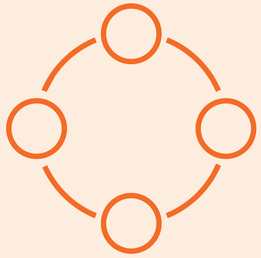
What does a carbon sequestration project look like over time?

17 years

later at *Barooga Karrai* - June 2022

Co-benefits are positive impacts of a carbon project on Country

Cultural renewal



Protect cultural sites

Collect bush foods

Maintain traditional knowledge, language and practices

Social

Connected community

Confidence, purpose and pride

Meaningful participation

Carbon projects can support multiple benefits (co-benefits)

Caring for Country

Healing Country

More biodiversity and totemic species

Reducing feral animals and weeds

Economic

Community resilience

Employment opportunities

Economic independence

Who is involved in a carbon farming project?

The **project proponent** is the project owner. The project proponent is legally responsible for the project.

Service providers are companies that help people carry out carbon farming projects. They might be referred to as:

- agents
- aggregators
- advisers
- project developers

Clean Energy Regulator (CER) is the Australian government body responsible for registering carbon projects under the ACCU Scheme, running auctions, managing carbon abatement contracts and issuing ACCUs.

Make sure all project participants understand and follow the free, prior and informed consent (FPIC) process.

The Indigenous Carbon Industry Network (ICIN) has produced a best practice guide to FPIC. Visit icin.org.au/resources to access the guide.

Which carbon methods could work on Country?

The Clean Energy Regulator (CER), provides guidelines for each project method. This includes eligibility criteria, and how the project must be carried out, monitored and reported to receive ACCUs.

Vegetation management

- Reforestation by environmental or mallee plantings FullCAM method
- Reforestation and afforestation
- Human-induced regeneration of a permanent even-aged native forest

Soil carbon

- Estimating soil organic carbon sequestration using measurement and models method

Blue carbon

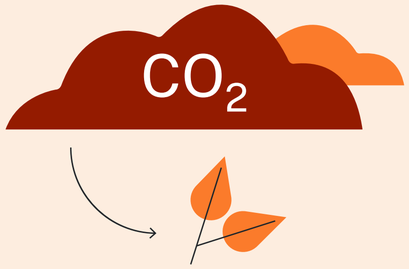
- Tidal restoration of blue carbon ecosystems (coastal wetlands)

What are the benefits of a carbon project?

By setting up a carbon farming project you can earn carbon credits

↓

Australian Carbon Credit Units (ACCUs)



1 tonne

of CO_2e sequestered from the atmosphere

= 1 ACCU

ACCU Scheme auction (April 2022)

↓

$17.12 per ACCU

Spot market (as per April 2022)

↓

≈$35 per ACCU

Example

10,000 tCO_2e

= 10,000 ACCU

↓

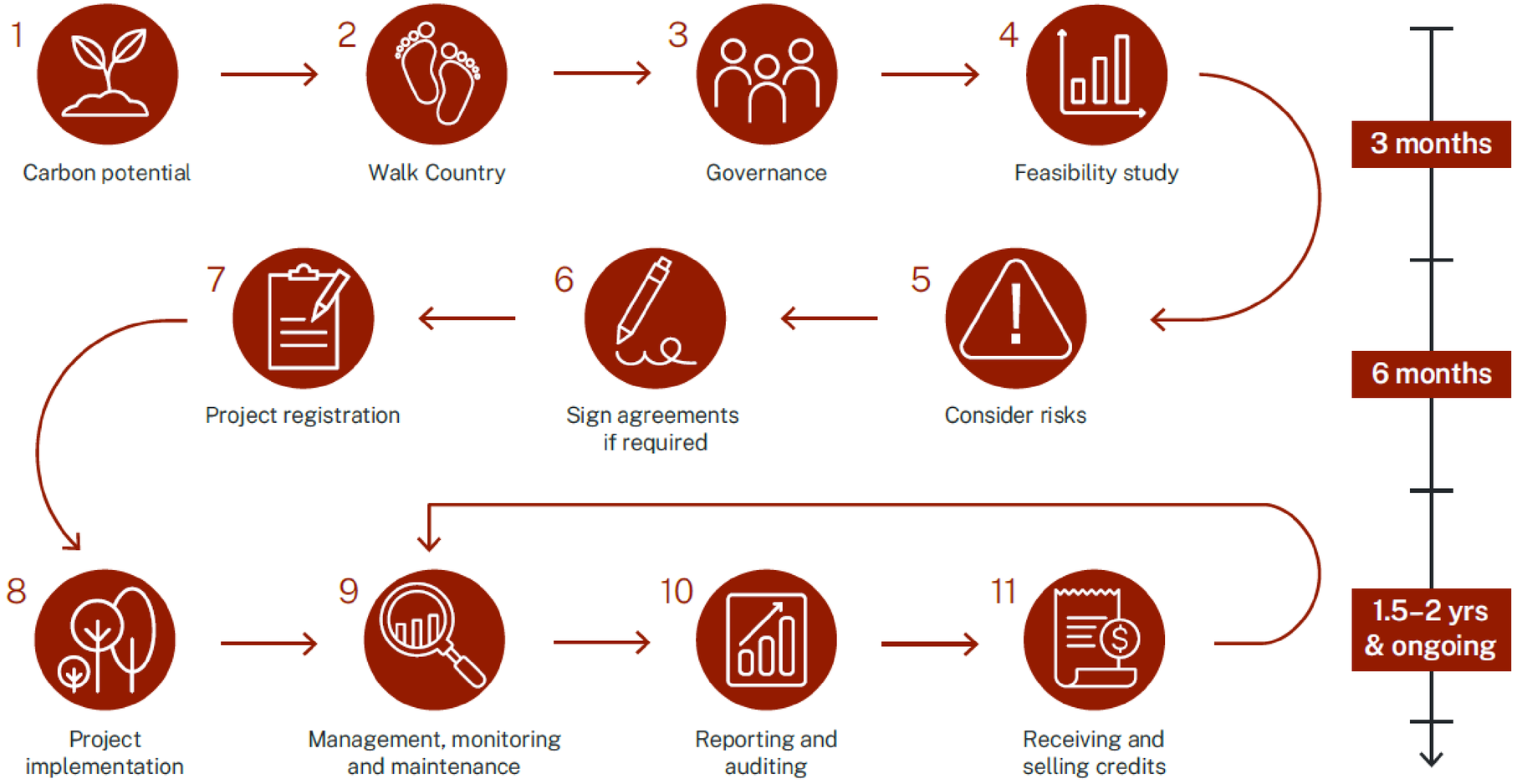
$171,200 – $350,000

Carbon farming projects provide multiple benefits other than economic revenue and reduction of emissions

↓

Co-benefits

How to set up a carbon farming project?



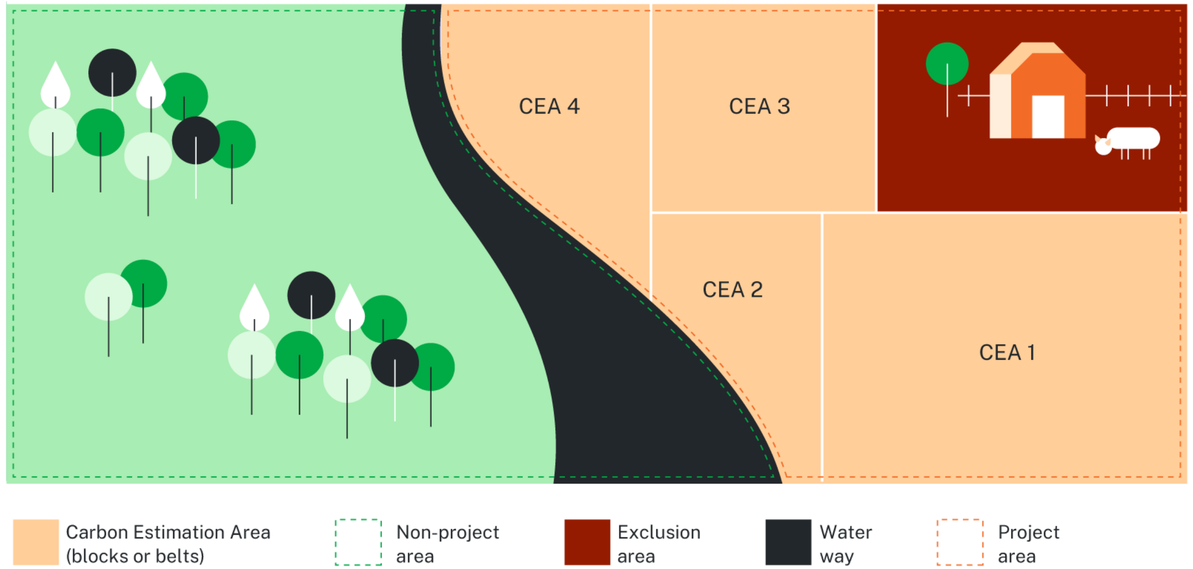
Identifying potential for carbon

Questions to consider

- How many hectares of land do you have available?
- Individual or aggregated project?
- What is the type of land?
- What is the annual rainfall?
- Are there any risks of natural disasters?
- What has the land been used for?
- Do you have the legal right?
- How long can you commit to a project for?

Identify your Carbon Estimation Area (CEA):

- CEA is an area of land within a project area, where eligible project activities are carried out to generate ACCUs.
- CEA excludes non-eligible areas like houses and roads.
- You can use LOOC-C to estimate how many ACCUs your CEA will generate. Visit looc-c.farm



Will an environmental planting project work on my land?

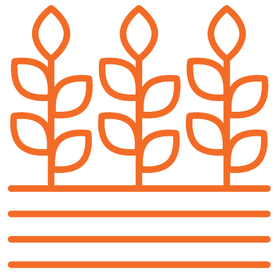
Eligibility

You have the legal right to use the land (leaseholder, Native Title)

You must maintain the project for a minimum of 25 years or up to 100 years

You must meet the newness and additionality requirement

Land has been clear of native forest for at least five years

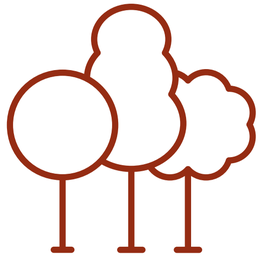


Land is already clear of woody weeds

For mallee plantings, <600 mm of annual rainfall

Will an environmental planting project work on my land?

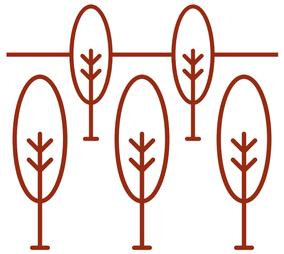
Project activities



OR

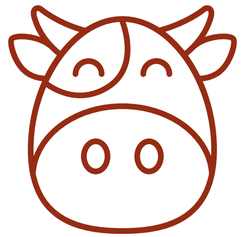
Establish a mix of native trees, shrubs and understorey species

Establish mallee eucalyptus trees



Your project must establish new forest cover. *Forest cover: trees over two metres tall and crown cover of 20%*

Plant either seeds, seedlings, tubestock or saplings



Comply with harvesting and grazing restrictions

Carry out maintenance activities: watering, weeding, fencing, etc.

Is my land right for an environmental planting project?

Suitable land

- Land that had forest on it 5 or more years ago and clear of regrowth
- Land that has been used for livestock grazing with no forest growing back
- For mallee plantings, land with less than 600 mm of annual rainfall
- Land clear of forest with enough annual rainfall for the trees to grow.

Unsuitable land

- Land with established forest
- Land that has been clear of forest for less than 5 years
- Land that has been clear of forest for over 5 years AND:
  - is now a forestry plantation
  - the forest is now growing back
  - is infested with woody weeds
  - is now used for cropping and the landowner wants to continue cropping or
  - was once a wetland.

Do you have the legal right to undertake the carbon project?

Exclusive ownership or native title

Gain consent from the whole community to run the carbon project.

Non-exclusive native title

Revise joint management agreement to include running a carbon project.

Non-Indigenous landholder partnership

Set up an agreement with the non-Indigenous landholder to participate in an existing carbon project or set up a new one.

Eligible interest-holder consent

Consent from eligible interest holders including:

- Banks that hold a mortgage over the land
- Registered Native Title Bodies Corporate
- Crown land minister.

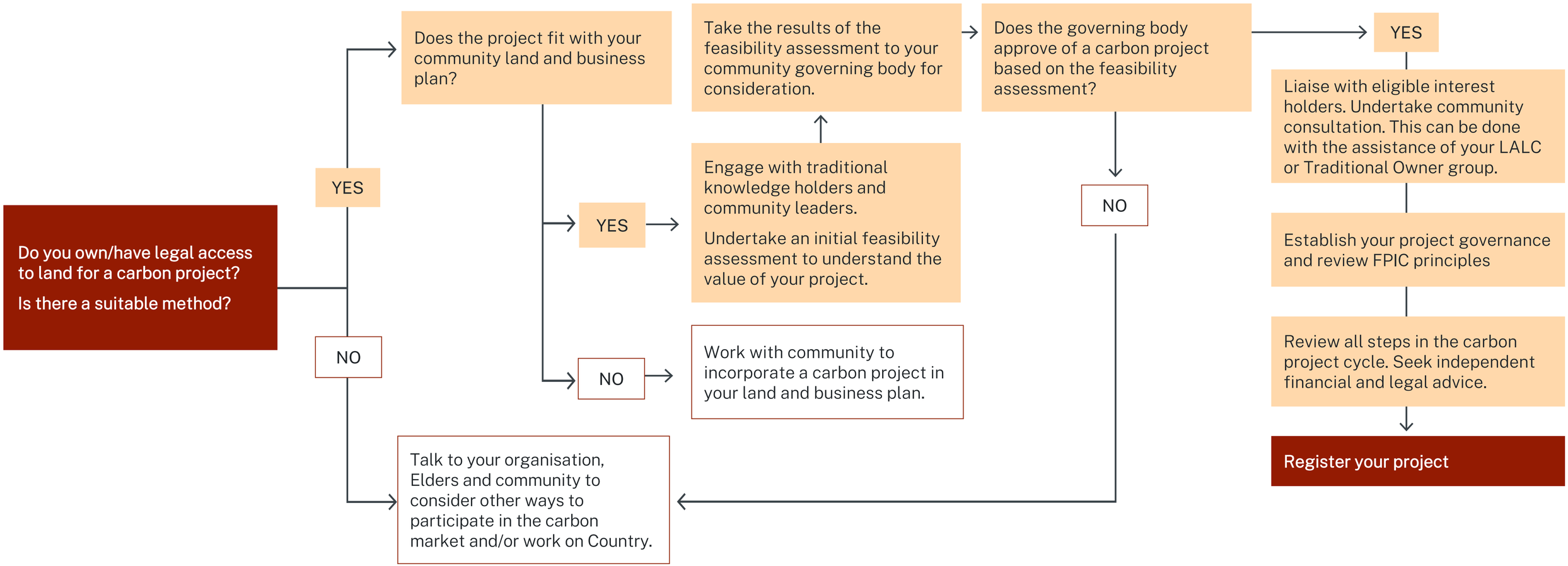
Indigenous Protected Area

Update relevant IPA plan to include carbon project and key outcomes for the community.

Indigenous Land Use Agreement (ILUA)

Revise the agreement with all the parties involved and ensure the agreement includes running a carbon project.

Is a carbon project right for your community and your Country?

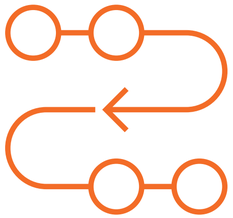


Governance is key

It is important to set up an organised structure that respects the needs of everyone involved

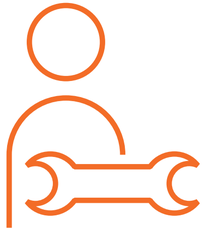
People

- Leadership structure
- Service provider
- Long-term ambitions
- Succession planning



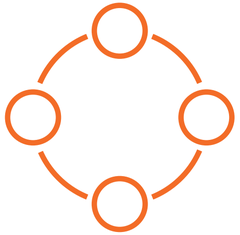
Processes

- Understanding laws
- Project management plans
- Risk management



Resources

- Infrastructure
- Funding
- Labour
- Training



Culture

- Passing on culture, knowledge and language
- Respecting FPIC
- Communication

How can you participate?

1

Run your own project

- You have the legal right
- You run your project
- You receive ACCUs from your project.

2

Provide services

- You can participate in someone else's carbon project as a subcontractor. This could include project activities such as cultural site surveys, collecting seeds, site preparation, planting or maintenance.
- Fee for service basis.

Which project models can be used when you own the land?

Project model:	Run your own project	Partnering with a CSP	
	You are the project proponent	You are the project proponent	CSP is the project proponent
Context	You conduct the project without partnering with a CSP. Subcontractors for very specific tasks may be used.	You engage with a CSP to carry out the project.	You engage with a CSP to carry out the project.
Who manages the relationship with the CER?	You	The CSP (generally a project agent)	The CSP
Who receives the ACCUs from the CER?	You	You	The CSP
Benefits	Ownership and control of the project and its benefits • Minimal or no CSP fees • High participation and training opportunities	• Ownership of the project and its benefits • Receive assistance from service providers • Shared responsibilities (you and CSP) • Scope for learning and running project autonomously in the future	• Minor administrative responsibilities for you • Easy to meet project requirements as the CSP has established expertise in the process
Considerations and risks	• You have total responsibility for the project • Lack of skills, licenses and infrastructure may affect the project	• CSP fees • Delivery of the project may be affected if CSP does not provide adequate support	• Financial incentives for you are lower • ACCUs flow directly to another party

Note: ‘You’ refers to Aboriginal organisation/landholder

Potential risks

Types of risk	Potential causes	Prevention
Governance risks	Systems are not put in place for clear decision-making, record-keeping, knowledge and data sharing over the life of the project.	Establish and follow agreed decision-making, record-keeping and communication processes. Set up a project management plan and review process.
Legal and property risks	Carbon maintenance obligations last for 25 or 100 years and can affect future land use decisions/transfer of land.	Seek independent legal and property advice before starting a project.
Financial risks	Costs are underestimated, revenue from ACCUs is over-estimated.	Undertake a thorough feasibility study. Seek independent financial advice. Revise and update budgets regularly.
Environmental risks	Extreme weather events, bushfires, flooding.	Seek expert ecological advice. Maintain a contingency fund to support recovery works in the event of a natural disaster.
Cultural risks	Your story is used in unintended ways, cultural sites are damaged.	Cultural sites and activities are mapped first. ICIP is acknowledged and principles of FPIC are upheld.
Opportunity costs	Alternative use of the land is forgone because of the decision to set up a carbon project.	Engage with community and consider long-term aspirations for your land. Does carbon fit with what you want for Country in 10, 25 or 100 years?

Thank you

Carbon on Country