

What is Carbon Farming?

Carbon farming refers to the land-based activities that sequester (or store) carbon which reduces the amount of carbon dioxide in the atmosphere and can generate carbon credits.

Carbon credits are assets that can be used to offset a business's emissions, sold to generate income, either to the Australian Government or to private buyers seeking to offset their emissions, or held as an asset.

Farmers are well-placed to implement carbon farming projects on their properties, using less productive land or increasing the land's productivity, and obtaining a range of other benefits that arise from the project activities.

Is carbon farming right for you?

- Are you seeking a diversified income from the sale of new assets (tradeable carbon credits) or selling biomass for the growing bioenergy market?
- Are you looking at moving towards having carbon neutral products or actively pursuing a net zero emissions farming enterprise?
- Do you want to maximise productivity by reducing erosion and salinity or water logging, or improving soil health?
- Do you have a passion for restoring the environment and improving your farm's long-term sustainability?

If you answered YES to any of these, a carbon farming project could be for you!

What is the ACCU Scheme?

The ACCU Scheme (formerly the Emission Reduction Fund) is an Australian Government initiative designed to give landholders the opportunity to run carbon farming projects and generate Australian carbon credit units (ACCUs).

The amount of carbon that can be stored by a project depends on the method or activities used, and its location, soil type, previous land use, and rainfall.

Activities must begin after the project is registered with the Clean Energy Regulator (CER), The project cannot start before registration, which includes baseline sampling for soil projects or preparing the site and buying seedlings for vegetation projects. This can affect its eligibility with the CER and the issuing of ACCUs.

Soil carbon projects require a Land Management Strategy to gain registration. This document outlines what the project activities are going to be. Harvested plantation and farm forestry projects require a Forest Management Plan and/or Harvest Plan.

How to Participate in the ACCU Scheme

1. Choose a project

Decide **what type of project** that stores carbon dioxide in vegetation or soil you want to do. Read the 'ACCU Scheme Methods' about the methods, the rules and eligible activities.

2. Register your project

To be issued with ACCUs you need to **register your project** through the <u>CER Client Portal</u>. This includes demonstrating the legal right to do the project.

3. Deliver the project

Start the project which includes working out the baseline of where the carbon levels have been before the project started. Maintain the activities and the carbon for the agreed period e.g., 25 years.

4. Report on activities

Audited reporting is undertaken within the first 5 years to determine how much carbon was stored by your project's activities.

5. Claim carbon credits

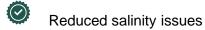
For every tonne of CO₂ stored, the CER issues 1 ACCU to your project's Australian National Register of Emissions Units (ANREU) account.

6. Sell or hold credits

Once issued ACCUs can be sold, held as a future asset, or used to offset emissions. These are personal property and taxed on disbursement.

Co-benefits

Co-benefits are the additional, positive outcomes that come from running a carbon farming project. These can also increase the perceived and actual value of the carbon sequestered and reflect the type of project and are unique to your property. Co-benefits can include:



Reduced erosion

Increased soil health

Restored wildlife habitats

Improved water quality

Reduced fuel & fertiliser costs

Protection for stock

Aboriginal and local business opportunities

Increased yield and productivity

Improved pasture condition

Costs

It is important to consider the costs at different stages of a project:



Planning and establishment costs i.e., developing a Carbon Farming Plan, soil sampling, planting of seedlings and site preparation, and changed practices.







Tools and resources

The CF-LRP has resources to help you: agric.wa.gov.au/CF-LRP/Resources

Online tools can help you estimate the carbon sequestration potential of the land:

- LOOC-C a simple tool that guickly gives a general idea of methods and potential.
- FullCAM (Full Carbon Accounting Model) used to model vegetation projects.
- <u>Cool Farm Tool</u> free for farmers to create 'what-if' scenarios with farm-specific data to show the benefits of regenerative practices and carbon sequestration.
- <u>CarbonScout</u> a paid service that models different scenarios.
- CarbonCount a paid service for soil projects.

For more information

Visit the <u>Carbon Farming and Land Restoration Program</u> website for case studies, information and funding opportunities.

Email <u>carbonfarming@dpird.wa.gov.au</u> for information and support.



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