DEC. 2021

COMMUNITY, CARBON & CONSERVATION

BUILDING RESILIENT LANDSCAPES BY EMPOWERING FARMERS TO REHABILITATE MARGINAL LAND, DIVERSIFY INCOME AND CONSERVE BIODIVERSITY

"It's has been a good way to begin restoring biodiversity on our farm and make a future income of our marginal land, it is helping to diversify our farming business and build our on-farm resilience" – Project Farmer

The grassroots approach

BY FREYA SPENCER, GILLAMII

In October the Prime Minister announced a long-awaited commitment to reach net zero emissions by 2050. This follows on from other key announcements earlier this year such as Meat and Livestock Australia's Carbon Neutral by 2030 (CN30) publication in March and the State Government's $15m investment in a new Carbon Farming and Land Restoration fund in July.

Net Zero is a term that often gets used with limited information on what it really means, or how it can be achieved both on-farm and nationally. For Australia, Net Zero 2050 means that by year 2050, the amount of carbon dioxide Australia is removing from the atmosphere will have to be the same as, or more than, the amount it is emitting. It is unsure at this stage what Net Zero 2050 will mean for the agricultural industry and individual producers but with 14% of Australia's greenhouse gas emissions coming from the sector, it is safe to say that any industry or government legislative change will have widespread impact. Global net zero targets have also opened the door to an increased investment into the Australian Carbon Farming Industry.

In 2020, this increased investment coincided with a prolonged decreased investment in the Landcare sector and lead Gillamii, North Stirlings Pallinup Natural Resources (NSPNR) and Threshold Environmental to develop a partnership to empower farmers to rehabilitate marginal land, diversify income and conserve biodiversity. This initiative is now known as the Community, Carbon and Conservation Project. The project focuses on sequestration through biodiverse native plantings, with an emphasis on grassroots collaboration. Working with a group of progressive farmers, the project is currently underway restoring 550ha of marginal land through biodiverse carbon plantings with ecological restoration leader, Threshold Environmental. The project also encompasses 55km of protective fencing for the large-scale restoration sites, delivered by Gillamii and NSPNR, funded by the Western Australian Government's State NRM Program. Marginal land is land that traditionally has little or no agricultural value, however with projects such as this one, marginal land can now offer farmers a new financial opportunity through diversified income, while also addressing on-farm environmental and production issues such as salinity, wind erosion and soil health.

In this project, diversified income is derived from the production (though the growth of vegetation) and sale of Australian Carbon Credit Units (ACCUs), which are formalised after each reporting period throughout the lifetime of the project. One carbon credit is the equivalent of one tonne of carbon dioxide gas, written as tCO2e. ACCUs are essentially a unit of currency, which can be purchased in Australia to offset national emission requirements. The amount of ACCUs produced by a project depends on a multitude of factors such as the location, size and duration of the project (25 – 100 years). This has recently been a point of focus in news headlines as the price of ACCUs has more than doubled this year, with the spot price reaching a record high of $36.50 in October 2021.

- **Rehabilitating Marginal Land**
- **Diversifying Income**
- **Conserving Biodiversity**

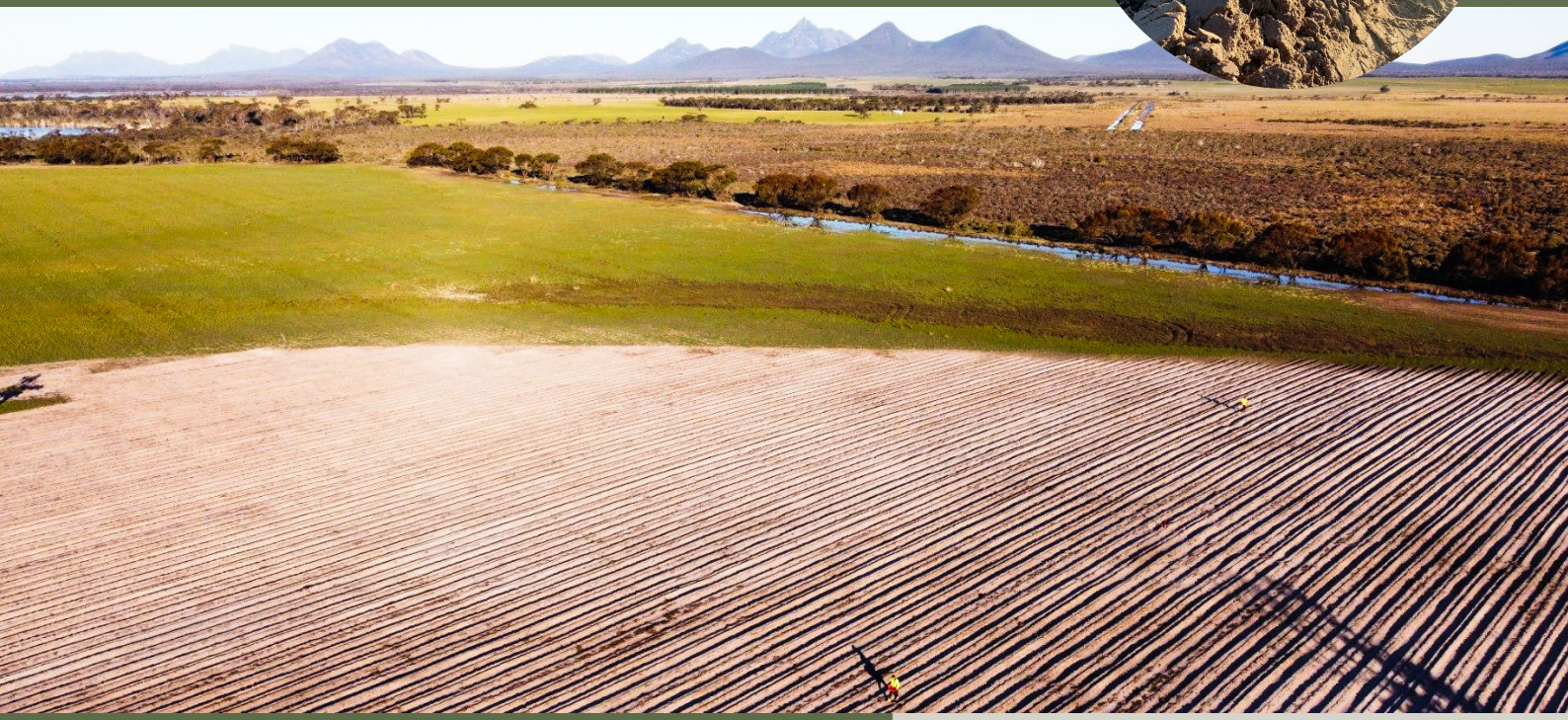
As Net Zero targets formalise, ACCU value is rising, as large corporates seek to offset their emissions to comply with new targets. ACCUs can currently only be traded domestically in Australia, in Europe, during September 2021 the carbon price broke $100 (€64) a metric tonne, with New Zealand reaching over $60 ($NZ65) a tonne. The more ambitious the country's Net Zero target, the higher the carbon price. With discussions of international trade arrangements being developed in the coming years, it is not unrealistic to expect ongoing fluctuations in the price of carbon.

The development, registration and management of Carbon Farming projects can seem complex to someone not familiar with the industry and for this reason individuals often partner with carbon service providers. These providers offer a variety of financial partnerships such as leases on land or a share in the ACCUs produced. To maximise local benefit, the Community, Carbon and Conservation project is being established and managed by Threshold Environmental with landholders maintaining the majority share of the credits produced.

The development of the Community, Carbon and Conservation project from the grassroots has allowed both Gillamii and NSPNR, as local grower groups, a unique opportunity to be involved in a large-scale Carbon Farming project. As the first year of the project reaches completion it has emphasized the complexity involved and the need for community involvement in both the development and establishment phase of the project. Each farmer has a different motivation, succession plan and piece in the landscape which cannot be overlooked and needs careful consideration. The project has also highlighted the need for increased industry education and awareness in regional communities. Competition among carbon service providers is strong, which means landholders have a range of options available to consider. Understanding the drivers of demand, limitations on supply and the associated risk is as important when making carbon farming decisions as it is within grain and livestock markets. It is important to understand the difference between generating carbon credits to offset industry emissions or generating credits for future on-farm offsets. If you're using your land to offset for a polluting entity, it can't also be used to offset your own on-farm emissions. Carbon Sink plantings are just one method for reducing overall on-farm carbon emissions and other options such as soil carbon, reducing livestock emissions and reforestation are currently being established throughout the sector.

For Gillamii, NSPNR and Threshold Environmental, future years of the project will focus on strengthening current relationships with project farmers, taking time to assess the biodiversity outcomes of the large-scale plantings, as well as one-on-one training to assist each individual farmer to understand how to manage the ACCUs produced from the project over time. Resources will also be focused on baselining farms to understand net emissions and provide impartial assistance to individuals considering carbon farming projects, with hopes of empowering farmers to understand the complex industry, its risk and its potential.

For more information, please contact Freya Spencer at admin@gillamii.org.au



Building resilient landscapes by empowering farmers to rehabilitate marginal land, diversify income and conserve biodiversity.

This project is a collaboration between the Gillamii Centre, North Stirlings Pallinup Natural Resources and Threshold Environmental. This project is supported in part, by funding from the Western Australian Government's State NRM Program and Threshold Environmental. The project also acknowledges the commitment and involvement from all partner landholders.

www.gillamii.org.au

www.thresholdenvironmental.com

www.nspnr.com.au

www.nrm.wa.gov.au