Carbon scheme a win-win for farmers, business and the environment

International interest in a carbon credit scheme provides a win-win for farmers and the environment

The Federal Governments Carbon Farming Initiative, due to be introduced mid 2011, is already attracting interest from large corporations in Australia and overseas. The scheme encourages establishing forests for biodiversity and other environmental co-benefits rather than monoculture plantations. Buyers are already making enquiries to invest in Australian reforestation projects that will produce carbon credits that are low risk, resilient, and improve marginal farm land.

There has already been interest from one major bank on behalf of its client, a major emitter, in biodiverse carbon forests which are more resilient to the harsh Australian conditions. Internationally there is demand for forest carbon credits and buyers are prepared to pay more for additional social and/or environmental benefits including biodiversity.

Ray Wilson, Carbon Neutral CEO, says the scheme provides a framework for farmers to benefit financially by integrating farming into the carbon business. This can be done on second-class farmland, without impacting negatively on food production or being reliant on large monoculture plantations which have long been a concern of farmers and regional communities.

Carbon Neutral is preparing to work with farmers under the scheme to plant mixed native species forests to generate carbon credits to meet demand from Australian and overseas companies. Professor Ross Garnaut has criticised Australian Governments for historic market failures in valuing biodiversity and supports the restoration of native forests for carbon sequestration and biodiversity outcomes.

Most important, the scheme will produce carbon offsets eligible under the National Carbon Offset Standard, a new standard introduced by the Federal Government in July 2010. Currently there are no Australian offsets that meet the eligibility criteria meaning Australian companies have to send funds offshore. The Carbon Farming Initiative will fill this void ensuring valuable corporate funding is directed to farmers and organisations like Carbon Neutral to establish eligible projects in Australia.

Mr Wilson said that farming systems incorporating tree plantations could be used to produce bio-energy and carbon offsets as part of the long-term solution towards increasing renewable energy productivity and long term agricultural sustainability.

The scheme could be the catalyst for a wide-ranging rethink on land use planning and design across the whole rural landscape. The economic, environmental and social implication of biodiverse forest sinks in a low carbon economy poses exciting opportunities for rural Australia.

Carbon Neutral is a not for profit company working with hundreds of organisations and thousands of individuals to measure, reduce and offset greenhouse gas emissions and develop and implement revegetation projects.

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Editors notes:

1. Stakeholder submissions on the Carbon Farming Initiative draft are due 21 January 2011

2. The Carbon Farming Initiative: http://www.climatechange.gov.au/media/whats-new/carbon-farming-initiative-detail.aspx

3. Professor Ross Garnaut Carbon Farming and Biodiversity:
http://www.garnautreview.org.au/update-2011/events-speeches/ross-garnaut-economics-climate-change-biodiversity.pdf

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