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27 February 2008

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To Whom It May Concern,

Re: National Greenhouse and Energy Reporting System

Humane Society International (HSI) is pleased to have this opportunity to comment on the National Greenhouse and Energy Reporting System (NGERS) Regulations Policy Paper. Such a reporting system is vital for Australia to meet its obligations under the Kyoto Protocol and any similar global climate change agreements that might be concluded in the years ahead. Such a reporting system is also vital for the implementation of any prospective domestic, regional or global emissions trading scheme.

We note with concern and frustration, however, that the Policy Paper proposes that NGERS will not provide for the reporting of carbon dioxide emissions from one the largest sources of greenhouse gas emissions in Australia: agriculture and forestry - land use, land use change (including deforestation) and forestry (including forest degradation).

Land clearing, alone, is estimated to contribute over 13% of Australia's total carbon dioxide emissions from all sources. This 13% includes not only the burning and decay of cleared vegetation but also the consequent emissions from ongoing soil degradation¹. This level of carbon dioxide emissions is roughly equivalent to the emissions arising from the entire transport sector, making such unsustainable land use, with respect to carbon storage and sequestration, one of the single biggest contributors to Australia's greenhouse gas emissions.

As you will be aware, from the recent Bali meeting of the FCCC COP and Kyoto Protocol MOP, REDD (reduced emissions from deforestation and forest degradation in developing countries) was included in the matters to be considered for inclusion in a future global carbon trading scheme. Realisation that up to 20% of global emissions are attributable to land use change and land degradation was a strong drive for this commendable policy development. It seems strange to HSI that the Australian government can consider accepting that landholders in developing countries can participate in emissions trading yet Australian landholders are not fit to do so.

It would be remiss for such a large source of greenhouse gas emissions as that attributable to emissions from agriculture and forestry (land use, land use change and forestry) to be omitted from the NGERS, yet this is exactly what the Policy Paper proposes. The NGERS Regulations Policy

¹ WWF-Australia. Land clearing. <http://www.wwf.org.au/ourwork/land/clearing/>

Paper states:

*“Reporting methodologies are not yet sufficiently developed for wide-scale measurement of agriculture and land use, land use change and forestry emissions at the facility and corporate levels. To accommodate this under the legislative framework until development of improved methodologies, the legislative instrument for methodologies will specify that emissions from agriculture and land use, land use change and forestry will be considered **zero** for the purposes of thresholds and reporting under the Act.”*

It is hard to comprehend how any government proposing to take climate change seriously could give serious consideration to reporting as “zero” emissions from the primary production sector when it is generally accepted that they actually represent one of the largest sources of greenhouse gas emissions. Specifying that the emissions from agriculture and land use, land use change and forestry will be considered zero until monitoring methods are improved will inappropriately conceal the overall level of emissions from this sector.

More frustratingly, however, failure to report emissions from the agriculture and forestry sector provides a perverse incentive for irresponsible landholders to continue to pursue unsustainable land use practices while imposing a substantial barrier to responsible landholders by denying them an opportunity to profit from adopting sustainable land use practices. To fail to take this opportunity to align climate change policy with NRM policy would be disappointing indeed.

Land clearing to accommodate development proposals has become rife, particularly in NSW and Queensland. While limited progress was made in reducing emissions from landclearing as a significant contribution towards meeting Australia’s original Kyoto Protocol commitment, 424,700 hectares of land was still being cleared across Australia in 2004 from land use change alone². Such a figure greatly underestimates the true level of land degradation generating greenhouse gas emissions as it does not include emissions from forest degradation and other forms of unsustainable land use not classified as ‘land use change’..

Land clearing results in a considerable contribution to Australia’s greenhouse gas emissions. It is conservatively estimated that 100 t CO₂-e (tonnes carbon dioxide equivalent) are released from both above ground biomass and soil carbon for each hectare of forest and woodland land cleared, with clearing of regrowth resulting in similar emissions from soil and approximately 20 t CO₂-e from biomass³.

While methodologies for fine-scale reporting of carbon fluxes for from

² Department of the Environment, Water, Heritage and the Arts. State of the Environment 2006. Indicator: LD-03 Change in extent and proportion of woody vegetation, clearing and regrowth. <http://www.environment.gov.au/soe/2006/publications/drs/indicator/30/index.html>

³ Radio National. Earthbeat 27 November 1999. <http://www.abc.net.au/rm/science/earth/stories/s70071.htm>

⁴ McKinsey and Company 2008. An Australian Cost Curve for Greenhouse Gas Reduction.

individual landholders for emissions trading purposes may be in their infancy, methodologies for estimating aggregate emissions attributable to land use, land use change and forestry are well developed and perfectly robust enough for sectoral reporting purposes.

Development of guidelines for landholder reporting derived from these sectoral reporting methodologies that can subsequently be reconciled against aggregate estimates is perfectly feasible and should be included in any NGERS Regulations Policy Paper. If individual landholders are of a mind to do so, reliable and verifiable reporting of changes in carbon content against a carbon carrying capacity benchmark is perfectly practicable. Landholders prepared to contribute in this way to any Australian commitment to cut greenhouse gas emissions should not be excluded from participating in an emissions trading scheme simply as a result of poor policy settings.

The Department of Climate Change predicts that land clearing will continue to account for 45 million tonnes of CO₂ emissions every year⁴. HSI questions whether it would be possible to meet the objectives of the NGERS, particularly as a foundation for an Australian emissions trading scheme (AETS), and to contribute to meeting any targets that might be adopted nationally or agreed internationally if such a large contributor to domestic greenhouse gas emissions is excluded.

More importantly, inclusion of emissions from land use, land use change and forestry in any reporting and trading systems:

- not only allows for early gains towards agreed targets to be made (by capturing the one-off gains to be had by avoiding degrading activities) while longer term emissions reductions strategies are developed and deployed;
- but also allows private sector funds, by way of offsets from corporations and facilities in the manufacturing sector, to be used to drive desirable changes in land use practices and to avoid undesirable land use changes.

As the purpose of developing NGERS is to underpin a future domestic AETS, it is important that all measurable and reportable changes in land use and land use practices are accounted for, in particular afforestation of cleared land, reforestation of degraded forest, avoided deforestation and avoided forest degradation. Fine-scale quantification of carbon sequestration and storage and of emissions from the clearing of land, including forest habitat, is possible now – and is necessary now - to enable landholders to participate in any emissions trading scheme.

The inclusion of land use, land use change and forestry in an AETS would also allow both public and private land managers to benefit from participation in any future emissions trading scheme through adoption of conservation and restoration land management practices. Managers should be entitled to carbon credits for specific management actions aimed at:

- restoring those degraded ecosystems with high natural carbon carrying capacity (CCC) and/or high carbon sequestration rates: and
- maintaining the carbon content of such areas by foregoing destructive activities (such as logging of native forests or clearing of native vegetation).

As such, it is essential that the NGERs be expanded to require the reporting of emissions from land use, land use change and forestry by landholders. In order to allow the landholding community time to prepare for such a mandatory reporting requirement sufficient to ensure reporting of emissions and allow participation in trading schemes by individual landholders, we would like to suggest that such a reporting requirement be phased in – a delay of one year while reporting guidelines are developed; a delay of one more year before reporting is mandatory for properties of over 1,000 ha; a further year for properties over 250 ha., and a third year for properties over 10ha. Properties smaller than 10ha. would be obliged to report if they wanted to participate in emissions trading.

Thank you for the opportunity to comment on the NGERs Regulations Policy Paper.

Yours sincerely,



Nicola Beynon
Wildlife and Habitat Program Manager