



Australian Government



# Carbon Farming Initiative

Department of Climate Change and Energy Efficiency

[www.cleanenergyfuture.gov.au](http://www.cleanenergyfuture.gov.au)

# A Clean Energy Future: the four steps

1. Introduce a carbon price: ease the transition
2. Promote innovation and investment in renewable energy
3. Encourage energy efficiency
4. Create opportunities in the land sector to cut pollution.



# Carbon Price Mechanism

- Releasing carbon pollution is currently free
- Carbon price will apply from 1 July 2012
- Around 500 of the biggest polluters will pay the carbon price
- This encourages business to:
  - Cut pollution
  - Invest in clean technology
  - Find more efficient ways of operating

# Carbon Price and the Land Sector

- Exclusion of forestry and agricultural sectors from carbon price obligations
- In addition, forestry activities will not face a carbon price for
  - off-road use of fuel
  - or their on-road use of light vehicles
- Heavy on-road liquid fuel use will not be covered until 1 July 2014



# Land Sector Carbon and Biodiversity Advisory Board

Regional  
NRM  
Planning for  
Climate  
Change

Carbon  
Farming  
Futures

Indigenous  
Carbon  
Farming  
Fund

Carbon  
Farming  
Skills

CFI Non-  
Kyoto  
Carbon Fund

Biodiversity  
Fund

# The Carbon Farming Initiative

- Landholders can receive carbon credits for:
  - Reducing emissions from agriculture and land use.
  - Increasing the carbon stored in soils and vegetation.
  - Kyoto and non-Kyoto activities.
- People and businesses can buy CFI credits to offset their emissions.





# Carbon farming opportunities

## SEQUESTRATION

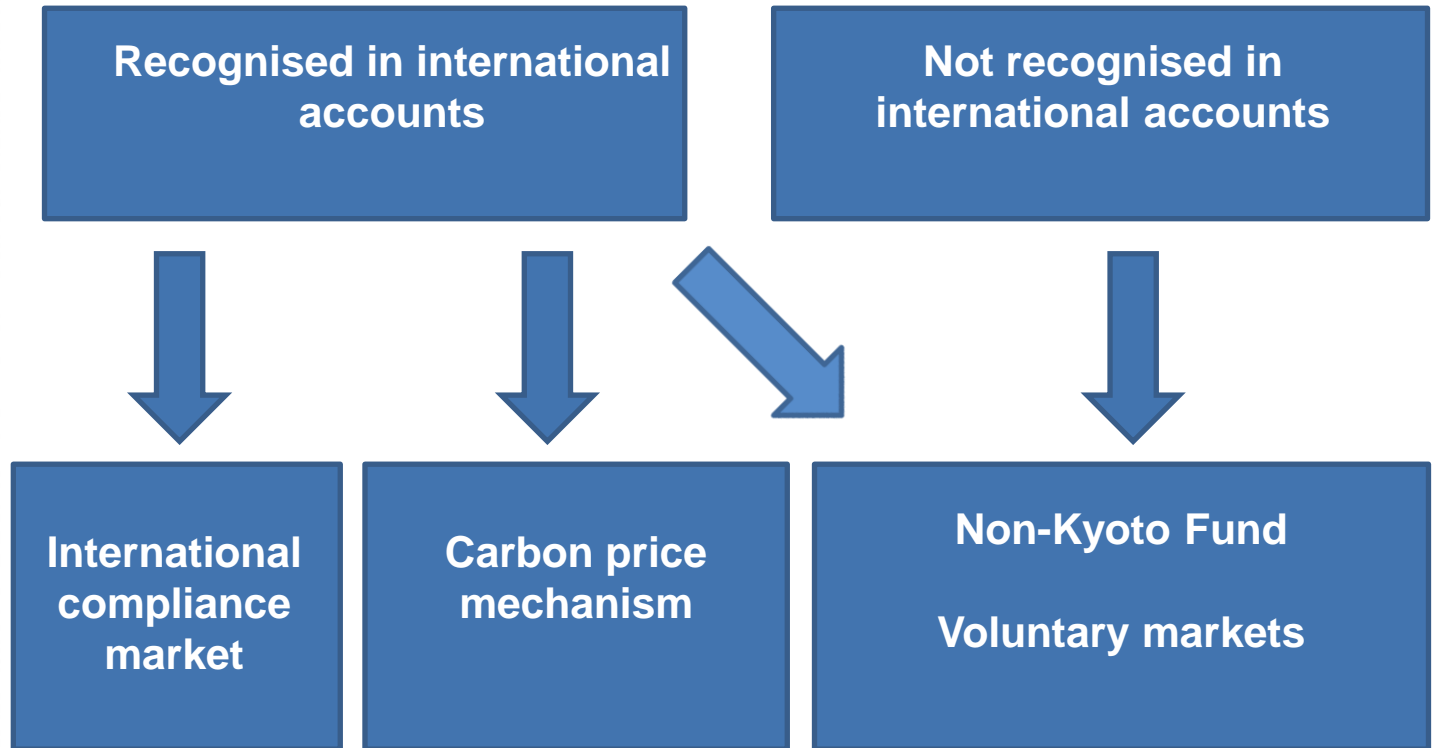
- Reforestation
- Revegetation
- Rangeland restoration
- Soil carbon
- Native forest protection

## EMISSIONS REDUCTION

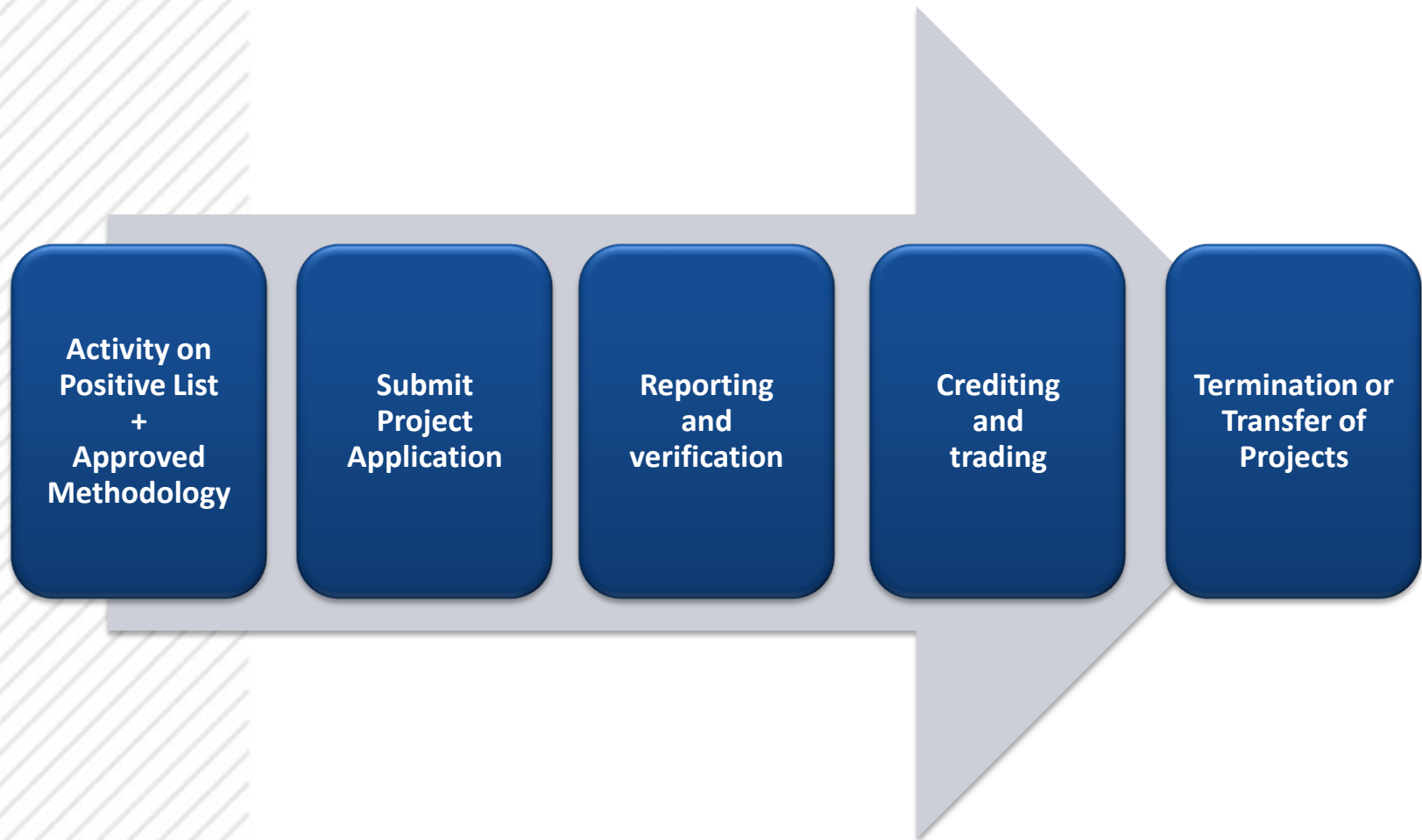
- Fertiliser management
- Manure management
- Reduced livestock emissions
- Landfill gas flaring
- Savanna fire management



# Markets for different credits



# Scheme mechanics – key processes



# Integrity Principles

- Measurable
- Conservative
- Based on peer-reviewed science
- Internationally consistent
- Avoidance of leakage
- Permanent
- Additional

# Permanence obligations

- Maintain carbon or hand back credits
  - Biosequestration only
- Re-establish carbon after a fire or drought
- Risk of reversal buffer
  - temporary losses
  - wrong doing that can't be remedied.
- Carbon maintenance obligation



# Additional Plus

## Additional

- Not mandatory
- Positive List

## Avoiding impacts

- Not on the Negative List
- Regulatory approvals
- Regional NRM plans

## Co-benefits

- Extra benefits for biodiversity or Indigenous communities.

- Questions?

More Information

- Online: [www.cleanenergyfuture.gov.au](http://www.cleanenergyfuture.gov.au)
- Email: [CFI@climatechange.gov.au](mailto:CFI@climatechange.gov.au)