



A Voluntary Carbon Market based on Australia's landscapes

Potential

It is simply not possible to fight climate change without the agriculture, forests and landuse sector, which could offset 30% of global emissions. In Australia deforestation alone accounts for around 13% of emissions according to Treasury estimates. Recent research by CSIRO suggests that the full suite of offsets such as those offered in the shelved CPRS in Section 10 and 11a, and those that can be generated under the National Carbon Offset Standard (NCOS) in the domestic voluntary market, could abate much of Australia's emissions.

The value of this mitigation effort is a minimum of \$3B-\$6B per annum for capturing just 15% of those emissions. A pilot project in the Wet Tropics puts estimates at \$75M-\$161.6M, which supports these national estimates when scaled up.

Environmental Benefits through regional approaches

Australia's landscapes could potentially transform our mitigation efforts and provide crucial environmental benefits, but only if implemented strategically: planting monocultures of forest for carbon or biofuels for example would create highly simplified industrial landscapes deleterious to biodiversity and water, and would end up costing more than the mitigation benefits.

The policy framework to protect and restore carbon across the Australian landscape already exists in the Regional NRM Planning framework where climate and biodiversity are already prioritized. NRM bodies already invest in actions that support national and State government's priorities, but they lack resources, and the funding through Caring for our Country is being whittled away. Securing effective payment for carbon and its associated ecosystem benefits can be a strong driver of reform on a regular and consistent basis forging new opportunities and income streams for regional Australia in a changing world.

Regional aggregation

A functioning pilot scheme in the Wet Tropics region, which is rapidly gaining international attention, demonstrates how Regions can aggregate multiple landholder efforts across the landscape using existing NRM frameworks and existing robust international methodologies for avoided clearing, reforestation and agricultural land management. The approach can manage risk and spread compliance costs allowing the smallest of landholders to opt-in to any emissions trading scheme.

In April this year, the 56 Regions that comprise Australia's landscape endorsed the model, and agreed to support the initiative. This is the first national co-operative programme ever undertaken. It represents a common purpose across the countryside, a sentiment not dampened by the shelving of the CPRS.

A carbon market is essential for this initiative to continue. In the absence of the CPRS this voluntary market could be established immediately by using the CPRS infrastructure of section 10 and 11a, and the National Carbon Offset Standard for activities not covered in those sections. This market, which could be merged into any future emissions trading scheme would immediately allow investment into Australia's landscapes while growing business in a responsible way.