



QUEENSLAND
FARMERS'
FEDERATION

Agriculture and Land Sectoral Plan

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Prepared for:

Department of Agriculture, Fisheries and Forestry

Date prepared:

December 2023

The united voice of
Queensland agriculture

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This submission is provided to:

To: Department of Agriculture, Fisheries and Forestry

Email/website: climate.consultation@aff.gov.au

Our members

- Canegrowers
- Cotton Australia
- Queensland Fruit & Vegetable Growers
- Nursery & Garden Industry Queensland
- eastAUSmilk
- Australian Cane Farmers Association
- Queensland United Egg Producers
- Turf Queensland
- Queensland Chicken Meat Council
- Pork Queensland
- Bundaberg Regional Irrigators Group
- Burdekin River Irrigation Area
- Central Downs Irrigators Ltd
- Fairburn Irrigation Network
- Mallowa Irrigation
- Pioneer Valley Water Co-operative Ltd
- Theodore Water Pty Ltd
- Eton Irrigation
- Queensland Oyster Growers Association
- Lockyer Water Users Forum

About the Queensland Farmers' Federation



The Queensland Farmers' Federation (QFF) is the united voice of agriculture in Queensland.

We are a member-based organisation representing the interests of peak agriculture industry organisations (both state and national). Through our members, QFF represents more than 13,000 primary producers across the cotton, cane, horticulture, dairy, nursery and garden, poultry, pork, and intensive animal industries.

We unite the sector to engage in a broad range of economic, social, environmental, and regional issues through advocacy, policy development, and project activity. We work with the government of the day on behalf of industry, farmers, and the community to provide powerful representation and contribution to the policy direction, sustainability, and future growth of Queensland's agriculture sector.

Our Council of member representatives and policy committees set the strategic priorities for policy development and advocacy, while our Executive Board ensures our corporate governance.

QFF draws on the expertise and industry knowledge of our members, and through our commitment to collaboration and considered policy development, we lead Queensland's agriculture sector towards a strong future, ensuring our members are ahead of the game and have a voice at the table on the issues that matter to their members.

Submission

QFF welcomes the opportunity to provide comment on the Agricultural Land Sectoral Paper.

We provide this submission without prejudice to any additional submission from our members or individual farmers.

Overview

There are many roadmaps outlining the nation's future in renewables and emissions reduction, however the Agricultural Land Sectoral Plan focuses specifically on how the agricultural industry can play a role. QFF welcome the development of an industry focused emissions roadmap and can appreciate the pressing need to identify barriers and opportunities facing the agricultural industry's participation in emission reduction and renewables. It should be noted that the agricultural sector is already carrying a large bulk of the reductions in Australia's emissions, and it was the Queensland land sector which enabled Australia to meet its recent Kyoto Protocol commitments.

There is an urgent need to change the narrative around agriculture and greenhouse gas emissions (GHG) and the negative connotation which is sometimes associated with the agricultural sector and emissions. QFF promotes a systemic approach to emissions reduction, emphasising the importance of collaboration with farmers, suppliers, and other stakeholders in the supply chain for a realistic and effective plan for change. QFF understand the need for genuine carbon credits to achieve true sequestration and emission reduction but this is in some instances driving a rigid and often ineffective approach to carbon abatement methodologies. These schemes will not work to

decarbonise the country if they are not being adopted in the first instance and do not have a long term view. There is a significant opportunity for agriculture to play a key role in sequestering carbon through the soil, and QFF urges the department to have a more realistic, practical and long term view to carbon abatement across the country and to reduce obstacles for farmers to participate alongside food and fibre production, to better assist in the carbon and emission reduction goals.

QFF have provided the below submission in response to the Issues Paper, outlining suggestions and recommendations that will support Australia's agricultural emission reduction framework. These can be summarised as:

- Agricultural producers are ready to play a role in the nations carbon abatement and emission reduction but cannot begin to do so without the appropriate and proper support from the government.
- Producers need to be enabled to undertake soil carbon projects on a smaller scale with more flexibility. QFF advocates for a secondary register of smaller carbon projects that are not necessarily linked to a registered project but have been undertaken proactively and are working to sequester carbon.
- QFF urges the department to stop 'fussing' over outdated notions such as additionality and leakage and support the development of new methodologies to create a more realistic and farm friendly approach to sequestering carbon.
- QFF pushes for the inclusion of an appropriate and effective grandfathering clause to enable those farmers who are already making significant achievements to be recognised and rewarded
- QFF advocates for a shift in the CER reward system, including the incorporation of an incentive or reward for farmers who are successfully reducing their emissions, as opposed to solely enforcing penalties for those project holders exceeding baseline levels.
- Existing and available sustainable alternatives i.e. biodiesel, require further work in development and outreach to satisfy farmers confidence in their efficiency and reliability.
- It is crucial that state and local governments move towards developing energy sharing models and tariff trials, better utilise distribution network infrastructure and invest in research and trials for community owned energy trading.
- QFF stresses that this inevitable 'green energy' premium needs to be shared across the entire supply chain when technologies and sustainable energy sources are scaled up.
- QFF pushes for the extension of energy efficiency rebate programs such as QBEST to make it more affordable for farmers to adopt energy-efficient alternatives.
- QFF pushes for funding to enact additional programs similar to QFF's Energy SQ to provide farmers with a targeted, personalised approach to moving towards renewable energy.
- It is important stakeholders have access to updated and unbiased resources at a local level.

Carbon abatement

Australia's carbon abatement strategy and national Carbon Credit Unit (ACCU) scheme has continued to evolve since its inception, reflecting the reality that ongoing improvements are essential to achieve the country's goal of reduced national emissions. Despite being in-place for over 10 years, the scheme still struggles to garner widespread participation to aid in effectively contributing to Australia's climate goals.

Farmers are ready to play a role in the nations carbon abatement and emission reduction but cannot begin to do so without the appropriate and proper support from the government. Beyond climate change mitigation, carbon farming also improves soil health, decreases global warming, boosts agricultural productivity, enhances resilience to extreme weather events and provides a diversified income stream for farmers.

Producers recognise the opportunities ACCU projects can present however struggle to work around the stringent criteria that the eligible methodologies present. In agriculture exists a massive opportunity for carbon abatement, agricultural soils alone have the potential to offset 20% of Australia's emissions. There is a pressing need to unlock this private sector investment, however, the adoption of these schemes will remain low while the costs and risks of committing to a project remain high across non-farmer friendly methodologies.

Change needed

There are significant barriers to small and medium sized producers undertaking carbon projects while ACCU methods remain as burdensome as they are. The agricultural industry captures a vast range of farming businesses and as a result it is not feasible to have these methodologies as a one-size-fits all approach. As an example, one of the barriers flood prone cropping producers face is the amount of soil carbon they can lose in a year when the paddocks are flooded. It can take up to 18 months to return the soil carbon to previous levels and as a result producers are deterred from participating in these long-term carbon projects given the significant risk regarding penalties and forced re-voation of credits during long-term permanence periods. It's important that these producers are enabled to undertake soil carbon projects on a smaller scale with more flexibility (incl. shorter permanence periods, understanding of fluctuating carbon baselines).

QFF advocates for a secondary register of smaller carbon projects that are not necessarily linked to a registered project but have been undertaken proactively and are working to sequester carbon. It is the combination of all these small farming enterprises that will be the building blocks of the nations carbon abatement.

The provision of additionality is a difficult area to navigate for agricultural producers, aspects of the current additionality criteria are too stringent and act as a deterrent for potential participants, hindering the ACCU scheme's overall effectiveness. QFF pushes for the inclusion of an appropriate and effective grandfathering clause to enable those farmers who are already making significant achievements to be recognised and rewarded. It is important that innovators are rewarded and supported for past achievements that may not have had the opportunity to be recognised before. As the carbon abatement sector continues to quickly evolve, it is fair and reasonable that those who were 'ahead of the game' and proactive in this space, still have the opportunity to be rewarded and enter these markets.

Additionally, QFF advocates for a shift in the CER reward system, including the incorporation of an incentive or reward for farmers who are successfully reducing their emissions, as opposed to solely enforcing penalties for those project holders exceeding baseline levels. It is important that farmers are duly acknowledged and incentivised for their achievements in emission reduction rather than just being penalised for not hitting targets. The agricultural industry represents a large opportunity in the carbon market and those landholders still achieving a nature positive trajectory on farm should be supported, to encourage farmers to persist in their efforts to lower emissions.

QFF urges the department to stop 'fussing' over outdated notions such as additionality and leakage and review scheme methodologies to create more realistic and farm friendly approach to sequestering carbon. This conflict at a policy level is hindering an effective approach to emission reduction and does nothing to foster trust between producers and governments. QFF urges the government to support change as a generational change to reflect real life agriculture. To address the obstacles preventing increased ACCU participation from the Ag industry, in addition to the above suggestions, QFF pushes for the following steps from the government:

- Recognise that producers will face many hurdles that are often out of their control, while trying to maintain productivity and land value whilst also reducing emissions.
- Support the development of new and more effective carbon farming methods to drive innovation and make the carbon market more accessible to producers.
- Incentivise these practices, promote carbon offset programs that provide financial incentives for farmers who adopt carbon farming practices.
- Provide training and resources at a local level to help farmers understand and implement these carbon abatement techniques effectively.
- Support the funding of soil carbon baselines to share the risk with landholders.
- Recognise that carbon farming is just one tool – a more holistic approach is needed.

Put simply, the government's options are (a) review and amend existing carbon abatement schemes to make it easier for farmers to participate without the threat to profitability and land value or (b) avoid the opportunity that the agricultural industry offers.

Renewables and sustainable fuels

The renewable industry is an ever-growing ever-approaching change to the energy landscape of Australia. General consensus is that many technologies such as hydrogen are still within a 'research phase' and while agricultural producers are open to it, the efficiency and safety of these technologies will need to be well proven before producers will invest. Even existing and available sustainable alternatives i.e. biodiesel, require further work in development and outreach to satisfy farmers confidence in their efficiency and reliability. In regards to renewable energies, it is crucial that state and local governments move towards developing energy sharing models and tariff trials, better utilise distribution network infrastructure and invest in research and trials for community owned energy trading. Outside of the key needed developments such as funding into research and pilot trials, the agricultural industry requires the below incentives and support to move forward into the renewable sector.

Industry needs

It is well known that with the development of new technologies and more sustainable energy sources, a significant financial investment will be required and both government and industry stakeholders will be asking the question of who will be carrying this cost burden. QFF stresses that this inevitable 'green energy' premium needs to be shared across the entire supply chain when technologies and sustainable energy sources are scaled up. Too often the cost of market fluctuations or premiums falls back on the producer only.

Financial incentives will also need to play a role in increasing adoption of renewables, particularly during the phase-in when traditional energy sources and fuels are still available. If it was affordable (and didn't hinder productivity) farmers would be using these green alternatives now. Extending energy efficiency rebate programs such as QBEST would provide continued support for farmers in their efforts to reduce emissions and make it more affordable for farmers to adopt energy-efficient alternatives. The program provides a 50% rebate to eligible small and medium-sized Queensland businesses to install energy-efficient equipment, which reduces energy consumption, thereby lowering energy bills and contributing to the Queensland Government's carbon reduction targets. These rebates will be crucial in achieving widespread use of renewable technologies.

Extending energy or carbon saving programs, similar to the Energy SQ program offered through QFF would also be a majorly positive move in increasing renewable adoption across industry. The program supports farmers in assessing their environmental performance by providing them with a comprehensive overview of their emissions profile. This enables farmers to make informed decisions and implement targeted strategies to reduce their carbon footprint and minimise unnecessary costs associated with excessive emissions. Currently, EnergySQ program currently has 30 participating farmers, with three quarters of the participants identifying the main reason for participation as a keen interest in understanding their carbon emissions profile better. These numbers highlight farmers attitudes towards emissions reduction and how the willingness to contribute to environmental offsets is not only driven by economic gain. Funding additional programs similar to this gives farmers a targeted, personalised approach to moving towards a greener agribusiness.

Opportunities

The transition towards a sustainable and circular economy presents a significant opportunity for the agricultural industry to evolve from the traditional take, make, use, and dispose strategy of a linear economy into a circular economy via the cascading use of agricultural waste streams. The generation of vast amounts of waste from crop (i.e., cotton, grain and cane) and livestock production (i.e., dairy, poultry and cattle), has great potential to be repurposed on farm as energy, power or heat. For instance, H₂ derived from animal wastes can be employed for heating systems, a crucial requirement for many livestock operations. Additionally, the produced H₂ can also be fed into fuel cells to generate electricity, providing a clean and reliable power source for essential systems like lighting and ventilation in farm buildings. The integration of anaerobic digestion systems into the energy mix offers agribusinesses a dual benefit of efficient waste management, and additional revenue stream.

QFF also support the grounding of green nitrogen production to a local level. Ammonia-based fertilisers, such as urea and ammonium nitrate, are vital to the global food chain. Australia currently imports about 95% of its urea, making Queensland farmers vulnerable to rising fertiliser prices resulting geopolitical tensions and supply chain disruptions. Using domestic green H₂ for ammonia can reduce Australia's import dependency, improve food security, and lower emissions from fertiliser production. The Asian Renewable Energy Hub in Western Australia highlights Australia's recognition

of the benefits of using green hydrogen for ammonia production. This transition would position Australia to control pricing, considering reduced shipping costs, safeguard the agricultural sector from external market fluctuations and reduce transport emissions.

Among the burgeoning renewable sector QFF urges the government to make space for these home-based production opportunities. By supporting green hydrogen, organic fertiliser development and ammonia infrastructure, governments can cultivate a stronger and more sustainable agricultural future.

Communications and Outreach

At the focal point of many of these adoption barriers is outreach, communication and training. The department has acknowledged communications and outreach as a weak point, with current practices not achieving the desired outcome and reach. The large majority of Ag stakeholders are rural and remote and previous policies and guiding documents have not accounted for reach of knowledge to these areas and how lack of scheme awareness in these remote areas hinders landholder participation. Many of these stakeholders are already implementing sustainable practices and carbon abating tactics on farm and it is vital these landholders are not disadvantaged, excluded from markets or scrutinised due to a failure of the government's outreach strategy. Outreach will not be a one size fits all approach and the best source of communication will vary depending on communities and their location.

One aspect is changing the way that producers are approached and communicated with. QFF highlights the need to acknowledge and respect the knowledge these landholders possess and build upon this. There is plenty of goodwill in the sector, and primary producers are largely very willing to do their bit in moving towards sustainability, particularly where there is a co-benefit with productivity gains. Policies and programs put in place going forward need to ensure that they are fostering this good will. Farmers have the best understanding of how to couple GHG abatement with their farming system, it is essential that the government ensure they feel respected as the experts that they are and reward and encourage landholders for deepening their understanding and trying new things, not punishing them for not meeting unrealistic expectations. With several significantly ambitious targets already set across the sector, the focus needs to be directed on finding ways to broaden the accessibility of GHG abatement so more primary producers can participate, rather than increasing targets or imposing new ones that may not be met.

Focus also needs to be moved towards increasing community-centric energy opportunities, including decentralisation initiatives for local communities such as the integration of micro-grids, virtual power plants, aggregated buying opportunities and other community-based energy projects. Direct investments into communities through a dedicated fund would empower community-based organisations to collaborate, organise, and build both energy and climate resilience and literacy within their local regions. Long-term practice change will also require training, support and skill development to accommodate the introduction of new infrastructure and technology. It is important stakeholders have access to current information and resources at a local level. Tools such as the Renewable Energy Toolkit released by QFF offer a comprehensive, unbiased source of information to help educate and advise farmers in moving into the renewable energy sector.

Viability

It is crucial to recognise that as the energy sector decarbonises, the viability of the agricultural industry will remain the top priority for producers and landholders. The transition for the Ag sector will be much longer and somewhat complicated compared to other industries as a result of the need to balance the increased need for food and fibre production in the face of increased natural disasters and competing land use ('hard to abate'). While QFF supports the adoption of sustainable and efficient renewable energy sources across industry, it is imperative that agriculture's focus remains on productivity and production. Sections 1.4 and 4.2 of the Issues Paper mention using Australian agriculture to improve emissions reduction so intensely so as to displace other nations GHG footprints. While this is a noble goal, QFF stress it should absolutely not be done at the expense of the industry's viability and subsequently the nation's food security.

Conclusion

Agriculture and farmers are key stakeholders and must have a seat at the table when it comes to developing viable and effective strategies for the sector to decarbonise. Agriculture is one of the few industries that can achieve a carbon negative and nature positive outcome that can subsequently make a contribution to the net zero aspirations of society more broadly. It is therefore critical that we keep farmers farming and work with agriculture to ensure environmental outcomes are achieved alongside profitable farming enterprises and strong regional communities.

QFF and our peak body agricultural members look forward to the opportunity to work with government and other key stakeholders in this regard.

Yours sincerely

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