

# **Contents page**

About the Queensland Farmers' Federation	Contents page	2
Submission		
Position		
Data collection and management	Submission	3
Carbon estimation areas5	Position	3
	Data collection and management	4
Penalties and rewards5	Carbon estimation areas	5
	Penalties and rewards	5

#### This submission is provided to:

To: Department of Climate Change, Energy, the Environment and Water

GPO Box 3090, Canberra ACT 2601, Australia Email/website: <a href="mail/website:accumethods@dcceew.gov.au">Accumethods@dcceew.gov.au</a>

### **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
- Mallawa 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, sugarcane, 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 proposed Integrated Farm and Land Management Method (IFLM).

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

#### **Position**

The IFLM aims to incorporate several pre-existing carbon abatement practices into one, for a more realistic and farm-targeted carbon credit methodology. QFF welcomes the development of the IFLM as a suitable vehicle to support meaningful farmer participation. QFF also welcomes the co-design approach instigated by the department and can appreciate the desire to reduce project costs through this combined methodology and to incentivise participation. Designed well, in consultation with producers and agronomists, the IFLM method has the potential to boost Australian Carbon Credit Unit (ACCU) project numbers, as well as general confidence in the nation's carbon abatement scheme and move ACCU projects away from the 'greenwashing' label they can attract.

Given recent feedback regarding the importance of integrity and transparency in the ACCU scheme, it is important that the critical design considerations offered during this consultation process are taken on board and given the appropriate weight. The revocation of this scheme's methodology is a potential concern for future project holders. As some sections of the IFLM method are pulled from pre-existing methods which have since been revoked (Human-Induced Regeneration), QFF stresses



the importance of a robust method investigation to support the implementation of this new methodology. Landholders who will undertake projects using this method will do so in good faith that the integrity of the method has been thoroughly investigated.

Additionally, the combination of a variety of methodologies may induce higher set up and planning costs and time burden for landholders (which may require financial assistance) and for those project holders investing their time and money into this methodology, it is imperative the technical integrity and feasibility of the IFLM is sound.

The current outlined approach to method development may take longer than the estimated October-December period, as the combination of such a variety of different methodologies will require a detailed and comprehensive approach to method development and an ongoing dialogue with stakeholders.

QFF encourages the following considerations to be incorporated into the finalisation of the IFLM method framework:

- QFF supports amending section 2.3 to define a property boundary as one that is used for agricultural production.
- QFF highlights that it is vital producers are not forced to use project measurement techniques to measure non-project carbon estimation areas (CEAs).
- QFF supports the use of the current Soil Carbon method (2021) and supports its use within the IFLM method without any major changes.
- QFF is concerned with proposed possibility B within section 2.5.2 regarding climatic discounts. QFF would support a more conservative approach of a static baseline for sequestration measurement, which would rule out potential variability in discount data and account for short term fluctuations in C.
- QFF advocates for the inclusion of a client-controlled canopy option to incentivise farmers to increase vegetation on farm. A commonsense approach must be used for how vegetation is managed.
- QFF do not agree with the prohibition of 'thinning' in pastures during baseline periods, with the exception being for genuine areas of native forest.
- QFF advocates for a shift in the Clean Energy Regulator (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.
- 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.

## **Data collection and management**

Consideration must be given to the evaluation of data management, sampling methodologies, and the comprehensive approach of whole-property accounting with the proposed IFLM method. Preserving the integrity and transparency of the Full Carbon Accounting Model (FullCAM) model is paramount. In the dynamic realm of data collection, transformation, and management, it is crucial to ensure these carbon models consistently maintain reliability. Transparent information about the



updates to the FullCAM and Landscape Options and Opportunities for Carbon abatement Calculator (LOOC-C) models, what data is being used and the collection of this data, is needed. It is imperative that these models are maintained and updated regularly to accommodate accelerating and changing global climates. QFF support flexibility in model usage in sections 2.3, if previously approved by the integrity committee. However, the data and equations which go into the models used need to be rigorously tested and validated if accounting for emission reductions. The same section (s.2.3) dictating property boundaries also needs to be amended to define them as 'a boundary that is used for agricultural production'. Landholders should not have to account for land within their property within carbon calculations that is not used for agricultural purposes. The current Soil Carbon method (2021) is supported by QFF and should be used within the IFLM method without any major changes.

QFF also raises issues with the proposed possibility B within section 2.5.2 regarding climatic discounts. Under this provision a discount would be applied proportionally to the natural variation in regional biomass or Soil Organic Carbon (SOC) levels - targeted at avoiding natural minimum and maximum carbon levels in either soil or biomass for a non-biased baseline measurement. QFF agree with the statement within the Issues Paper that the periodic revision of the data behind this discount would be a prohibitive administrative burden. QFF also expresses concern over the calculation of this discount value and how targeted the data would be region-to-region. QFF would support a more conservative approach of a static baseline for sequestration measurement, which would rule out potential variability in discount data and account for short term fluctuations in C.

#### **Carbon estimation areas**

The IFLM method introduces a whole-of-property accounting approach, a suggestion which would require that both project areas (CCEA) and non-project areas (NCCEA) on property be accounted for. QFF understands the need to monitor leakage and to ensure carbon sequestration is not cancelled through activities conducted on other parts of a property, particularly for pastoralists. However, QFF emphasises that it is vital that producers are not forced to use project measurement techniques to measure non-project CEAs. QFF understands the desire for a like-for-like comparison between these zones, in an ideal world this would be achievable, however as stated by the department, the potential cost for model matching on NCCEA land on property could be exponential and would place undue financial burden on project holders.

In addition, within these CEAs, careful consideration and a commonsense approach must be used for how vegetation is managed. If farmers are not given the flexibility of managing canopy, it is a distinct disincentive for increasing vegetation. QFF advocates for the inclusion of a client-controlled canopy option to incentivise farmers to increase vegetation on farm. For example, approximately 35% canopy coverage is optimum for grazing enterprises in particular in relation to livestock production. In addition to this, QFF do not agree with the prohibition of 'thinning' in pastures during baseline periods, with the exception being for genuine areas of native forest. Producers need to be able to maintain the land and continue best practice management using thinning practices. New carbon abatement methodologies must be realistic and practical, developed in line with standard practices such as pasture management. QFF also questions the comments regarding coarse root removal within soil and vegetation sampling, this should have been standard protocol in the first instance, to avoid biased and under or overestimated carbon storage.

#### Penalties and rewards

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, in order to encourage scheme adoption and participation. The agriculture sector 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 also 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. Aspects of the current additionality criteria are too stringent and act as a deterrent for potential participants, hindering the scheme's overall effectiveness. There is some resistance to grandfathering clauses on the basis of additionality requirements, but it is important that innovators are rewarded and supported for past achievements that may not have had the opportunity to be recognised before. Additionality has been a difficult provision for agricultural producers to navigate. 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 markets. As such the recent inclusion of the 'In lieu of newness' provision within the Carbon Credits (Carbon Farming Initiative) Act 2011 is welcomed however QFF stresses the importance of this provision including projects that were not registered under the Industrial Electricity and Fuel Efficiency Method (IEFE), on a case by case basis, to ensure inclusivity of the rural and remote landholder.

Yours sincerely

Jo Sheppard Chief Executive Officer Queensland Farmers' Federation



# This submission is provided by the Queensland Farmers' Federation

PO Box 12009 George Street, Brisbane Qld 4003 Level 8, 183 North Quay, Brisbane Qld 4000 ABN 44 055 764 488

## **Contact QFF**

E: qfarmers@qff.org.au P: 07 3837 4720 W: www.qff.org.au

