

4. CARBON COUNTING METHODS

Carbon projects offer an opportunity for Indigenous land managers to leverage a source of independent revenue to support the carbon method activity. So far, this opportunity has been accessed predominantly by Indigenous groups undertaking savanna fire management in northern Australia, but there is opportunity to expand this further and around Australia.

LAND SECTOR METHODS UNDER THE ACCU SCHEME

There are many different activities you can do under the ACCU Scheme. For the land sector, the main activities under existing carbon methods are:

- Savanna fire management in northern Australia
- Putting organic matter back into the ground or changing management to store carbon in soils
- Planting seeds or seedlings to establish forests
- Establishing a new plantation forest or changing the management of an existing plantation
- Reintroducing tidal flow to coastal wetland ecosystems for blue carbon storage

LAND AND SEA METHODS IN DEVELOPMENT

New carbon methods are developed by the Australian Government through two channels: 1) Methods previously prioritised for development by the Minister (below) and 2) Proponent led methods (next page).

Priorities in 2024/25

Methods being developed through the Australian Government's Department of Climate Change, Energy, the Environment and Water (DCCEEW) in 2024/25 include:

- Integrated Farm Land Management considering how different methods measuring the carbon benefit of different land management activities can be 'stacked' within one project area.
- Environmental Plantings <u>a new method</u> was developed to replace the recently expired method (from 2014), it was enacted in Nov 2024. This method is clearer and simpler than the earlier method and involves establishing plantings of forests native to a local area, or through mallee plantings.
- Savanna Fire Management (new) including accounting of new carbon pools such as living plants and dead standing trees. The method will provide two options:

1) Emissions reduction only, accounting for the smoke saved reduced from hot wildfires avoided through fire management.

2) Emissions reduction + sequestration, accounting for the permanent carbon stored in logs on the ground, standing dead trees and living vegetation, which is a commitment of 25 or 100 years.

If you wish to engage in the method co-design process, please contact ICIN.

NEW PROPONENT-LED METHOD DEVELOPMENT PROCESS

In 2024, the Australian Government for the first time called for proposals to develop new methods under a new proponent-led method development process. All methods were assessed and recommended independently by the Emissions Reduction Assurance Committee - an independent committee that has been established whose role includes reviewing methods.

Four methods were selected by the Australian Government for prioritisation in late 2024, and two of these methods were supported by ICIN and will bring new opportunities to value emissions reductions by Indigenous land and sea management.

These methods are:

 The Blue Carbon (Feral Ungulate Management) Method put forward by the University of Queensland and NAILSMA. ICIN and several of its members are proud to have been involved in this research, which for the first time values the climate benefit to the soil of removing feral ungulates from coastal and freshwater floodplains. This new carbon method presents a significant opportunity for Indigenous land and sea managers, many of whom continue to grapple with the impacts of feral ungulates on their Country and develop appropriate management responses.

 The Savanna Fire Management (Northern Arid Zone Method Extension) Carbon Method was successfully put forward by the Indigenous Desert Alliance. This method will now include, for the first time, research measuring the climate benefit of fire management particularly in the Northern Arid Zone of the NT and WA, taking in the Tanami Desert and the southern Kimberley. This will mean that Indigenous fire managers across that region will now potentially be eligible to seek to undertake a savanna fire management carbon project.





Type of activity	Method name	Registered Projects ¹	Indigenous Projects ²	Is this activity a good fit for my group?
Indigenous fire Management in Northern Australia	Carbon Credits (Carbon Farming Initiative—Savanna Fire Management— Emissions Avoidance) Methodology Determination 2018.	81	34	This method would suit groups in Northern Australia who have an interest in improving fire management and have the ability to meet upfront costs to get a project started
	Carbon Credits (Carbon Farming Initiative—Savanna Fire Management— Sequestration and Emissions Avoidance) Methodology Determination 2018	2	2	This method would suit groups in Northern Australia who can do good fire management; have strong governance and administrative capacity; and the support of Traditional Owners to carry the project in the long-term.

All the Savanna Fire Management Methods credit a reduction in the amount of fire occurring in the project compared to a business-as-usual scenario.

If you have had little fire over the last 10-15 years on your project area, or you plan to increase fire across your project area (for example to reduce woody thickening) then these Methods are not for you.

If you plan to increase fire in some areas or vegetation types, then that could be incorporated into the boundary design of your project. The frequency of fire, particularly late dry season fire, provides a good indication of where there is an opportunity to reduce fire and emissions. This map shows active Savanna Fire Management projects, identifying both Indigenous and nonindigenous owned projects, within the Savanna Zone.



Type of activity	Method name	Registered Projects ¹	Indigenous Projects ²	Is this activity a good fit for my group?
Allowing land to naturally regrow into forests	Carbon Credits (Carbon Farming Initiative) (Native Forest from Managed Regrowth) Methodology Determination 2013	34	0	Native forest regrowth projects would suit groups who want to restore the land by changing the management of land areas that currently have grazing, cropping or weeds and feral animals stopping forests from growing. Note this is a long-term sequestration project.
	Carbon Credits (Carbon Farming Initiative) (Human- Induced Regeneration of a Permanent Even-Aged Native Forest—1.1) Methodology Determination 2013 (as amended).	463	5	

These Methods are about allowing land to naturally regrow back into forests by removing the suppressing agents like grazing (no direct seeding or planting is permitted).

These projects would suit organisations who want to restore the land by changing the management of land areas that currently have grazing, cropping or weeds and feral animals stopping forests from growing back naturally, or permanently ceasing mechanical or chemical destruction, or suppression, of native regrowth.

When registering a project, a 25 or 100 year permanence period can be chosen during which carbon stored by the project must be maintained (sequestration project).

Under these methods, you can't plant seeds or seedlings, trees must grow back naturally. You need to consider whether the trees will come back by themselves. If there are no trees at all in the area, it is unlikely a project will succeed because there is no ability for trees to self-seed. This map shows all active 'Let native forests regrow' projects (HIR and regrowth). Most projects are registered in the Rangelands (east and west) Carbon Method Zones (displayed).



Please note, the maps in this chapter have come from the ICIN Mapping the Opportunities for Indigenous Carbon in Australia report, with data current as of February 2022.

Type of activity	Method name	Registered Projects ¹	Indigenous Projects ²	Is this activity a good fit for my group?
Plantingseeds or seedlings to establish forests	Carbon Credits (Carbon Farming Initiative— Reforestation and Afforestation 2.0) Methodology Determination 2015.	3	0	A forest planting project would suit Indigenous landholders who want to plant a forest on their land. Note this is a long-term sequestration project.
	Carbon Credits (Carbon Farming Initiative) (Reforestation by Environmental or Mallee Plantings—FullCAM) Methodology Determination 2014.	261	0	

Forest planting projects support landowners to plant seeds or seedlings, in rows or randomly, for the purpose of establishing a forest on land that has either been cleared or used for cropping or grazing, or clear of forest cover, for at least the last five years before the project is undertaken.

The trees must be able to grow and become a forest (greater than 20% canopy cover, greater than 2m tall) which does restrict the Methods to certain environmental conditions. These methods will limit your ability to harvest wood from the forest. If you want to harvest the forest (and then replant again) in the future, please refer to the Farm Forestry Method discussed further below.

The choice of the two methods will depend on the land use prior to planting, as well as the approach to monitoring. The Afforestation/Reforestation Method requires taking measurements of trees as they grow, whereas the Environmental Plantings Method uses the FullCAM model, and is therefore much simpler to run. This map shows all active Forest Harvest projects occur within the Agricultural (east and west) Carbon Method Zones (displayed).



If you are interested in an activity that is not included here visit the <u>Department's website</u>.

Type of	Method name	Registered	Indigenous	Is this activity a good fit
activity		Projects ¹	Projects ²	for my group?
Removal or modification of tidal restriction mechanisms to introduce tidal flow	Carbon Credits (Carbon Farming Initiative - Tidal Restoration of Blue Carbon Ecosystems)	2	0	More information about this new method <u>can be found</u> <u>here.</u>

The first blue carbon method under the ACCU Scheme is about reintroducing tidal flows to areas that have been drained (for example by sea walls, bunds, cane drains or other devices that restrict tidal flows). This method looks at the impact of reintroducing tidal flows on saltmarshes and mangroves. In the future, there are likely to be more blue carbon methods, which might consider other coastal ecosystems or other types of activities.

CARBON FARMING OUTREACH PROGRAM

The Australian Government's Department of Climate Change, Energy, the Environment and Water in partnership with the University of Melbourne have launched the <u>Carbon Farming Outreach Program</u>. This training package was created to help land managers make decisions about reducing emissions and storing carbon. ICIN worked to ensure free ICIN resources, designed to support better participation of Indigenous people in Australia's carbon market, were referred to in the course. The training package comprises five topics: 1) Introduction carbon

Read more:

ICIN Mapping the Opportunities for Indigenous Carbon in Australia

Priorities for ACCU Scheme proponent led method development announced

farming, 2) What carbon farming means for farmers and land managers, 3) Your greenhouse gas account,4) Planning carbon farming activities and 5) The Australian Credit Unit Scheme.



¹ Includes projects registered under current and previous versions of method.

² This information is based on information available to ICIN at the time of publication. ICIN acknowledges there may be some gaps in this data, which it will continue to update.



This map shows all active land sector carbon projects as of February 2022 across Australia in relation to 'Carbon Method Zones'.

WHAT IS BLUE CARBON?

The term 'blue carbon' refers to the carbon that is stored in coastal and marine ecosystems, such as mangroves, salt marshes, supratidal forests (for example Melaleuca forests) and seagrass meadows. These ecosystems capture and store carbon, and they can play an important role in fighting climate change.

The blue carbon market is based on the idea that companies and individuals can pay to offset their greenhouse gas emissions by funding projects that protect and restore coastal ecosystems.

Potential blue carbon activities include avoiding loss where there is:

- Demonstrable habitat threat
- Identified activities to mitigate

Or restoration of ecosystems through:

- Reconnection of tidal flows
- Rewetting drained wetlands, or improving the condition of wetlands
- Replanting or the regeneration of vegetation





By increasing the carbon that is stored in these ecosystems, these projects can generate carbon credits, which can then be traded on the carbon market. Put simply, blue carbon is an extension of existing carbon markets into coastal and marine ecosystems.

INTERNATIONAL METHODS

The ACCU Scheme is the Australian Government operated carbon market, and most Australian carbon projects operate under this Scheme. However, it is possible to undertake carbon projects in Australia under a voluntary carbon program other than the ACCU Scheme, and there are some examples of these types of projects in Australia.

A reason a project may choose a carbon program other than the ACCU Scheme include where the

ACCU Scheme does not have a method applicable to the particular activity or geographic location, but there is a method available under another carbon program; or where the ACCU Scheme method is particularly complex or cost-prohibitive, and there is a less-complex or less-costly alternative available under another carbon program.

There are many voluntary carbon market programs operating internationally, such as Verra, Gold Standard and Plan Vivo. These programs all have their own carbon methods and are governed by international integrity initiatives such as the Integrity Council for the Voluntary Carbon Markets (IC-VCM). The IC-VCM measures governance, emissions impact and sustainable development.

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