

ICIN Submission - Draft Integrated Farm and Land Management Method- March 2026

1. About ICIN

The Indigenous Carbon Industry Network (ICIN) is the peak industry body representing Indigenous owners and operators of carbon projects across Australia. Our Full Members include 23 Indigenous land and sea organisations which create Australian Carbon Credit Units (ACCUs). The network also includes 10 other Indigenous land and sea organisations without carbon projects as Associate Members. There are currently 37 Indigenous-owned and operated Savanna Fire Management (SFM) projects across Northern Australia, which generate over one million tonnes of abatement annually and deliver significant environmental, social and cultural benefits. Indigenous projects account for 70% of the area covered by SFM projects and 73% of all SFM ACCUs issued to date.

ICIN's operations are overseen by a seven-person 100% Aboriginal Board of Directors supported by six staff. Policy decisions by the network are brought forward by the Policy Working Group or other specific working groups and then brought to the network for review. All decisions of ICIN members are made by consensus.

2. Introduction

This submission builds on the ICIN Position Paper on the Integrated Farm and Land Management (IFLM) method (September 2025) and responds to developments in the draft method since that time.

For many years, ICIN has highlighted the barriers to the participation of Indigenous people under the ACCU Scheme. Despite holding rights and interests under the ACCU Scheme over 70% of Australia's land mass and 66% of the coastline, a large percentage of Indigenous groups cannot participate in the Scheme due to barriers including the lack of recognition of rights and interests and availability of appropriate methods. This is indicated by the fact that there are only five Indigenous owned ACCU Scheme projects that are not using a savanna fire management method- all human-induced regeneration projects.

On the Indigenous estate, carbon stocks predominantly face threats from fire and grazing by feral animals. Further, Indigenous groups with rights and interests outside the savanna zone, which represents over 20% of the Australia's land mass, are predominantly on in non-agricultural lands in semi-arid and arid zones which will never meet the 'forest' criterion.

With right settings, the IFLM Method has the potential to incentivise appropriate fire regime outcomes in regions beyond the savanna region. ICIN appreciates ongoing engagement with DCCEEW through the Stakeholder Reference Group and acknowledges that our earlier feedback has influenced some of the design elements, including modular architecture, hybrid measurement approaches, and strengthened attribution safeguards such as longer baseline periods.

However, as it stands, the draft Method provides minimal opportunities for Indigenous groups to participate. That is, there is minimal intersection between where the method applies and land where Indigenous people hold recognised rights and interests under the ACCU Scheme.

Key barriers include:

- The requirement for project Carbon Estimation Areas to transition from non-forest to forest.
- Fire regime modification not being recognised as an eligible mechanism and the treatment of fire as a ‘disturbance’.
- Limitations applying the FullCAM-Measure Hybrid approach at scale.
- The use of high uncertainty discounts instead of fit-for-purpose baseline approaches.

Our submission provides recommendations for changes to the Method that will maximise opportunities for Indigenous participation in the ACCU Scheme using this method.

3. Key recommendations:

Recognise and protect Indigenous rights and interests

- Amend s22 of the draft Method to ensure that the Indigenous people with rights and interests over the project area have the right to consider and approve the project ‘land management strategy’. See proposed drafting options at *Annex A*.
- The Clean Energy Regulator include specific section in their method guidance on identifying, recognising and meeting obligations related to Indigenous rights and interests in a project area.

Make improvements to enable Indigenous landholders to adopt the method

- Broaden the eligible vegetation types under the Method to encompass pathways beyond non-forest-to-forest transitions.
- Recognise fire regime change as an eligible mechanism in the Method.
- Allow proponents to use bespoke, verified, publicly available measure-model approaches under the regeneration on suppressed land Activity Schedule.
- Improve the baseline approach for the regeneration on suppressed land Activity Schedule to consider how it can distinguish between natural and human management-driven changes.
- Work with Indigenous organisations to develop baseline approaches for future Activity Schedules that can distinguish between natural and human management-driven changes.

Improve method consistency to support Scheme integrity

- Strengthen cross-method alignment across ACCU Scheme methods to ensure consistent treatment of disturbance-driven ecosystems, including alignment of baseline approaches, vegetation eligibility rules, ecological safeguards, and transition requirements between methods.

4. Submission

Recognise and protect Indigenous rights and interests

Recognition of Indigenous peoples' rights and interests is critical to enabling improved participation of Indigenous people under the ACCU Scheme. ICIN has consistently advocated for amendments to *Carbon Credits (Carbon Farming Initiative) Act 2011 (Cth)* to: Remove the ability to conditionally register projects on native title lands; recognise native title claimants as eligible interest holders (EIHs); embed principles of Free, Prior and Informed Consent as a prerequisite to project approval; and clarify that the Crown does not have legal right and is not an EIH for exclusive possession native title land.

In the context of this Method, Indigenous rights and interests can be further protected by including requirements in the Method and the Clean Energy Regulator providing clear guidance to proponents on best practice for recognition and protection of Indigenous rights and interests.

Recommendations:

- Amend s22 of the draft Method to ensure that the Indigenous people with rights and interests over the project area have the right to consider and approve the project 'land management strategy'. See proposed drafting at Annex A.
- The Clean Energy Regulator include in their published guidance on the approved method that:
 - A proponent must take steps to identify Indigenous land rights and interests over the project area.
 - A proponent must identify legal and other obligations that they must comply with in relation to any Indigenous land rights and interests over the project area, including under the *Native Title Act 1993 (Cth)* and *Aboriginal Land Rights (Northern Territory) Act 1976 (Cth)* and other land rights legislation.
 - Best practice requires a proponent to obtain consent from eligible interest holders if, at any point, the project involves the delivery of new land management activities in the project area. This is particularly critical for this Method, as it allows for bundling of multiple activities and carbon pools, and projects risks infringing Indigenous land rights and interests.

Broaden eligible vegetation types

ICIN has previously recommended broadening eligibility in the IFLM method beyond non-forest-to-forest pathways to include sparse vegetation systems unlikely to meet forest thresholds and existing forests undergoing structural improvement rather than expansion. Positive developments in the draft IFLM Method include a modular design that allows for future activities and hybrid approaches that improve modelling flexibility.

Despite this progress, the draft Method's bias toward forest endpoints, including the requirement for Carbon Estimation Areas to transition from non-forest to forest, poses a significant barrier to Indigenous groups using the Method. This is because many Indigenous-managed ecosystems, especially across arid and rangeland regions, will not meet these forest thresholds despite being able to demonstrate vegetation recovery.

Recommendation:

- Broaden the eligible vegetation types under the Method, particularly in the regeneration of suppressed lands Activity Schedule, to encompass recovery pathways beyond non-forest-to-forest transitions.
 - This would mean including vegetation in semi-arid and arid zones where vegetation is sparse and won't meet the definition of 'forest' and forest areas where trees could grow bigger with appropriate land management.

Include fire regime change as an eligible pathway

With right settings, the Method has the potential to incentivise appropriate fire regime outcomes in regions beyond the savanna region. ICIN has previously advocated for the recognition of ecologically and culturally appropriate fire management in an IFLM Method as key to supporting the participation of Indigenous groups in the Scheme.

As it stands, the draft Method deals with fire in a way that significantly reduces the opportunity for Indigenous groups to adopt the method. The Method does not recognise fire as a fundamental ecological process that can increase or reduce carbon sequestered in those ecosystems, as a key tool that Indigenous people have used for millenia to maintain the health of country, or align with well-established science on rangeland management in Australia.

Instead, the Method treats fire as a discrete management action or natural disturbance affecting forest growth trajectories, rather than a fundamental ecological process and critical to Indigenous land management practices. This approach introduces several risks:

- incentivising fire exclusion even where this is not ecologically appropriate or in line with Indigenous land management practices
- producing unintended consequence where increased grazing pressure could be used to suppress fuels to meet modelled outcomes,
- undermining method integrity, by allowing the method to apply in fire-prone and fire-adapted environments where fire regime dynamics are integral to ecosystem function without the appropriate settings in the method.

While the regeneration on suppressed land Activity Schedule partially acknowledges fire as an ecological driver and hybrid modelling approaches, the Schedule does not recognise fire regime processes as fundamental ecologic processes.

Recommendation:

- Recognise fire regime change as an eligible mechanism in the Method.
 - This could be achieved by incorporating fire regime modifiers within regeneration or suppressed land activity schedules, where improved vegetation outcomes are enabled through demonstrated shifts in fire regimes.
 - Eligibility should focus on evidenced ecological outcomes resulting from intentional management of fire as a landscape process, rather than prescribing specific fire activities.

Allow for the use of bespoke, verified, publicly available measure-model approaches

While ICIN acknowledges the advantages of the Method adopting FullCAM and a FullCAM-Measure Hybrid Approach, as a national system that is publicly available, aligns with the national inventory, and provides confidence around integrity, this approach will place limitations on Indigenous participation.

Indigenous groups who are in a position to take up this method manage vast areas of land, sometimes millions of hectares. The number of sample plots that would be required to use the FullCAM-Measure Hybrid Approach under the proposed regeneration of suppressed lands Activity Schedule combined with the high discount rates would make this method unworkable for many Indigenous groups.

Recommendation:

- The Method allow proponents to use bespoke measure-model approaches for measurement and monitoring under the regeneration on suppressed land Activity Schedule.
 - These models would need to be approved through a rigorous process i.e. peer reviewed, have standardised parameters, be conservative, and be publicly available.
 - Under this approach, proponents would submit models to DCCEEW/the CER for approval under agreed processes for incorporating calibration data to improve accuracy of abatement figures at the project scale (including LiDAR data, which would also be publicly available). DCCEEW could also develop its own model(s), drawing on research undertaken by CSIRO and other research organisations, including in collaboration with Indigenous ranger groups on country that would be eligible under this method.

Improve baselining and attribution approaches rather than relying on uncertainty discounts

ICIN has previously advocated for baseline carbon stock approaches that shift the focus from a static ‘moment-in-time’ assessment to measuring carbon outcomes beyond business-as-usual that can be confidently attributed to human management. This could be achieved through approaches such as dynamic performance benchmarks.

In the draft Method, the baseline approach under the Method Activity Schedules, particularly the regeneration on suppressed land Activity Schedule, will make it difficult for Indigenous groups in arid and semi-arid zones to adopt the Method. This is because in arid rangeland systems, high interannual climate variability makes it more difficult to distinguish management-driven change from climate-driven fluctuations.

Currently, the draft Method relies heavily on discounting factors to manage uncertainty rather than developing fit-for-purpose baseline approaches. The draft Method appears to retain an approach consistent with the Human-Induced Regeneration (HIR) Method, where the modelling framework initialises carbon accounting from conditions at or near project commencement rather than averaging carbon stock across the baseline period or applying alternative counterfactual approaches.

We see this as a missed opportunity to adopt more outcome-focused baselining approaches better suited to Australia’s highly variable rangelands, where dynamic benchmarks or alternative counterfactual frameworks may improve both attribution robustness and scheme integrity.

While discounting may reduce integrity risks, it is likely to significantly limit project viability. Additionally, relying on a single-point baseline introduces integrity risks associated with the timing of

project registration, particularly following events when carbon stocks may be temporarily depressed below average values. We are aware of examples where, for moderately sized SFM projects, the difference between a 10-year average carbon stock and the stock immediately prior to project commencement exceeds one million tonnes of carbon, illustrating the sensitivity to baseline carbon stock definition.

Recommendations:

- Review the baseline approach for the regeneration on suppressed land Activity Schedule to consider how it can be improved to distinguish between natural and human management-driven changes.
- DCCEEW works with ICIN and other Indigenous organisations to develop baseline approaches for future Activity Schedules that can distinguish between natural and human management-driven changes.

Improve method consistency to support Scheme integrity

ICIN has previously raised concerns about structural inconsistencies between ACCU Scheme methods that apply to the same areas of land, where land managers undertake similar activities yet generate materially different abatement outcomes depending on the method selected.

Such inconsistencies create risks for scheme integrity and ecological outcomes. This issue is particularly significant for ICIN members who operate SFM projects. Savanna ecosystems are disturbance-driven, with fire acting as a primary regulator of vegetation structure and biomass. However, existing and proposed methods (HIR and IFLM) treat fire and vegetation dynamics differently.

Our key concerns and relevant inconsistencies in approaches include:

- **Carbon starting stock:** The draft Method relies on a “moment-in-time” starting carbon stock, in contrast to the baseline-period averaging approach used under SFM. This may create incentives to register projects following intense fire events or other disturbances.
- **Inconsistent ecological safeguards:** Vegetation types that are ineligible under SFM due to known ecological risks (e.g. Gamba Grass areas or Melaleuca grasslands on Cape York where woody thickening is discouraged) may remain eligible under IFLM. Similarly, management approaches discouraged under SFM, such as increasing grazing pressure to reduce fire risk, may become indirectly incentivised where woody biomass accumulation and fire exclusion is rewarded.
- **Disorderly transitioning between methods:** The draft does not adequately address scenarios where proponents deregister an Emissions Avoidance SFM project and subsequently register a IFLM project over the same land to generate credits from vegetation previously disturbed or altered under the earlier failed SFM project.

Overall, divergent accounting frameworks across methods, including baselining approaches, vegetation eligibility, modelling assumptions and crediting rules, may produce substantially different outcomes for the same land management actions. Without stronger cross-method alignment, there is a risk that proponents select methods based on accounting advantages rather than ecological best practice.

Recommendation:

- Strengthen cross-method alignment across ACCU Scheme methods to ensure consistent treatment of disturbance-driven ecosystems, including alignment of baseline approaches, vegetation eligibility rules, ecological safeguards, and transition requirements between methods.

5. Conclusion

In its current form, following four years of development, the draft IFLM method will deliver limited opportunities for Indigenous landholders, particularly on Indigenous-managed lands outside the savanna region. The main pathway for Indigenous people to engage with projects under this method will likely be through eligible interest consent right processes, which provide limited scope for Indigenous people to control and benefit from projects.

This process illustrates the ongoing challenge that Indigenous land managers and organisations face influencing the development of methods developed by non-Indigenous entities to make them more accessible to Indigenous landholders. It also highlights the importance of Commonwealth Government investment in method development by Indigenous organisations and the well-established link between Indigenous-led methods and Indigenous-led carbon projects.

We look forward to engaging further with DCCEEW on these recommendations and opportunities for this Method to support the Commonwealth Government's commitment to supporting the participation of Indigenous people under the ACCU Scheme.

Annex A – Proposed amendments to draft IFLM Method- s22

To ensure stronger protections for Indigenous rights and interest holders, recommend the following amendments to s22 of the draft Method:

Include the following three sub-sections:

- 22(x)- If the project area for the project is ‘**subject to Indigenous land interests**’, the project proponent must provide a signed statement demonstrating that they have engaged with and sought consent to implement the ‘land management strategy’ with ‘relevant Indigenous representatives’ in line with the principles of free, prior and informed consent.¹
- 22(x) For the purposes of this section, project area is ‘**subject to Indigenous land interests**’ if the project is or includes any of the following:
 - a native title area;
 - land rights land;
 - an area that is subject to an Indigenous land use agreement;
 - an area of land in relation to which a claimant application (within the meaning of the *Native Title Act 1993 (Cth)*) has been made but not yet determined.
 - an area of land where the future act provisions set out in Part 2, Division 3 of the *Native Title Act 1993 (Cth)* apply.
- S22(x) For the purposes of the section, ‘**relevant Indigenous representatives**’ for a project area means:
 - if the project area is or includes a native title area and there is a registered native title body corporate for the native title area—the registered native title body corporate for the native title area; or
 - if the project area is or includes a native title area and there is no registered native title body corporate for the native title area—the persons, or group of persons, who hold the common or group rights comprising the native title in relation to the native title area; or
 - if the project area is or includes land rights land—the Aboriginal land council that holds an eligible interest in the land; or
 - if the project area is or includes an area of land in relation to which a claimant application (within the meaning of the *Native Title Act 1993*) has been made but not yet determined—the native title claim group (within the meaning of that Act); or
 - if the project area is or includes an area that is subject to an Indigenous land use agreement—a person who is a party to the agreement.
 - If the project area is or includes an area to which the future act provisions set out in Part 2, Division 3 of the *Native Title Act 1993 (Cth)* apply.

¹ In line with DCCEEW guidance on FPIC- <https://www.dcceew.gov.au/sites/default/files/documents/free-prior-informed-consent-guidelines.pdf>