

Australian Landcare Council Submission to Department of Climate Change and Energy Efficiency

The Australian Landcare Council is an advisory body to the government on natural resource management issues. It has developed a working group to focus on climate change, in particular the impact of the government's climate change policies and programs on natural resource management, sustainable agriculture and land managers.

To this end the Climate Change Working Group submits the following submission in relation to the 'Proposed Architecture and Implementation Arrangements for a Carbon Pricing Mechanism', on behalf of the Australian Landcare Council. The Climate Change Working Group would be pleased to discuss in further detail any of the issues outlined in the submission.

PRINCIPLES OF LAND SECTOR PARTICIPATION OF THE PRICING OF CARBON

The Australian Landcare Council (the council) welcomes the pricing of carbon as a key action in transforming the Australian into a less carbon intense economy. The council supports this as a valid mitigation action to climate change.

The council also believes that the land sector would welcome action to address Climate Change because:

- Australia's farming communities are potentially some of the most vulnerable in the world to the impacts of climate change
- Australia's unique landscapes and biodiversity will also be seriously threatened by climate change

PRINCIPLES FOR CARBON PRICES IN THE LAND SECTOR

To facilitate the land sector participating in action to price carbon through a carbon tax, eventually morphing into a carbon trading scheme, the council proposes the following principles:

1. Carbon pricing mechanisms and government policy should not distort land use patterns through perverse incentives resulting in threats to:
 - Australia's unique biodiversity
 - The long term capacity of the nation to produce food and fibre from its renewable natural resources
 - Scarce water resources
 - Indigenous communities
 - Rural communities
2. Accounting principles for the land based sector should be based on actual decreases in net carbon emissions to the atmosphere (what the atmosphere sees) through intended actions to reduce emissions and/or withdraw carbon from the atmosphere (sequestration)

3. Landholders should receive full market value for carbon offsets generated through regulated rather than voluntary markets , specifically to:
 - ensure that land sector offsets are directly linked to any carbon taxing or trading scheme
 - optimise Kyoto credits generated
 - provide more comprehensive coverage of the land sector offsets in future post Kyoto international climate change agreements

4. Continued research, development and extension supported through the innovation component of the 'budget neutral carbon tax' will be required to
 - rigorously account for offsets using innovative technologies to allow cost effective verification at a 'paddock scale'
 - develop new innovative technologies to reduce the carbon intensity (footprint) of food and fibre production
 - understand the complex interactions between the permanance of sequestered carbon in land systems and the impacts of climate change.