MEDIA RELEASE

Farmers turning carbon into cash

[27 April 2016] - Carbon farming offers landholders a once in a lifetime chance to secure a 10 year income stream, but the opportunity won't last forever, according to Josh Harris, from carbon farming project management company Climate Friendly.

With shifting legislation around vegetation and no word on plans to top up the Emissions Reduction Fund, Josh says property owners who don't act soon could miss out.

The Emissions Reduction Fund started out with $2.55 billion to buy carbon credits from carbon farming programs, which include revegetation or reduced stocking projects. About half the fund has already been allocated.

"We simply don't know if there's more funding coming," Josh says. "The next round of projects will be awarded in the upcoming auction at the end of April, but it's unclear what will happen once the current fund is expended after the fourth auction at the end of 2016."

Climate Friendly has already secured a number of projects and there will also be new projects funded this year, but Josh says farmers who are thinking about carbon farming on their property shouldn't wait too long.

"A 10 year guaranteed income stream is virtually unheard of in farming. It's the kind of opportunity that most farmers wouldn't normally see," he says.

Climate Friendly was established by a former CSIRO scientist 13 years ago and currently runs projects over about two million hectares of farmland. Climate Friendly's clients are enjoying average returns of more than a million dollars over 10 years, with some receiving far more.

Contrary to popular belief, Josh says carbon farming does not mean farmers have to 'lock up' their land for long periods.

"Carbon farming does require some change in land management practice, but that doesn't automatically mean fencing off a huge area and never touching it again. Many farmers are still able to run stock on areas set aside for re-vegetation, and there are also carbon farming projects that aren't about re-growth at all, like soil health, savannah burning and avoided deforestation projects."

He says for many farmers, the benefits are significant.

“Carbon farming works well for a lot of farmers. It’s like any diversification strategy, in that it acts as a kind of insurance. For farmers in drought-prone areas, the revenue stream from carbon farming can help them maintain their business and give them the breathing space they need. For those in other areas, carbon farming can fund business expansion or other investments that let them do what they love and do best,” he says. “And of course, carbon farming projects improve environmental outcomes, which link directly to long-term business sustainability.”

Josh says it’s an easy process for farmers to determine if carbon farming will help them achieve their business goals.

“We have a very highly skilled technical team who really understand the agriculture sector. We talk to farmers about what they need and want before we even get started. We offer a quick, upfront check to see whether a project is likely to be suitable and we’re honest with farmers about our assessment. There’s no upfront commitment – we get paid when they get paid.”

Carbon Friendly has limited capacity to enrol farmers in existing projects. Farmers interested in finding out more should visit http://www.climatefriendly.com/australian-carbon-farming as soon as possible.

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NOTE: *The third Emissions Reduction Fund auction will be held 27 and 28 April 2016.*

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