

Functions as a Project Developer – What does Carbon Farmers of Australia do?



Identify potential for successful projects

With attention given to size, climate, soil types, history etc. Could be soil carbon method and/or others.

Arrange for Soil Sampling design and costs

This is the major 'upfront' cost for a Soil Carbon Project and so needs to be contemplated early.

In conjunction with the Landholder, write the Land Management Strategy (soil carbon project) and organise an independent review

This useful exercise helps to set the scene for the future. It will help ensure the success of the project.

Register your project – ensuring the rules are followed

The information required for this also informs the Management Strategy as we identify the 'Carbon Estimation Areas' (CEA's) and other records from the past to support the registration.

Once Registered, organise and oversee Soil Sampling procedures (soil carbon)

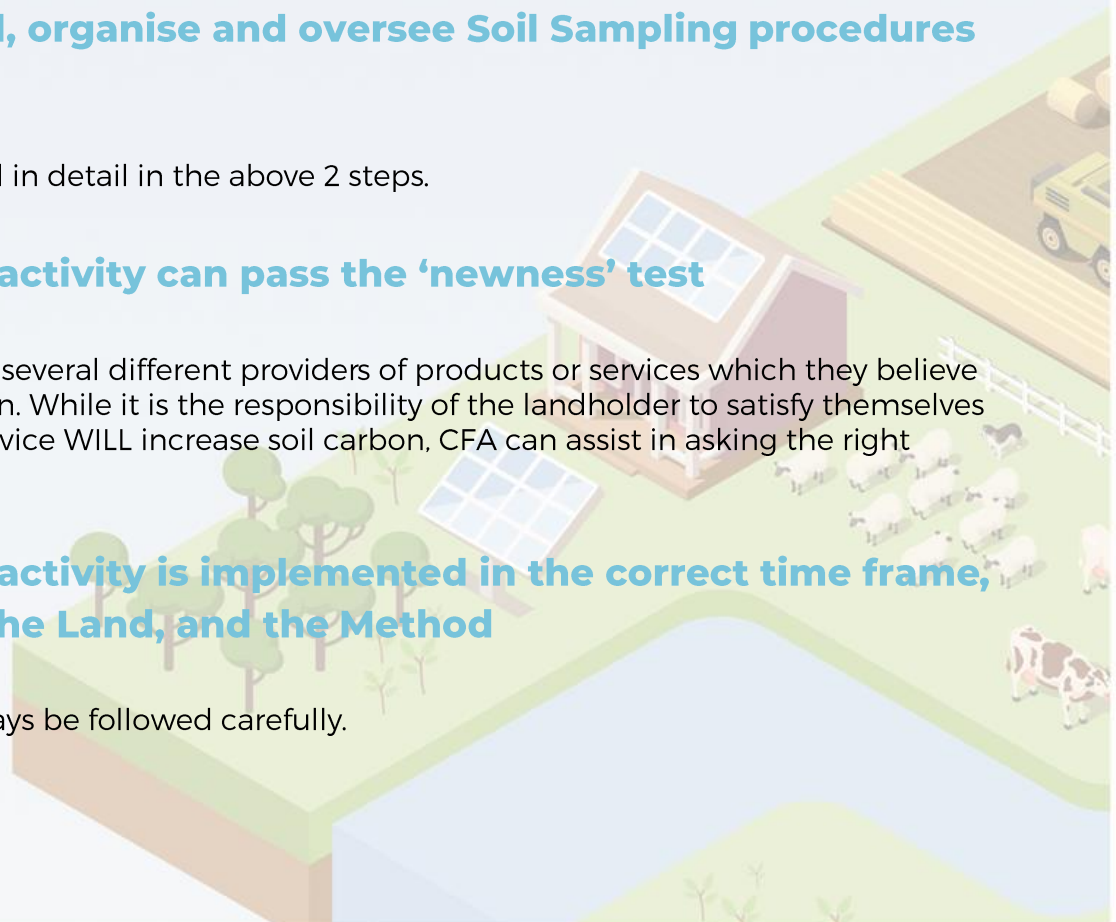
Having been discussed in detail in the above 2 steps.

Ensure the new activity can pass the 'newness' test

CFA has contacts with several different providers of products or services which they believe will increase soil carbon. While it is the responsibility of the landholder to satisfy themselves that the product or service WILL increase soil carbon, CFA can assist in asking the right questions of providers.

Ensure the new activity is implemented in the correct time frame, staying true to the Land, and the Method

The Method must always be followed carefully.



CFA will also take a 'whole of farm' approach to any individual farm to ensure other potential ERF projects can be implemented

E.g. Environmental Plantings. Some farmers may have potential for more than one income stream.

CFA holds an Australian Financial Services Licence for Carbon

We can assist to find the right buyers. Fully experienced in the ERF Market and Secondary Market.

CFA is constantly looking for new and improved ways for Farmers to enter the Carbon and/or Biodiversity Markets

For instance, we're working with the Gold Standard in Nepal – using Agroforestry – these methods have potential in Australia as well.

How does Carbon Farming work?

The best model for a Carbon Enterprise (project) at present is to use a Carbon Advisor due to the complex nature of the methods. As the methods progress this could change.

CFA works on a percentage of the value of the Carbon Credit

This ensures the only up-front costs to Farmers are the Soil Sampling design and Testing, costs for the 'new' activity, and Legal. **CFA has the incentive to find the best price for the Farmers.** CFA has skin in the game.

CFA absorbs other costs involved in getting Registered.

CFA comes from the FARMERS point of view and as such allows high flexibility in the sale of Credits – no fixed price; flexibility on sale times – according to the Farmers desires.

Other landholder costs

- **Audit** – around year 2 or when the Farmer/CFA believes an increase in Soil C has been achieved.
- **Land Management Strategy Review** – while CFA has the credentials to write a Land Management Strategy, they must be 'reviewed' by someone. These are to be negotiated by CFA.
- **Legal Costs** – CFA will enter into a 'Carbon Farming Services Agreement' with a Landholder which outlines commitments for each party – and this needs to be reviewed by the landholder's solicitor.
- **The cost of the new activity** – could include fencing, biological amendments etc.

Summary of Project steps

There are essentially five steps to running a soil carbon project:

1. **Registration and administration:** describing project implementation through a land management strategy
2. **Soil carbon baseline sampling:** measurement of existing soil carbon levels down to 1 metre in accordance with audited sampling protocols
3. **Project implementation:** a new mechanism to build soil carbon must be implemented across the whole project area
4. **Subsequent testing of soil carbon levels:** measurement of soil organic levels 2-5 years after the baseline measurement
5. **Project reporting and application for carbon credits:** measured increases in soil carbon, calculated according to the method, create carbon credits.

Credentials

CFA as part of a consortium was the originator of the **first soil carbon method** in Australia. See www.carbonfarmersofaustralia.com.au for more information/background. We are the only Carbon Project Developers currently with any Farming experience.

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CFA is a proud Foundation Signatory to the
Australian Carbon Industry Code of Conduct