



CFI METHODOLOGY: AVOIDED DEFORESTATION

The Carbon Farming Initiative (CFI) allows farmers and other land managers to earn carbon credits by storing carbon or reducing greenhouse gas emissions on the land. Participants can generate carbon credits by setting up a project under an approved CFI methodology, which sets out the rules for the activity.

This fact sheet outlines the methodology for *Avoided deforestation*.

Who could benefit?

This methodology could be used by landholders who still have native forest on their property and who have received government consent to clear the land. A CFI project established under this methodology can generate credits for not clearing this land and maintaining it as a forest.

While this methodology only covers a proportion of land within Australia where deforestation could occur, it has the potential to achieve high levels of abatement.

How does it work?

The methodology for avoided deforestation applies to a native forest, which has received government consent to be cleared and converted to cropland or grassland. Abatement is achieved by not clearing the native forest and thereby avoiding the emissions that clearing would have produced. Additional abatement may be achieved by managing the native forest in a way that enhances carbon stocks. Projects are issued 5 per cent of estimated abatement each year over the 20 year crediting period.

This methodology differs from other vegetation methodologies in that it applies to native forest protection, rather than planting new forests. Other vegetation methodologies are available at www.climatechange.gov.au/cfi.

The CFI permanence rules recognise the realities of Australia's natural environment and climatic conditions. Owners of avoided deforestation projects will not be penalised for losing carbon through no fault of their own. In the event of naturally occurring events such as bushfire or disease which reduce carbon stocks below previously credited levels, the landholder must take reasonable action to re-establish carbon stores and crediting cannot continue until carbon stocks have recovered.

Specific requirements

Eligibility

Projects need to meet the following requirements to be eligible under this methodology.

- Project land must have been a forest on 31 December 1989 and when the project started.
- The landholder must have received consent before 1 July 2010 to clear the forest for the purposes of converting the land to cropland or grassland.

- The proponent must provide evidence of the clearing consent issued by the relevant Commonwealth, State, Territory government, or local regulatory authority responsible for approval.

The negative list outlines circumstances where this activity cannot be implemented. Details can be found at www.climatechange.gov.au/reducing-carbon/carbon-farming-initiative/activities-eligible-and-excluded/negative-list.

Monitoring, reporting and auditing

Projects must be monitored for disturbance in the course of each reporting period.

It's important to keep project records because they will be used to calculate the abatement that has been achieved by the project. Projects are required to submit a report to the Clean Energy Regulator every one to five years.

Projects must be audited by a registered CFI auditor. A list of registered auditors is available from www.cleanenergyregulator.gov.au.

More information

Visit ComLaw to read this determination at www.comlaw.gov.au/Details/F2013L01181.

Contact the Clean Energy Regulator at www.cleanenergyregulator.gov.au if you want to submit a project application.

Visit our website at www.climatechange.gov.au/cfi for more information or to subscribe to regular updates.

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