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Submission on - Action on the Land: Reducing Emissions, Conserving Natural Capital and Improving Farm Profitability An Issues Paper

- 1. The Kimberley Land Council (**'KLC'**) has a long history of working with the Australian Government on Indigenous cultural and natural resource management initiatives, and has actively engaged with Government in the development of the Carbon Farming Initiative and the Emission Reduction Fund (**'ERF'**).
- 2. Carbon projects provide an opportunity for Indigenous people to engage in business opportunities that improve livelihoods and allow people to maintain and strengthen connection with country. In addition to carbon abatement, projects on Indigenous land deliver environmental benefits such as biodiversity, weed reduction and landscape linkages, and social benefits such as looking after cultural sites, strengthening connections with country and providing training and employment opportunities. Further, land sector based carbon projects provide a tangible example of how Indigenous people can leverage their native title rights to realise economic development, heralding a new era for native title holders.
- 3. These opportunities can only be realised where the policy and legislative landscape actively provide support for Indigenous participation. The challenges for Indigenous people to participate in the ERF have been detailed in previous KLC submissions on this topic.
- 4. The KLC makes the following recommendations in relation to the Issues Paper:
 - a. the paper would benefit from further data and information on a broader suite of land management activities that may provide avenues for avoiding emissions or sequestering carbon;
 - b. the unique aspects of land sector projects and the consequent policy frameworks that may be required to support them should be considered;
 - c. the interaction between land sector emissions reduction policies and broader indigenous policies, and measures which could better ensure the protection of Indigenous rights and beneficial outcomes requires further consideration.
 - d. the Authority explore options for Government support for the demonstrable public good delivered by Indigenous carbon projects;
 - e. the Authority consider pathways to secure long-term funding for the North Australia Fire Information service; and
 - f. the CFI should not cross beyond its core purpose in the pursuit of complementary but discrete policy objectives, as this may result in perverse outcomes and unintended impacts.

Further Information

Question 1 (further activities & data)

5. The KLC suggests that in considering action on the land, the Authority should include the full suite of land management activities, and not only traditional agricultural activities. The issues paper

touched on a few options, for example savanna fire management, other examples that could be included are 'blue carbon' (algal, mangrove or seagrass management), avoided deforestation, feral animal management or landscape scale rangelands management. The KLC recommends that the Authority consider further data and information on different land management activities, both traditional and non-traditional, that may be possible avenues for avoiding emissions or sequestering carbon.

6. The KLC further suggests that the Authority consider elements which differentiate land sector projects from emissions abatement or sequestration projects in other sectors. For example, the start-up costs associated with land management activities or the time period over which activities may (or may not) become business as usual (and therefore the need for longer or multiple crediting periods).

Question 11 (land-sector emissions policies and social, economic and cultural outcomes)

7. Land sector carbon projects have the potential to have a significant impact on social, economic and cultural outcomes of Indigenous people. For example, savanna carbon projects have the potential to create employment opportunities, strengthen traditional fire management practices, and improve overall landscape health and biodiversity, leading to the development of a thriving indigenous carbon industry. Conversely, without proper checks and balances, savanna projects implemented without indigenous consultation or consent have been demonstrated to result in community back-lash, disempowerment, undermining of traditional practices and erosion of native title rights – at odds with broader Government policy on Indigenous rights and native title. The KLC recommends the Authority consider the interaction between land sector emissions reduction policies and broader indigenous policies, and measures which could better ensure the protection of Indigenous rights and beneficial outcomes.

Questions 18 – 25 (non-climate benefits of ERF projects)

- 8. Emission reduction projects should be assessed not only on their ability to deliver low cost, verified abatement but also, for example, its ability to create jobs, to engage marginalised communities or sectors, to protect or promote cultural outcomes and to reduce climate change impacts and risks.
- 9. For example, savanna burning carbon projects in the North Kimberley deliver abatement from reducing emissions from late season wildfires. These projects deliver not only emission reductions, but provide employment for Indigenous rangers and Traditional Owners, deliver skills development and training, increase biodiversity outcomes, reduce risks to life and infrastructure from wildfires, care for important cultural and heritage sites, return income to impoverished remote communities and have a multitude of flow-on benefits such as increased community leadership and pride and reduced detention rates. These projects position Indigenous communities to better respond to climate change impacts, such as increased wildfires, through building landscape resilience. Despite the significant benefits delivered by these projects, they are unable to compete against industry led projects when measured purely on the basis of cost effectiveness and verified abatement.
- 10. Despite extensive environmental, cultural, social and economic benefits flowing from Indigenous carbon projects, it is estimated that only about 25 percent of traditional owner groups across Northern Australia with the potential to participate in the carbon economy currently do so.
- 11. A number of barriers and challenges face the sector and limit its potential expansion. These challenges relate to the establishment costs of Indigenous carbon projects, properly valuing their social, cultural and biodiversity outcomes, and building the demand at a price that ensures the projects are sustainable.
- 12. In a perverse shifting of roles, the voluntary carbon market appears to have some appetite for Indigenous carbon credits (due to the additional social and cultural benefits) but not in sufficient price and volume to support the industry, while the Government refuses to support these demonstrable public goods.

- 13. Experience and evidence shows that 'start-up' funds, governance, capacity and business development for new projects are not adequately supported or funded.
- 14. To secure the long-term viability of Indigenous owned savanna carbon projects, the biodiversity, social and cultural benefits generated with each ACCU need to be recognized and valued, and targeted investment made into establishing the long-term viability of existing projects, and enabling new projects.
- 15. Recognising and valuing these 'co-benefits' need-not occur through complex (and potentially expensive) accreditation arrangements. Investment in start-up, capacity and business development would position individual projects to develop appropriate metrics to identify and if desired report on beneficial outcomes. Projects can then decide to sell ACCUs into the voluntary market or into a dedicated Indigenous ERF market, priced to recognize the value of the ACCUs.

16. The KLC recommends that:

- a. The Government acknowledge and commit to supporting the demonstrable public good flowing from Indigenous carbon projects;
- b. On this basis, the Government establish an Indigenous Industry Support package which includes:
 - i. Start-up funding to help establish new Indigenous projects;
 - ii. Governance, capacity and business development support, including support for identifying and measuring project benefits, to help secure the long-term sustainability of projects; and
 - iii. A dedicated purchasing process for Indigenous ACCUs within the ERF, priced to reflect the significant benefits delivered by these projects

Question 28 (State & Territory fire management regimes)

- 17. Across Northern Australia, savanna fire management carbon projects are working to reduce the risks associated with late season wildfires. These projects are fundamental to good fire management outcomes, however, due to high operating costs, are unlikely to ever operate as business-as-usual. State Government agencies should look to identify ways to work with operators of savanna fire management projects to facilitate and build on the beneficial outcomes of these projects.
- 18. One tool which is crucial to land management in northern Australia is the North Australian & Rangelands Fire Information (NAFI) service. It is the only service that provides operationally relevant firescars that can be used by land managers to monitor and respond to wildfires.
- 19. Industries that use the NAFI service include: pastoralists, mining companies, Australia Defence Force, State and Territory Governments, indigenous organisations, natural resource management groups, private conservation groups and the emerging carbon abatement industry. Essentially, any person or organisation that needs to manage large extensive fires at the landscape scale.
- 20. Importantly, NAFI is fundamental to the operation of the savanna fire management method, including the abatement calculation tool SavBAT. Without this service, Project Proponents would not be able to access abatement estimates for their projects.
- 21. Current NAFI funding ends 30 June 2017. The KLC recommends the Authority to consider pathways for Australian Government, State and Territory governments to work together to secure long-term funding for this critical service.

Question 31 (pest and weed management policies)

22. The KLC supports further investment and research into ERF methods related to the control of feral animals. This would support not only beneficial emission reduction outcomes, but realise

- significant environmental benefits.
- 23. The KLC emphasizes the importance that ERF methods do not inadvertently expand beyond the policy framework of the legislation. The objects of the CFI broadly include helping Australia to meet its international climate change commitments; incentivising offset projects and increasing carbon abatement in a way which is consistent with the protection of the natural environment and improves resilience to climate change. The KLC recommends that the CFI should not cross beyond this core purpose in the pursuit of complementary but discrete policy objectives, as this may result in perverse outcomes and unintended impacts.

Question 33 (opportunities to re-orientate R&D programs)

24. As outlined above, continued funding for NAFI is critical for the continue operation of savanna burning emissions avoidance projects. The KLC recommends the Authority consider pathways for securing funding through existing R&D programs.