

COVER SHEET FOR SUBMISSIONS

2017 review of climate change policies Discussion Paper

Overview

The Discussion Paper provides an overview of the Government's current climate change policies and invites input from business and the community on how Australia can build on the success of current policies to achieve our 2030 target.

To guide input, questions are posed at the end of each section. Stakeholders are encouraged to include a one-page executive summary.

Contact details Name of organisation Victorian Catchment Management Authorities (CMAs) (where applicable) Name of author **Kevin Wood (CEO Glenelg Hopkins CMA) Contact person** Kate Brunt (State-wide Climate Change Coordinator – Goulburn (If not the author) **Broken CMA)** Phone number 0457 832 643 **Email** katebr@gbcma.vic.gov.au **Address** PO Box 124, Benalla, Victoria, 3672 Website (optional)

Optional: to assist with reviewing feedback please indicate if your submission addresses the following									
Electricity sector policies (including the Renewable Energy Target)	No	Emissions Reduction Fund		Yes		Safeguard echanism	No		
Managing policy impacts	Yes	Energy efficiency and productivity		No	Research development and innovation		Yes		
Voluntary action	Yes	International units		No	Long-term goals		Yes		
Sectors discussed (Please list)	Land and	d Agriculture	If other (Please describe)						

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Do you want this submission to be treated as confidential?	Yes	X No	
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Submission instructions

Submissions are due by 5:00pm AEST, Friday, 5 May 2017. Any submissions received after this date will be considered at the Government's discretion.

Where possible, submissions should be sent electronically, preferably in Microsoft Word or other text-based formats, to the email address listed below. Submissions may be sent to the postal address below.

All submissions must include a cover sheet.

Submissions can be forwarded to:

Email address (preferred)

climatechangereview@environment.gov.au

Postal address

Climate Change Policies Review – Discussion Paper submissions

2017 Review Branch

Department of the Environment and Energy

GPO Box 787

CANBERRA ACT 2601

For further information, please call 1800 057 590.





















5th May 2017

Department of Environment and Energy GPO Box 787 CANBERRA ACT 2601

To whom it may concern

Thank you for the opportunity to provide feedback on the **Review of climate change policies – Discussion Paper**. We congratulate the Department of the Environment and Energy on the hard work in pulling together this important document and welcome the opportunity to contribute to policy development in this important area.

The Victorian Catchment Management Authorities are primarily focused on the climate change policies that impact natural resources, and this submission will focus on Land and Agriculture, recognising the link with the key areas identified in the discussion paper.

The Australian Government has supported regional natural resource management (NRM) organisations to incorporate climate change mitigation and adaptation into existing regional NRM plans (i.e. Regional Catchment Strategies). These plans have determined what the climate impacts will be, how regional natural assets can adapt to climate change and the management strategies that are required to address the impacts. The plans also identify priority landscapes for carbon sequestration and strategies to build landscape resilience to climate change.

These plans have now provided Catchment Management Authorities (CMAs) with options for improving carbon sequestration, conserving natural assets and determining options for private landholders to derive income from carbon markets while at the same time, improving farm profitability.

With the benefit of this previous and current work, the Victorian CMAs would like to make the following points in response to the questions posed in the discussion paper:

- The review of Climate Change policies should consider the Catchment Carbon Offsets Trial currently being undertaken by the Department of Environment, Land, Water and Planning (DELWP) and the CMAs in Victoria. The trial seeks to complement Victoria's Climate Change Framework, Water Plan, catchment management and biodiversity policies by demonstrating how projects may simultaneously deliver emissions offsets, climate resilience and improve catchment outcomes. It is intended to enhance understandings of carbon offset opportunities and increase alignment between regional NRM plans, strategies, and water sector emission abatement activities.
- The CMAs in Victoria have long recognised and communicated that the Emission Reduction Fund (ERF), through its lowest cost carbon model, does not encourage NRM outcomes in Victoria, which is demonstrated by only 1% of the ACCUs issued being based in Victoria. Not only this, but the model does not consider the best adaptation options across the country. The lowest cost carbon policy implemented through the ERF has presented a lost economic benefit for many landholders in Victoria, due to the low price and the inability of Victorian landholders to access several of the highly-used methods due to strong state legislations. High land prices have also meant

that entering the ERF is not viable due to the lowest cost carbon approach. A mechanism that considers more than the lowest cost carbon is vital in achieving multiple benefits and assisting rural communities to adapt to climate change. An example is having assessment criteria on other NRM outcomes that can be achieved through the projects.

• The review of policies should consider freshwater blue carbon, which is carbon sequestered in wetland systems, many of which are on private land.

Until recently investigations of the carbon sequestration capacity of wetlands have concentrated on coastal blue carbon habitats, although recent estimates have identified inland wetlands as the earth's largest store of terrestrial carbon. According to the most recent (2013) inventory, Victoria has more than 25,000 natural wetlands which cover an area of over 1.8 million hectares, with over three quarters occurring on private land. A large percentage of coastal saltmarsh, a major source of blue carbon in Victoria, is also found on private land.

It is expected that the protection and enhancement of blue carbon habitat will become an accredited methodology under the Emissions Reduction Fund later this year. Allowing private landholders to make income from blue carbon offsets will allow these important environmental areas to be managed appropriately and make more rural land profitable. More information on blue carbon habitats, both coastal and freshwater, can be found through Deakin University's Blue Carbon Lab. Please refer to the project undertaken by the Victorian CMAs and DELWP to understand freshwater carbon storage through Deakin University's Blue Carbon Lab https://bluecarbonlab.org/.

- Regional integrated catchment planning such as the Regional Catchment Strategies are a
 useful tool in identifying the intersection between NRM, agriculture and climate policy. The
 Regional NRM Climate Change Adaptation Plans, funded by the Australian Government,
 have increased the capacity of regions to consider the challenges of climate change and
 identify priorities for supporting rural communities. Policies that support integrated
 catchment management through adaptive regional planning and the implementation of
 actions identified in Regional Catchment Strategies and associated sub-strategies will help
 all sectors address the challenges and adapt.
- A very large proportion of NRM programs have positive carbon benefits, including broader climate change adaptation outcomes, and there is a strong linkage between mitigation activities and adaptation outcomes. Examples include revegetation, habitat protection and restoration, wetland protection and restoration and soil health projects. At present the carbon outcomes of these projects are not reported and it is recommended that NRM regions are funded to enable measuring and reporting of carbon sequestration that results from NRM activities.
- A number of NRM practices in the land sector can provide productivity benefits to landholders, and can also provide biodiversity and carbon sequestration benefits. However, in the productive farming landscapes of south eastern Australia, the main driver of agricultural enterprises is economic return, and this limits the extent to which landholders will employ practices that benefit biodiversity and carbon sequestration. NRM management agencies have found that providing economic incentives can increase the adoption of activities that sequester carbon and provide complementary NRM benefits. Projects that provide such incentives to landholders are already supported through the Australian Government's National Landcare Programme, and there is scope to substantially increase this to expand the rate of carbon sequestration in Australian landscapes.

It is appropriate that NRM bodies are provided with resourcing and regulation levers to
ensure the implementation of existing climate change adaptation plans. The approach to
carbon offsets taken by CMAs in their Regional NRM Plans for Climate Change reflects
the need for regional planning that meets community needs and identifies any risks to key
natural resource assets. The common themes from the Victorian Plans are shown in the
table below.

Table A.1 Approach to carbon offsets proposed in regional NRM - climate change plans prepared by Victorian Catchment Management Authorities.

Key document Objectives for carbon sequestration promotion		Landholder requirements	Carbon offset options pursued	Recognised impediments	
Corangamite NRM Plan for Climate Change	Protect, enhance &/or restore high biodiversity areas. Strengthen connectivity to improve resilience. Increase soil resilience. Prioritise degraded land. Do not affect existing natural values. Align to RCS priorities.	Returns, capacity building.	Natural regeneration, revegetation, farm forestry, protection of saltmarsh, mangroves, seagrass meadows; farming methods to maximise carbon input and retention in soil.	Consider bushfire risks and catchment water yield.	
East Gippsland Regional Catchment Strategy: Climate Change Adaptation and Mitigation Plan	Achieve carbon sequestration with NRM co- benefits: ecological processes, landscape connectivity and resilience, wildlife corridors.	Improve farm productivity (soil health, extra feed), financial returns.	Grazing system change (broad-acre beef and sheep production), environmental plantings (esp. riparian zones, buffer and connect high value remnant vegetation), soil, human induced natural regeneration, conservation and restoration of freshwater and estuarine ecosystems.	Carbon sequestration may not be the main driver of land management change.	
Glenelg Hopkins Climate Change Strategy	Mitigate climate change through protecting existing carbon stocks and guiding future carbons sequestration.	Financial returns. Consistency with community ecological priorities.	Protect high value areas in good condition (minimal intervention), enhance high value areas in poor condition (moderate intervention). Carbon planting to improve landscape connectivity and resilience, protection and improvement of wetlands, improving agricultural soil health, carbon planting in high value agricultural areas.	Consider local hydrology, fire risk, impacts to biodiversity.	
Goulburn Broken Climate Change Adaptation Plan	Climate resilience. Protect/enhance high biodiversity areas, improve landscape resilience by enhancing and connecting remnant habitat, increase soil resilience, prioritise low value/degraded landscapes.	Financial returns.	Native forest protection, environmental plantings, non- environmental plantings.	Reduction in water yield with revegetation, existing land use. Proximity to native vegetation (non- environmental plantings).	
Mallee NRM Plan for Climate Change	Maintain adaptive capacity in landscapes.	To be part of the planning process, support for changing practices.	Habitat restoration, revegetation, grazing management, enhance land management practices.	Need to consider safeguards for adverse social/community impacts, returns from sale of carbon, and viability of species used under climate change.	
North Central Climate Change Adaptation and Mitigation Plan	Sequester carbon to maximise benefits for biodiversity, water and agricultural production. Build landscape integrity and address climate change impacts on natural ecosystems.	and agricultural sustainability of practice changes. forestry, riparian plantings. Target areas around rivers and wetlands, buffer existing native vegetation, improve		Few economically viable areas for carbon forests - need additional incentives to target tree establishment.	
North East Climate Ready NRM Strategy	Climate change mitigation while preserving current land values and not increasing risk.	Generate income while abating climate change and protecting biodiversity.	Restoring and protecting native vegetation, environmental and non-environmental plantings (includes soil carbon considerations).	Consider existing land values, water interception, loss of endemic vegetation, fire risk.	
PPWCMA identification of priorities for carbon plantings and protection of carbon stores	Benefits for biodiversity and land management while sequestering carbon in the landscape.	Cooperation and shared purpose.	Revegetation for green and brown carbon, and protect identified coastal shores and wetlands. Major revegetation effort for new Nature Links to Improve habitat, areas with high carbon sequestration potential, and protect blue carbon.	Water production, land speculation, development restrictions, fire risk, private property rights, high land values, potential damage to Indigenous heritage.	
West Gippsland Climate Change Strategy	Carbon sequestration as part of an effective response to climate change. Improve the capacity of the landscape to adapt to the future climate.	Financial incentives and support for works. Maintain agricultural production (stewardship).	Enhance and protect native vegetation, establish targeted biodiverse plantings, natural regeneration of vegetation communities, land use planning, best practice agricultural management, construct treatment wetlands for stormwater treatment, increase riverine wetland habitat.	Consider fire risk, changes to ecosystems under the new climate, increasing demand for land and urban development.	
Wimmera Carbon Ready Plan	Maximise emerging carbon investment in terms of economic, social and environmental benefit.	Properties to remain productive. Incentives and support for landholders. Research, demonstration trials. experimentation.	Revegetation and protection of high value ecosystems. Vegetation, soil and blue carbon options considered.	Fire risk, water availability, pests. Protect public infrastructure, development opportunities, high quality agricultural land.	

We would be happy to discuss our response with you in more detail. If you wish to do so, please contact Kate Brunt on kate.brunt@gbcma.vic.gov.au or 0457 832 643.

We look forward to the Victorian CMAs' feedback being considered in future climate change policies.

Yours sincerely,

Kevin Wood

Chief Executive Officer Glenelg Hopkins CMA On behalf of Victorian CMAs