



LANDCARE
carbonSMART[®]

Media Release

Thursday, 7th May, 2009

NRM North launch of Landcare CarbonSMART

Northern Tasmania is set to take a leading role in the emerging carbon market, with the launch of the **NRM North Landcare CarbonSMART partnership**.

The joint venture between NRM North and not-for-profit carbon service provider Landcare CarbonSMART, was officially launched at Agfest today.

NRM North Chief Executive Officer, James McKee, said it was an exciting project to be involved with.

"Carbon rights have become tradeable property and while we don't view this as a 'get rich quick' scheme, we do see huge potential for landholders to get a financial return on land that is used for long term revegetation.

"In effect, we view this as a potential form of stewardship payment for managing vegetation, both for carbon sequestration and also for outcomes such as biodiversity, water quality and salinity management." Mr McKee said.

The regional trading pool will enable greenhouse gas emitters, including large industry, to buy carbon permits under the Australia Government's Carbon Pollution Reduction Scheme at competitive rates and secure a long-term flow of permits at fixed prices.

Landholders with approved carbon sink plantings could then expect annual payments based on the amount of carbon sequestered in that year less administrative and insurance costs.

"The typical range would be from \$60 to \$120 per hectare per annum over the life of the project with high rainfall areas often providing annual incomes over \$350 per hectare in some years.

"This would be a guaranteed income stream for at least 30 years, after which time the trees capacity to sequester carbon tapers off.

"And with recent changes to tax laws meaning the cost of establishing carbon sink forests is now tax deductible, landholders effectively get to revegetate part of their properties for free to create long-term income which can be used to better manage these areas." Mr McKee said.

Not only new plantings would be eligible for payment – anything established after January 1990 could attract payments.

"Carbon trading has been happening in Australia for around five years now in a highly informal and unregulated market.

"That is about to change and the regional carbon pool hopes to provide some leadership, clarity and opportunity for landholders." Mr McKee said.

To be eligible to enter the new regional carbon pool, the land must:

- have been cleared as at January 1, 1990, except for a few paddock trees or scattered remnants;
- be capable of growing trees;
- be greater than 10 hectares for new plantings, or at least five hectares for plantings established since January 1990.

One of the main potential barriers for landowners would be the requirement that they register a covenant on their title for over 100 years.

However, the established plantations can be grazed and the collection of firewood or use as a seed bank is also encouraged.

In the interests of ensuring maximum biodiversity, mixed indigenous plantings would be required.

"We don't envisage these plantings to dominate the landscape in the way that large-scale forestry might." Mr McKee said.

"It would probably suit people who share our commitment to sustainability and adapting to climate change but who are interested in generating some additional income."

Landcare CarbonSMART has been promoting regional carbon trading with a series of television commercials featuring Australian actor Jack Thompson.

The Managing Director of Landcare CarbonSMART, Matthew Reddy, said the response to the campaign had been overwhelming.

"Clearly landholders are keen to take an active role in assisting the nation meet its greenhouse gas reduction targets and restore biodiversity." He said.

"Many calls and expressions of interest have come from the NRM North region which we expect to be one of Australia's leading areas for carbon and biodiversity plantings.

"Without a region taking up a leadership role and responding to the demand, then landholders would miss out on the opportunity."

Interested landowners should contact NRM North for more information about the terms, conditions and eligibility criteria and to arrange a site suitability assessment.

****James McKee and the Primary Industries and Water Minister David Llewellyn will be available for interviews at Agfest TODAY, 11.15am, outside the TFGA tent at S33 (cnr South Street and Fifth Avenue)**

Ends

For more information contact:
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