

April 2nd, 2011

Submission to the Senate's Environment and Communications Legislation Committee inquiry into three bills relating to establishment of a Carbon Farming Initiative.

EFN represents farmers in south-east Australia interested in sustainable farming in a social, environmental and economic sense. We represent mostly commercial farmers very concerned about: the impact of climate change on farms, people and landscapes; loss of farm biodiversity; and, the loss of farmland and relatively natural areas to urban expansion. Our policies and previous submissions are available at <a href="https://www.environmentalfarmersnetwork.net.au">www.environmentalfarmersnetwork.net.au</a>. In particular, we encourage strong greenhouse gas mitigation and adaptation to climate change. We strongly support State and Federal Governments developing market mechanisms that reward those landholders providing ecosystem services such as retention and protection of biodiversity on farms and carbon sequestration.

**Overview**: EFN supports the bulk of the draft legislation. We have a few comments.

EFN believes that large areas of farm land will not be suitable for traditional farming (sheep and cattle grazing, wool, grains etc) with the rapid onset of severe effects associated with greenhouse gas emissions and associated climate change. These areas will still be suitable for carbon farming. The legislation must be able to accommodate this highly likely large scale land use change.

The Eligibility test for Additionality says the project should not be considered a common practice. If the CFI is successful you would expect the approved projects to become common practice. We are not sure how that fits with your legislation. Further EFN believes that "best" practice should not exclude projects from approval whether or not they are common practices. An example of this could be wind breaks that are biodiverse, composed of native species, connect the landscape as a wildlife corridor and also provide shelter for farm animals.

In a similar vein we would expect that native vegetation plantations that reflect local Ecological Vegetation Communities (EVC's) should also be eligible especially considering the fact that the landholder has forgone additional carbon fixing opportunities by incorporating more understorey components for resilience and biodiversity reasons and not maximised carbon fixing opportunities by planting a monoculture of gum trees. (We consider these "biodiverse" plantations to have a counter affect to the likely perverse outcomes that may occur from maximising carbon sequestration by planting monocultures on a broad scale.)

EFN urges caution in terms of accepting soil carbon sequestration as an approved project activity as most scientists warn that permanent carbon sequestration in soils is not proven.

Some of our members have already entered contracts with Carbon Smart. Carbon Smart has now vacated the field of carbon trading leaving the landholders in limbo. They have effectively covenanted their farms to protect their plantings by signing Forestry Rights Agreements. We are not sure how these farmers stand with the new legislation. Division 4 appears to cover this reality and permit transfer of Offset Projects but we would like confirmation of this.

Can we assume that projects planted after 1990 are eligible to be part of the Scheme from July 2011? It appears to be the case.

Peter Forster Secretary Environmental Farmers Network