Preparing for emerging industries across Northern Australia Submission 2

Submission to the Terms of reference Joint Standing Committee on Northern Australia

This submission is made by:

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https://about.uq.edu.au/experts/1430

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This submission pertains to **Terms of Reference topics A, G, I and K** (below) and on ways the aspirations embedded in these Terms of Reference could be achieved simultaneously through improved access of First Nations people to the voluntary carbon market (the Australian Carbon Credit Unit, ACCU scheme) and other environmental markets (e.g. Nature Repair Market, Reef Credits).

- A. The global transition to net zero and furthering renewable energy, decarbonisation and carbon abatement;
- G. Managing biosecurity risks;
- I. Empowering and upskilling local First Nations people;
- K. Research and development.

1. Carbon markets and benefits from access to carbon markets

Indigenous people of northern Australia have limited capacity to contribute to Net Zero because they have limited access to the carbon market (Australian Carbon Credit Unit, ACCU Scheme), despite owning large areas of land across Australia's north.

Their access to the voluntary ACCU Scheme is mainly limited to savanna burning methods (https://www.dcceew.gov.au/climate-change/emissions-reduction/accu-scheme/methods/savanna-fire-management-emissions-avoidance), which are available to only some Traditional Owners, thereby the empowerment and potential for upskilling that comes with carbon market projects, and the incomes generated from the sale of carbon credits are limited to Traditional Owners of savanna Country. While other carbon abatement methods exist within the ACCU scheme (e.g. Tidal Introduction for blue carbon ecosystems, soil carbon, reforestation) these have limited applicability across northern Australia because they are focussed on land cleared for agriculture. This is described by the Indigenous Carbon Industry report:

https://assets.nationbuilder.com/icin/pages/419/attachments/original/1722327686/ICIN_Blue_Carbon Report.pdf?1722327686

When Traditional Owners have been able to access the carbon market the economic, social and cultural benefits have been large, despite the risks. Thus, other appropriate ACCU Scheme methods for Traditional Owners in northern Australia are needed to increase access of Traditional Owners to the carbon market that can deliver benefits that include empowerment, upskilling and R&D by Indigenous peoples.

2. Enhancing Indigenous peoples access to the carbon market

Across northern Australia the vast wetlands that occur are degraded because of the presence of introduced hooved animals (ungulates) including buffalo and feral pigs. These animals degrade wetlands through damage to soils, hydrological processes, vegetation and biodiversity, as well as posing a significant biosecurity risk. The degradation of wetlands by these introduced hooved animals leads to enhanced greenhouse gas emissions from wetlands that could be lowered with improved wetland condition, thereby contributing to net

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zero targets. **Traditional Owners of northern Australia are well placed to manage and control introduced hooved animals in their vast wetland estate** thereby improving wetland condition and reducing greenhouse gas emissions. However, currently there are no methods within the ACCU Scheme that could support management activities in wetlands by Traditional Owners.

The Minister has prioritised development of an ACCU Scheme method that would reward land holders (with carbon credits) for actions that reduce damage to wetlands though management of introduced hooved animals (see https://www.dcceew.gov.au/climate-change/emissions-reduction/accu-scheme/methods/current and www.ungulatecarbon.com.au). The approval of this proposed ACCU Scheme method by the Emissions Reduction Assurance Committee and Minister Bowen, and the subsequent implementation of the ACCU method by Traditional Owners, will lead to the conservation and restoration of degraded wetlands across northern Australia and thereby:

- reduce emissions contributing to Net Zero,
- manage biosecurity threats through carbon market funding,
- lead to opportunities to empower and upskill Indigenous people on Country
- give rise to enhanced biodiversity and healed cultural sites, with potential to link to the emerging Nature Repair Market
- Facilitate further R&D by Indigenous people on Country to give further access to the ACCU and Nature Repair Markets.

3. Removing Roadblocks

While the process of ACCU method development is underway, approval of this ACCU method is not certain. Some of the uncertainty in approval is because Australia does not currently include greenhouse gas emissions from its vast wetland estate within its National Greenhouse Gas Inventory, even though 40% of Australia's methane emissions arise from natural wetlands, a large proportion of which occur in northern Australia. This situation arises largely because of limited R&D investment in the consistent mapping of wetlands and wetland change across all states and territories that comprise northern Australia and thus limited potential for the National Greenhouse Gas Inventory to account for greenhouse gas emissions from wetlands at a national scale.

Because of the wide range of benefits that can arise from carbon projects the Standing Committee should consider recommendations that would improve access of First Nations peoples in northern Australia to the ACCU Scheme through:

- 1) developing appropriate ACCU methods for Traditional Owners on accelerated time frames, and
- 2) R&D to enhance consistent mapping of wetlands and changes in wetland condition across northern Australia that would enable inclusion of wetlands in National Greenhouse Gas Inventory and within the ACCU scheme.