

Business case for action: unlocking carbon finance to help fund a transition to sustainable primary production

David Eyre,
NSW Farmers' Association

Land sector themes

- On farm emissions
- Soil carbon
- Forestry
- Valuing land-system carbon and water rights

Abatement potential in agriculture

“There is significant technical potential to reduce global agricultural emissions and to increase sequestration in agricultural lands, estimated at 5.5 - 6 Gt of CO₂e per year by 2030.”

- 89% through soil carbon sequestration
- 9% through improvements in rice management and livestock/manure management (CH₄)
- 2% through cropland management (N₂O)”

Food and Agriculture Organisation of The United Nations, 2008

Land sector policy barriers

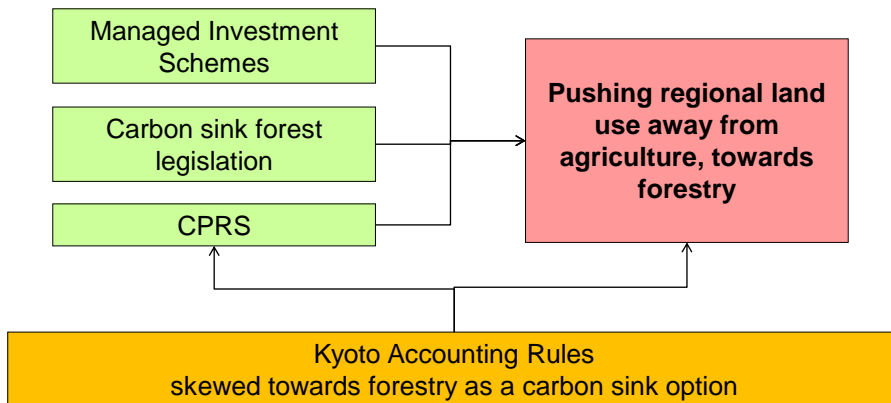
- Conflicting agendas - between environment, forestry and farm sectors, and between nations
- Reflected in Kyoto protocol and accounting rules
- – Articles 3.4, 3.7
- Current accounting rules not suitable for soil and skewed to carbon forestry
- MRV challenge for soil carbon schemes

Agronomic challenge

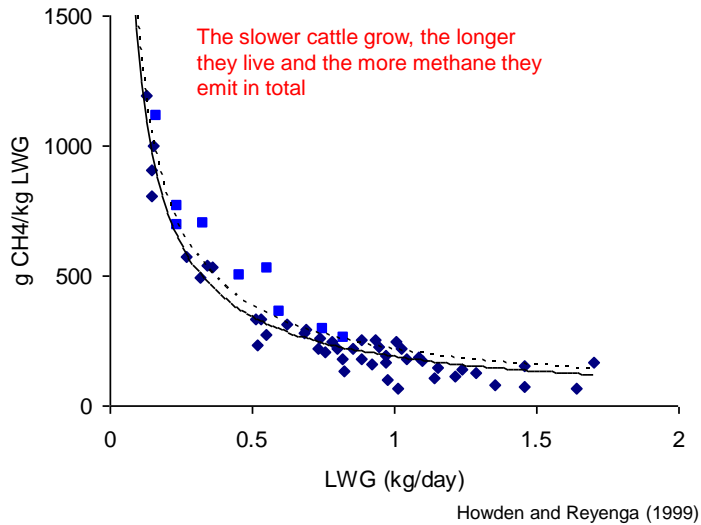
- Current farming systems will need to be altered
- The rate of natural increase in soil carbon reserves is generally slow
- Nutrients will be tied up along with carbon in stable forms of soil organic matter such as humus
- Exogenous carbon – eg biochar – may be critical to success
- Alliances with clean tech ventures...

Managed Investment Schemes

- incentives for forestry offsets



Beef Cattle Methane/kg Live Weight Gain



Policy challenge

- “Connecting the dots” between soil condition, climate change, food security, water security, Aid and carbon finance
- An international sectoral agreement on sustainable agriculture?