

Carbon Farming through Farm Forestry: New Reports Released

Media Release

2 December 2010

The release of three reports into carbon farming opportunities through farm forestry was announced today.

The three reports include:

1. A comprehensive report on a survey of Tasmanian landholder's regarding their understanding and perceptions of the carbon economy and their potential role in reducing or offsetting carbon emissions;
2. Audit of net greenhouse gas emissions from agricultural enterprises on four demonstration farms;
3. Plantation management options for wood production on Tasmanian farms.

"This is the first project in Tasmania aimed at empowering farmers to make informed choices about managing their greenhouse gas emissions through growing more trees on their farms and/or managing existing trees," said Arthur Lyons of Private Forests Tasmania.

"The overall project will assist landholders to offset greenhouse gas emissions through plantations and to participate in carbon trading.

"These reports will now be used to estimate the potential of farm plantations to capture carbon (as well as growing wood) and to develop a Carbon Plantations Kit for release in April 2011."

Don Defender, Senior Consultant with Rural Development Services, said his report (entitled *Carbon Storage and Trading through Farm Forestry: A Survey of Tasmanian Farmers*) "has produced some new and illuminating results, for instance:

1. Awareness and Engagement

- Farmers have a medium to low level awareness of carbon storage and greenhouse gas emission issues as they relate to farm forestry. This was indicated by 81% of farmers.

Carbon storage and trading is a low priority for farmers, given uncertainties about a national carbon framework, trading schemes and the low price of carbon. Farmers are however eager to learn more.

- 83% of those surveyed responded that they have a medium to very high interest in learning more about carbon farming.

2. Barriers

- The major barriers to farmers participating in carbon storage and trading include: lack of a clear government policy or consistent framework (60%), financial return is too low or uncertain (58%), lack of information and lack of a carbon price.
- 67% of farmers said there was no benefit to them in reducing or offsetting their farm greenhouse gas emission through farm forestry until they know the rules of an emissions trading scheme.

3. Information Needs

- Only 9% of farmers think that current information about carbon storage and trading is adequate.

Farmers want clear, jargon free information and advice about carbon farming opportunities. Current information is complex and not geared to the needs of farmers.

4. Opportunities

- Farmers believe the main opportunity government and industry have to best motivate them to get more involved in farm forestry carbon storage projects is for clearer economic benefits to be detailed to them. This was indicated by 79% of farmers.

Farmers want a clear government policy on emission trading.

5. Motivation of Farmers

- 78% of Farmers believe they have a social responsibility as landholders to take action on their farms to reduce greenhouse gas emissions. Farmers want to be part of the solution.

However farmers believe that the wider community should assist them to reduce emissions and not penalize them for being productive farmers.

Financial gain was nominated by 88% of farmers as a key motivator to get involved in the carbon economy.

6. Farmer Belief in Climate Change

- 60% of farmers surveyed believe that global climate change is affecting their local climate. 22% indicated they think global climate change is not having an effect and 17% say they don't know.
- 66% of farmers believe greenhouse gas emissions due to human activity are responsible for global climate change. Only 14% disagree with this statement.
- 78% of farmers believe that climate change is a serious problem.
- Nearly half of farmers have taken actions to reduce greenhouse gas emissions or store carbon on their farms.

7. Government and Industry Actions to Address Climate Change

- 71% of farmers believe that government is not doing enough to address climate change issues – only 22% believe government is doing enough.
- 60% of farmers believe that industry is not doing enough to address climate change issue.”

Mr Defenderfer’s report is based on a comprehensive survey of 64 landholders in Tasmania (with the majority in north east Tasmania).

“The report will help policy makers and industry to better understand the needs and motivations of farmers in regard to the new carbon economy” said Don Defenderfer.

The report also makes recommendations on how to increase the engagement of farmers in carbon farming through farm forestry.

Ruth Hall, from AK Consultants, said her report, *Agricultural Greenhouse Gas Emissions Audit Report* revealed that:

- “The main contributor to agricultural emissions is enteric methane accounting for over 50% of emissions even from cropping dominated farming enterprises and up to 82% of emissions from an intensively managed dairy.
- When accounting for all Kyoto compliant emissions only one of the four farms sequestered more carbon than they emitted.
- However, when emissions reported under the Agricultural Sector are excluded, all farms in the trial have sufficient eligible tree plantings to offset their emissions.”

“The Audit will help farmers gain an understanding of the accounting methodologies and the carbon footprint of individual farms,” said Ruth Hall.

“It is the first step in identifying risks and opportunities associated with the emerging altered operating environment resulting from climate change and associated Government policy.

“It will also enhance farmers’ ability to address mitigation policies if they are implemented.”

The Plantations Management report undertaken by Livingston Natural Resource Services provides critical technical data that is integral to understanding the economics of carbon farming through farm forestry. Scott Livingston said his report revealed:

- “The more productive the land, the higher the profitability of all farm based plantation management regimes – pruned logs and unpruned logs, and thinned and unthinned plantations. On poorer land, harvests need to be brought forward to improve returns even though smaller logs result.
- ‘Distance to market’ has a significant effect on the farm gate price for plantation wood and influences the profitability of plantation enterprises.
- Internal Rates of Return vary by 2-3% across regimes on all sites studied, with the lowest 8% on low quality sites and the highest 11.5% on high quality sites.

- Pruning regimes, while on paper indicate lower economic returns, can increase the likelihood of sales from small plantation areas.
- Selection of plantation management regimes must take into account a variety of factors, such as the capacity of the land to grow trees, distance to market and expected time of return on investment.”

The three reports were completed separately by AK Consultants, Livingston Natural Resource Services and Rural Development Services for Private Forests Tasmania as part of a ‘Carbon Plantations’ project funded by the Federal Government’s Forest Industries Climate Change Research Fund.

The Carbon Plantations project is delivered by a project consortium comprising Private Forests Tasmania, Rural Development Services, AK Consultants, Livingston Natural Resource Services and CSIRO Sustainable Agriculture Flagship.

The reports are available at <http://www.privateforests.tas.gov.au/>

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