



Project requirements and considerations under the 2021 ERF method

Beverley Henry
beverley.henry@qut.edu.au

FutureBeef Carbon Neutral Grazer Network
11 April 2023

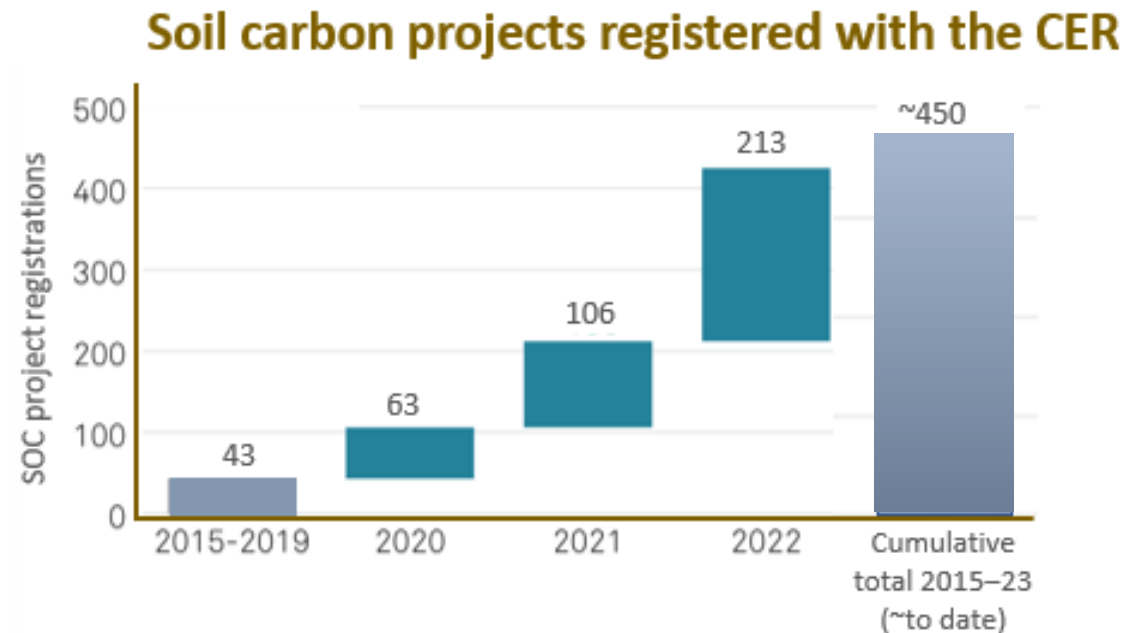


Agri Escondo
Pty Ltd

ERF methods for soil carbon credits

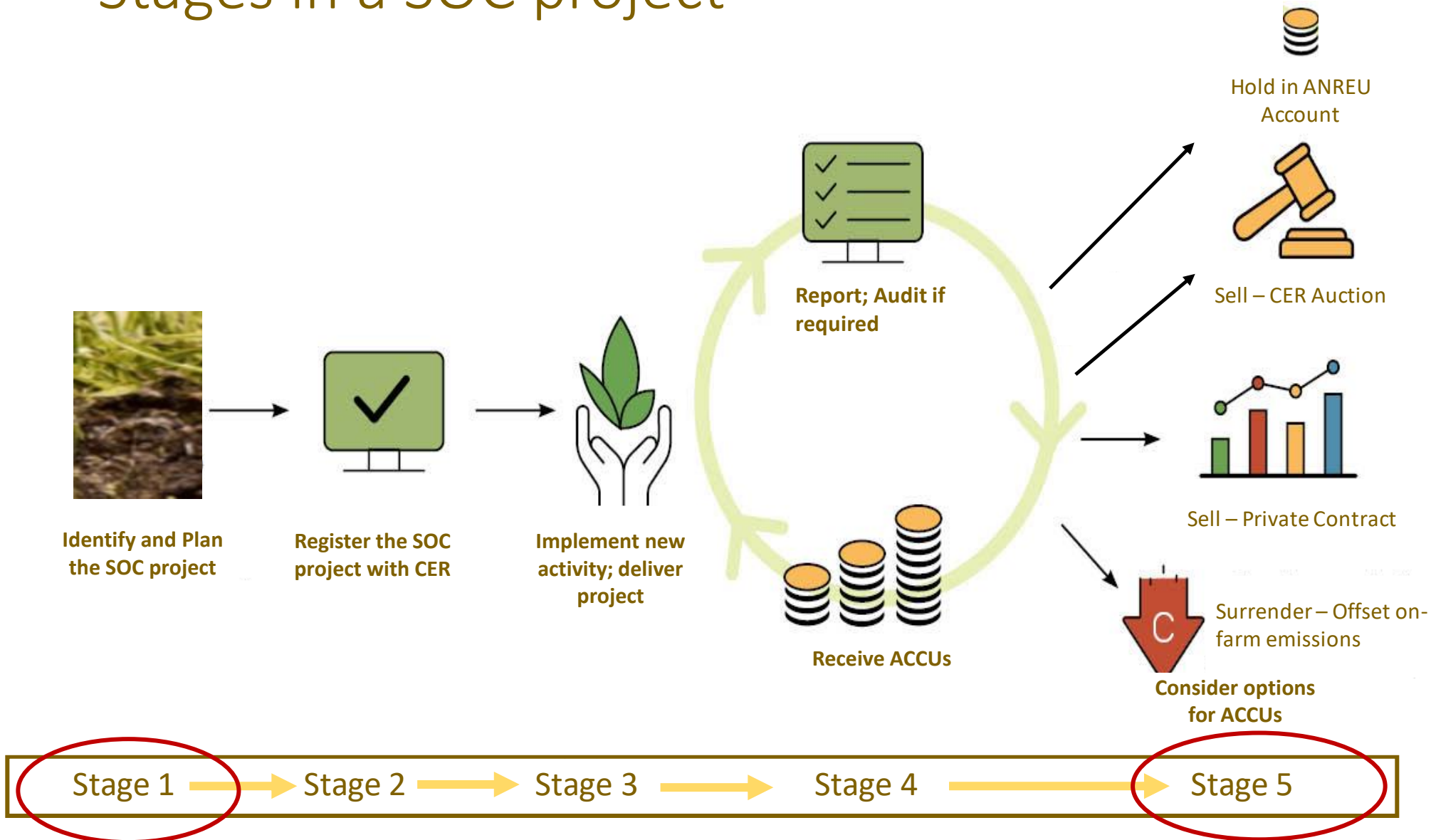
Model method (2015) Estimating sequestration of C in soil using default values

Measure – Model method (2021) SOC sequestration in agricultural systems using measurement and models



Data source: Clean Energy Regulator

Stages in a SOC project



Source: Adapted from CER soil carbon method Factsheet 2022

2021 SOC Method:

Project Stages from registration to receiving ACCUs

Stage 2

Registering a project

- Project registration requirements
- Estimate forward abatement
- Apply to the CER for project registration

Stage 3

Conduct the project

- Baseline SOC sampling
- Determine baseline GHG emissions
- Implement eligible land management activity
- Ensure prohibited & restricted activity requirement compliance

Stage 4

Reporting & ACCU issuance

- *Measurement only Project:*
Sample after 1-5 years;
calculate change in SOC stocks
- *Hybrid approach Project:*
Estimate change in SOC stocks using model with sampling validation (at least 10 yearly)
- Calculate CO₂e abatement
- Submit report to CER for ACCU issuance over 25 year crediting
- Have project audited (3 audits)
- Continue eligible activity to end of permanence period

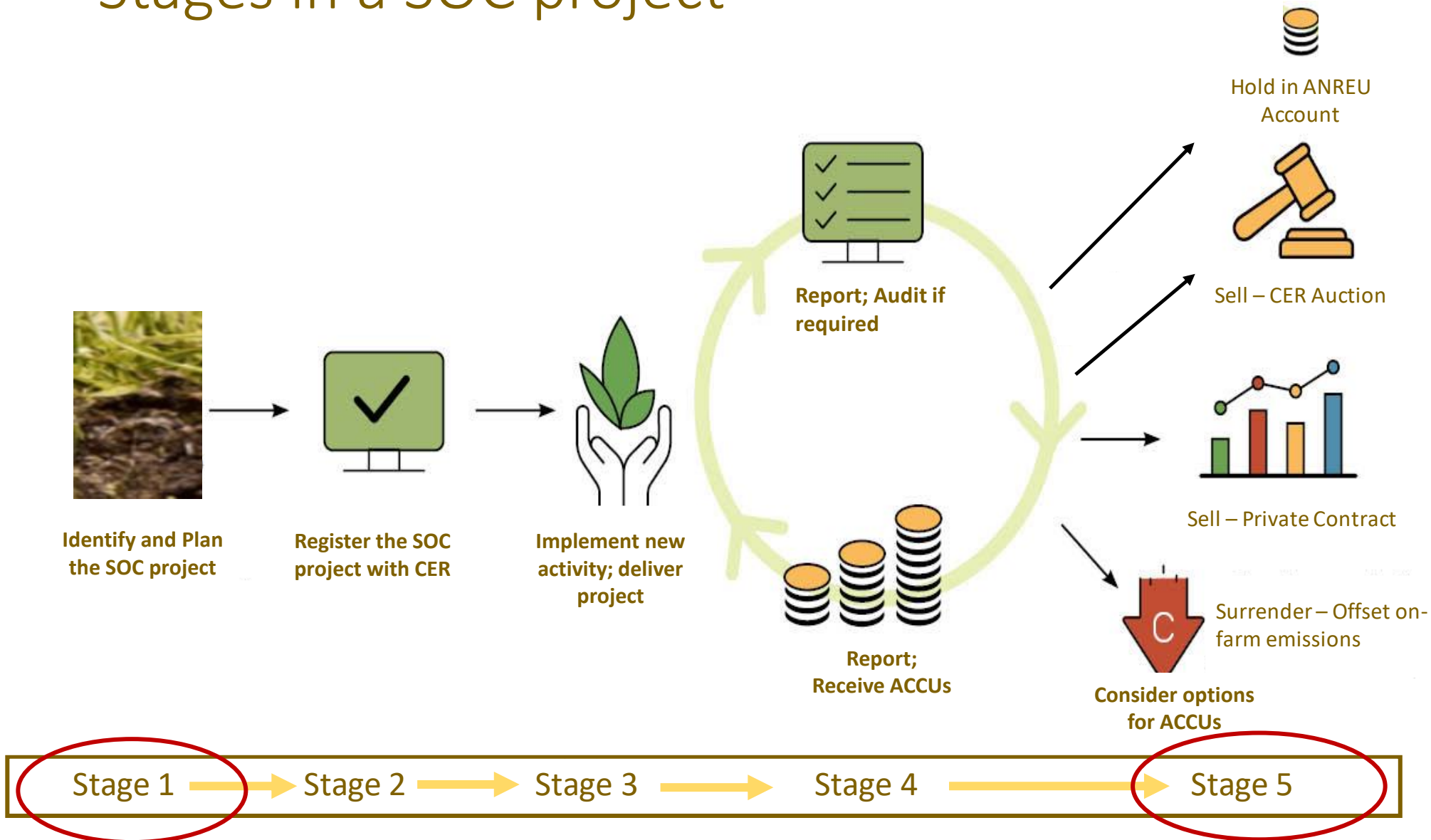


2021 SOC Method: Planning and Decision Stage

Understand the Scheme and Method eligibility requirements and legal obligations for proponent and projects

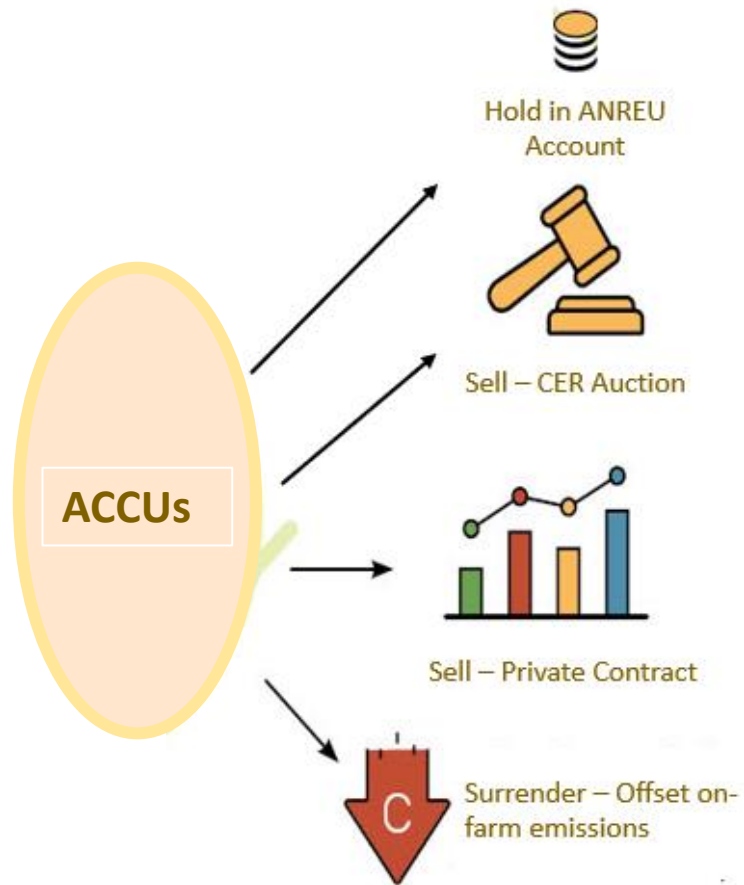
- Can the legal requirements be met?
 - Do you hold the legal right to contract the project?
 - Do you have the consent of all eligible interest holders?
 - Do you have any regulatory approvals that apply?
 - Can the project proponent satisfy the 'fit and proper person' assessment?
- Can the eligibility requirements of the ERF scheme and the method be met?
 - Can the land eligibility requirements be met for the duration of the project?
 - Which eligible management activity(ies) fit within the land and business goals (for 25 or 100 years)?
- Will the project be practical in your production system?
 - Carefully consider and map the project area
 - Realistically consider the land management strategy (required)
- Understand economic and management aspects of the project
 - Assess the benefits and trade-offs of a SOC farming project against personal and business goals, succession plan etc.
 - Estimate expected project returns, costs and risks
 - Consider the best business model for the project and the project proponent (consider time and skills required)
 - Make a decision on whether to participate in an ERF SOC farming project and if applicable engage a 'carbon service provider' (ensuring understanding of fees and responsibilities before contracting)

Stages in a SOC project



Source: Adapted from CER soil carbon method Factsheet 2022

2021 SOC Method: Options for ACCUs earned



➤ Hold ACCUs for later use, e.g. for a C neutral claim or sale

➤ Bid for sale at an upcoming CER auction

➤ Enter into a private commercial contract

➤ Retire the ACCUs to offset on-farm emissions to claim C neutrality ('insetting')

SOC projects are a long-term commitment with substantial obligations

*The 2021 ERF soil carbon method provides land managers with the opportunity to earn ACCUs (and income) for every tonne CO₂e that represents **genuine, additional SOC sequestration**.*

Recommended considerations **before voluntary commitment** to an ERF contract (or other C credit scheme):

- Seek out information from trusted sources for your location and production system
- Make sure you understand the uncertainties, risks and potential non-carbon impacts
- Evaluate realistic estimates of project costs, benefits, trade-offs against personal and business goals

Maintaining, and (where possible) increasing, soil organic matter is good for soil health and productivity and may increase long-term SOC storage.

Thank you for your attention

Beverley Henry
beverley.henry@qut.edu.au

FutureBeef Carbon Neutral Grazer Network
11 April 2023



Agri Escondo
Pty Ltd