



Northern Territory Government



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“Better farming” or “carbon farming”? Show me the money!

Introduction

The Climate Clever Beef project is testing whether there is a business case for northern beef producers to participate in “carbon farming”

Methods

The project works with commercial producers to:

- Benchmark business and herd performance
- Identify options for improvement
- Evaluate potential economic, productivity, land condition and emissions performance of options using modelling and on-property trialling

Options being evaluated

- Improving breeder herd efficiency
- Improving diet quality and growth rates
- Improving land condition (and possibly soil carbon)
- Woody regrowth management in previously cleared areas

Take home messages

- Do your sums!
- Look for improvements that benefit the cattle enterprise *and* have potential carbon income
- Consider carbon price uncertainty
- There aren't approved carbon farming methodologies for many practices in northern Australia yet
- Administration/audit costs need to be factored into any carbon farming project

Scenario - increase weaning rates via:

- Reducing stocking rate (adult equivalents) by 5%
- Cull unproductive breeders
- Early weaning (with supplementation)
- Heifers run in better quality paddocks
- Keeping cows of cull age if healthy and PTIC

2,400km² breeder property geared to live export

	Before	After
Total # head carried	25,500	22,970
Total adult equivalents carried	16,600	15,770
Average weaning rate (from cows mated and kept)	58% (20% in second calvers)	69% (50% in second calvers)
Calves weaned	5,829	6,069
Breeder mortality rate	5%	3%
Live weight sold/year	1,787 tonnes	1,797 tonnes
Herd gross margin (after imputed interest)	\$784,000	\$892,000
Gross margin per AE (after imputed interest)	\$47	\$57
Total greenhouse gas emissions/year (tonnes CO ₂ -e)	31,302	28,900
GHG emissions/tonne live weight sold (tonnes CO ₂ -e)	17.5	16.0
Earnings before interest & tax (EBIT) – cattle enterprise	\$765,100	\$795,600
Potential carbon income (gross) from methane abatement	Not applicable	@ \$5/tonne = \$12,000 @ \$10/tonne = \$24,000 @ \$25/tonne = \$60,000

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