

QUICK GUIDE FOR PRODUCERS:

Carbon farming and net zero

With targets set worldwide to reduce greenhouse gas emissions, producers may soon be asked to provide emissions figures to businesses in their supply chain. You may also need to lower your emissions to gain market access. Here are some of the key concepts to help you get started with carbon farming.



Carbon farming

Carbon farming describes agricultural and land management activities that help mitigate climate change by:

- **reducing greenhouse gas (GHG) emissions** (i.e., methane, nitrous oxide and carbon dioxide) by avoiding or minimising them, and/or
- **storing carbon** - also called sequestering carbon - which means capturing carbon dioxide from the atmosphere and storing it as carbon in vegetation and soil.

Carbon farming activities include:

- Conservation and strategic tillage
- Efficient fertiliser, chemical and water use
- Grazing management
- Natural fertiliser use
- Renewable energy use
- Agroforestry
- Native revegetation

Net zero and carbon neutrality

Net zero is where you take steps to reduce GHG emissions as much as possible and then use carbon storage or credits to balance any remaining emissions.

The Australian Government has set a legislated target to reach net zero by 2050.

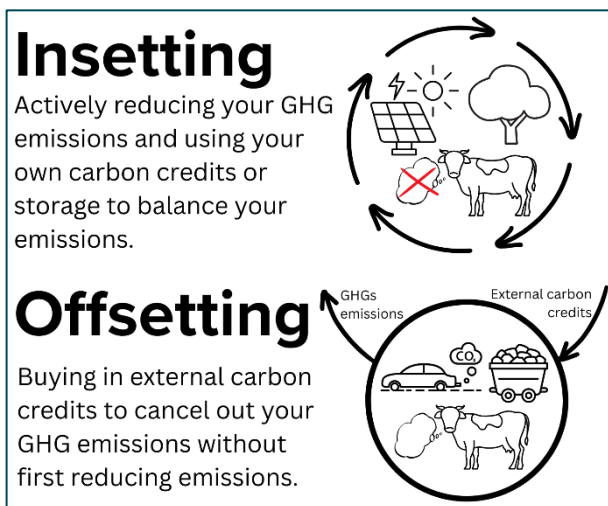
Policies to help us reach this target include:

- **Safeguard mechanism** – large emitters must measure and reduce their emissions, and offset with carbon credits, where necessary.
- **Mandatory climate-related financial disclosures** - large businesses and banks must report on their 'climate-related financial risks and opportunities', including progress toward emissions reduction targets and their resilience to climate change.

Net zero differs slightly from '**carbon neutrality**', which refers to balancing carbon emissions with carbon storage or credits, without taking any steps to first reduce emissions.

Many companies have set net zero or carbon neutrality targets. To meet these targets, they may need to purchase goods that have a low emission intensity and/or purchase carbon credits to offset emissions. Producers may need to lower their emissions to gain access to these markets.

For a producer, attaining carbon neutrality or net zero emissions may involve **insetting** and/or **offsetting** (see diagram below). Schemes such as **Climate Active** can certify a business or product as carbon neutral.



Carbon audit

A **carbon audit** or **GHG account** helps to understand your **carbon footprint**, which is the annual amount of GHGs emitted minus the amount of carbon stored.

Carbon footprints are expressed in **carbon dioxide equivalents** (CO₂-e). By using a GHGs' global warming potential, the amount of each gas can be converted to CO₂-e. This means there is one number to measure, rather than a number for every GHG.

Policy changes and market demand mean that it is likely that in the future many businesses (including banks and buyers such as meat processors and grain handlers) will ask their

suppliers (including producers) to calculate and provide emissions intensity figures.

Emissions intensity

Emissions intensity measures the amount of GHG emissions that are produced per unit of product (e.g. per tonne of grain). A lower emissions intensity often indicates that the business is more productive because more product is grown with less inputs.

There are many calculators that can help you to calculate your emissions intensity, including, the **Primary Industries Climate Challenges Centre (PICCC) Tools**. These Greenhouse Accounting Frameworks (GAF) are free to use, excel-based spreadsheets that can be downloaded from the PICCC website.

Carbon markets

Carbon farming can also involve entering into a **carbon market** such as the **Australian Carbon Credit Units (ACCU) scheme**, where some producers are able to generate income. Producers can only enter the ACCU scheme by using approved methods, which include increasing soil carbon and/or revegetation.

Various other schemes and methods also exist. It is important to seek expert and legal advice before entering into a carbon market.

Want to find out more?

The Northern and Yorke Landscape Board is running carbon farming workshops across the region to give producers a baseline knowledge of carbon farming and emissions reduction. Contact Elly Pratt if you're interested in having a workshop near you.

More information

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