

DISCLAIMER:



This document should only be used by projects using the Carbon Credits (Carbon Farming Initiative – Measurement of Soil Carbon Sequestration in Agricultural Systems) Methodology Determination 2018.

For projects registered under the Carbon Credits (Carbon Farming Initiative – Estimation of Soil Organic Carbon Sequestration using Measurement and Models) Methodology Determination 2021, **this document has been superseded** by the *Guidance for meeting the requirements of soil carbon land management strategies for project using the 2021 soil carbon method* document.

Guidance for meeting the requirements of soil carbon land management strategies

The below table outlines the key requirements for submitting land management strategies (LMS) for projects under the Emissions Reduction Fund’s *Measurement of Soil Carbon Sequestration in Agricultural Systems* method and the Clean Energy Regulator’s guidance on meeting these requirements.

An LMS must identify at least one eligible management activity that will be undertaken by a project to build soil carbon throughout the permanence period of the project (either 25 or 100 years). The method requires LMS to be prepared by an independent person, with appropriate knowledge of agronomy, plant nutrition and soil carbon; and experience in providing agricultural production advice. These strategies are required to be submitted when projects register, add area to a project or transfer to this method.

An LMS need to be revised:

- at least once every 5 years during the crediting period then at least once every 10 years for the remaining duration of the permanence obligation period, or
- if the land management activities being conducted change materially from those outlined in the LMS.

Table 1: Key method requirements for submitting land management strategies

Method LMS Requirement	Guidance on demonstrating this in a LMS
S13(1)(a) The LMS demonstrates the eligible management activities satisfy the eligible management activity requirements including that the new or materially different practices are an	<ul style="list-style-type: none"> • The LMS should outline land management activities conducted in the baseline period of the project and what is proposed during the crediting and permanence obligation period of the project.

<p>improvement on the baseline period such that more carbon can reasonably be expected to be sequestered in that system as a result.</p>	<ul style="list-style-type: none"> • The changed activity should be a new or materially different activity from those in the baseline period and have an established evidentiary or theoretical basis to support that more carbon can reasonably be expected to be sequestered in that system as a result. • Not all management activities need to be new or materially different to the baseline—just one which in isolation, or in its interaction with other activities, has reasonable prospects of increasing soil carbon stocks above baseline levels. This means that landholders can continue other land management activities they were doing before the ERF soil project started. • Claims of the activity being new or materially different (for example changing the duration of grazing) should be supported by evidence of baseline levels and plans for monitoring the materiality of difference overtime (under S13(1)(d) of the LMS) • Project-specific metrics can assist in evidencing material changes to an activity (e.g. for grazing-based activities, average stocking rates and pasture availability indices and targets). These should be consistent for baseline and project comparisons. • Alternative evidence to project-specific metrics that support claims of changed practices could include commitments to reduce paddock sizes (fencing), new watering points (in conjunction with grazing duration changes) or new fertiliser additions.
<p>S13(1)(b) The LMS includes the carrying out or maintenance of at least one eligible management activity until the end of the permanence obligation period for the project</p>	<ul style="list-style-type: none"> • The LMS must be clear that activities will be conducted for the duration of the permanence period (subject to revisions to the LMS—which are permitted under the method and must be communicated to the Clean Energy Regulator).
<p>S13(1)(c) The LMS takes into account all the eligible management activities and other land management activities that will be conducted on the land, the limitations on increasing soil carbon stocks and risks to soil carbon stocks from environmental factors and the land management activities being carried out</p>	<ul style="list-style-type: none"> • The LMS should take into account other plausible activities on the farm that may be incompatible with increasing soil carbon to ensure the landholder does not conduct these (e.g. replacing perennial pastures with crops) and highlight the risks to soil carbon from such other activities. • If parts of an LMS are used across properties, they should also take into account the constraints to their effectiveness across geographical locations (applicable rainfall zones and soil types etc.). If there are no such constraints, this should be explicitly stated in the LMS to ensure that limitations have been considered in the preparation of the strategy.

<p>S13(1)(d) specifies any additional steps the project proponent needs to take to monitor the project or keep records relating to the land management activities to verify the objectives of the LMS are being achieved</p>	<ul style="list-style-type: none"> • Where practices need to occur to a certain extent to be effective, the LMS should outline the key metrics for which monitoring and records are required to demonstrate this has been done to the extent necessary. • For example, if grazing practices are changed, records of numbers of stock and length of time spent in CEAs need to be kept.
<p>S13(1)(e) statement that in the independent person’s opinion, restricted/excluded activities are not proposed, eligible activities meet the requirements of para 7(2)(b) of the method and the overall impact of all land management activities conducted on the land could reasonably be expected to improve soil carbon stocks over time.</p>	<ul style="list-style-type: none"> • This opinion should consider the guidance for s13(1)(a) (discussed in the above rows) regarding reasonable expectations for soil carbon increases. • It is best practice for the LMS to include a list of restricted/prohibited activities and which eligible management activity under s7(2) is being met to ensure landholders are aware of their obligations to act consistently with the allowable and required activities under the LMS.
<p>S13(2) The LMS must:</p> <p>a) cover all of the land included in the CEAs for the project; and</p> <p>b) cover all of the land in a given CEA in a single strategy.</p>	<ul style="list-style-type: none"> • It is recognised that CEA boundaries may not be finalised when LMS are initially submitted. • Nonetheless, it is advisable for the strategies to be explicitly applicable to any CEAs within the project area (or a section thereof) that are likely to be stratified to avoid the need to re-submit an LMS every time a new CEA is added.
<p>s13(3) The initial LMS for the project must be prepared:</p> <p>a) if this determination is the applicable methodology determination as a result of a 128 application—before the first offsets report submitted after that application; or</p> <p>b) otherwise—before the section 22 application.</p>	<ul style="list-style-type: none"> • s13(3)(a) applies if projects transition to the method from a different methodology such as the <i>Sequestering Carbon in Soils in Grazing Systems</i> method. • In this circumstance, the LMS should be consistent with the information provided with the project’s registration application—particularly with regards to the information that demonstrates the activities were new. • Developments in the project that have resulted in any inconsistencies should be addressed in the LMS to ensure that eligible and new or materially different activities continue to be carried out.
<p>S13(4) If a project area is added to a project as a result of a section 29 application:</p> <p>a) one or more existing LMSs must be revised to cover the additional project area before the section 29 application; or</p> <p>b) one or more new LMSs must be prepared to cover the additional project area before the section 29 application.</p>	<ul style="list-style-type: none"> • Please see the below guidance on s13(6) as it also relates to when new project areas are added to a project.

<p>s13(5) The project proponent and each relevant landholder must:</p> <ul style="list-style-type: none"> a) sign and agree to implement, or oversee the implementation of, each LMS; and b) take reasonable steps to implement, or oversee the implementation of, the applicable LMS until the end of the permanence obligation period for the project. 	<ul style="list-style-type: none"> • Please see the below guidance on s13(6) as it also relates to the information that the proponent and landholder must sign.
<p>S13(6) An independent person must review, and if necessary, revise, each strategy:</p> <ul style="list-style-type: none"> a) at least once every 5 years until the end of the crediting period for the project; and b) at least once every 10 years until the end of the permanence obligation period for the project; and c) if land management activities being conducted change materially from those outlined in the LMS; and d) if the Regulator notifies a project proponent that a particular issue needs to be addressed in the strategy—by the date specified in the notification (which must be at least 3 months from the date of the notification). 	<ul style="list-style-type: none"> • The independent person must prepare a strategy that can be applied to the CEAs intended to be stratified in the project. • As such, it must outline the limitations for where the activities have a reasonable prospect of increasing soil organic carbon and the extent to which they may be carried out. • If appropriately drafted, elements of an LMS can be used for different projects (as they could be for new CEAs within a project). <ul style="list-style-type: none"> » The LMS signed by the proponent and landholder must outline that the project/CEAs is compatible with the components of the LMS set out by the independent person. » If the independent person has outlined conditions that must be met for their strategy to be effective, the strategy should include statements and evidence from the landholder and proponent that the CEAs (or potential CEAs) meet these conditions—this evidence could take the form of a supplement to the LMS. » This should include consideration of the extent to which the new or materially different activities are carried out (to reasonably) and the amount that they need to exceed baseline activities to ensure these activities are valid. • If CEAs in the project do not fit into the limitations of the land management strategy, a new LMS is required (as per s13(6)(c)).