



Australian Government
Department of Climate Change
and Energy Efficiency

Soil carbon in carbon markets

Kath Rowley

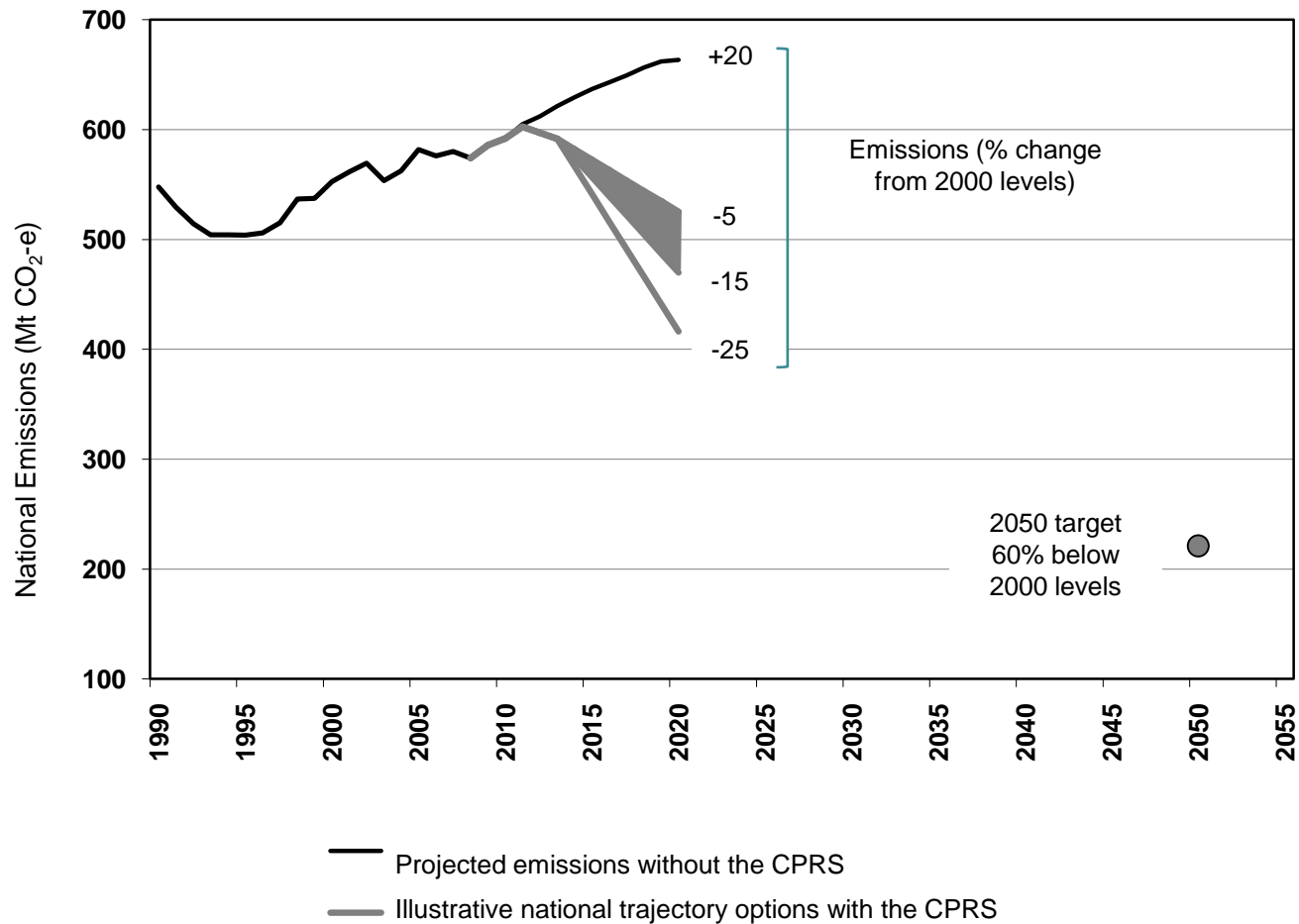
**Assistant Secretary, Offsets Branch
Department of Climate Change and
Energy Efficiency**



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The mitigation challenge

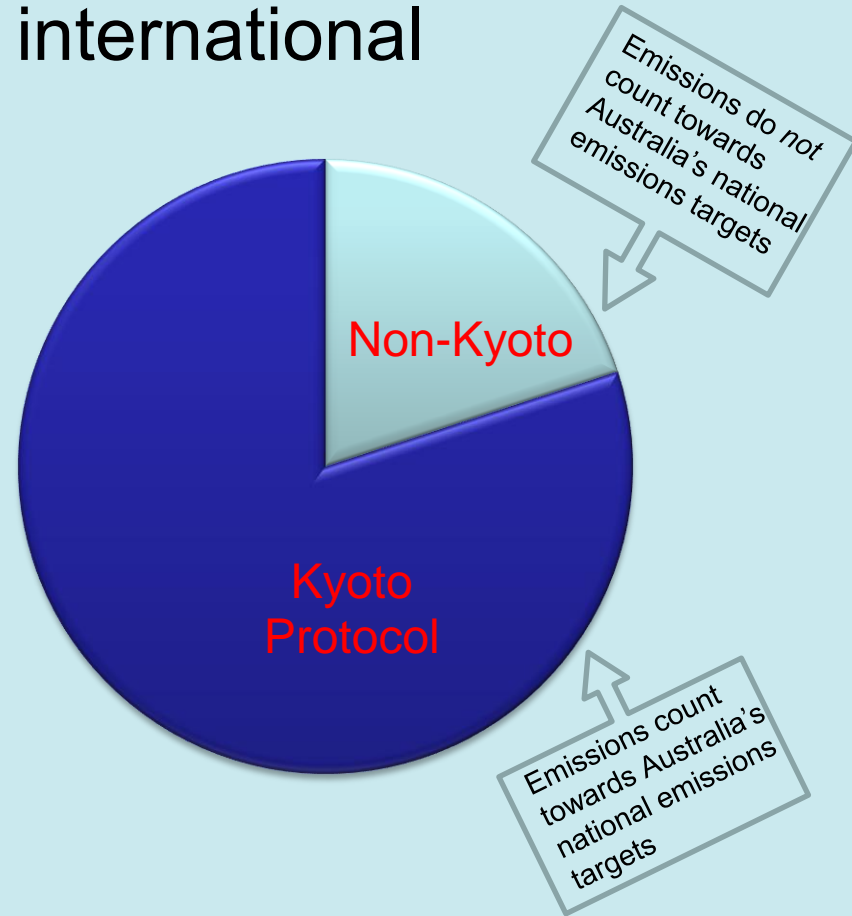


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International rules

- Soil carbon on agricultural lands is currently not counted toward Australia's international commitments
- Government working to improve international rules
- In meantime, two categories of offsets – CPRS (Kyoto) and NCOS (non-Kyoto)



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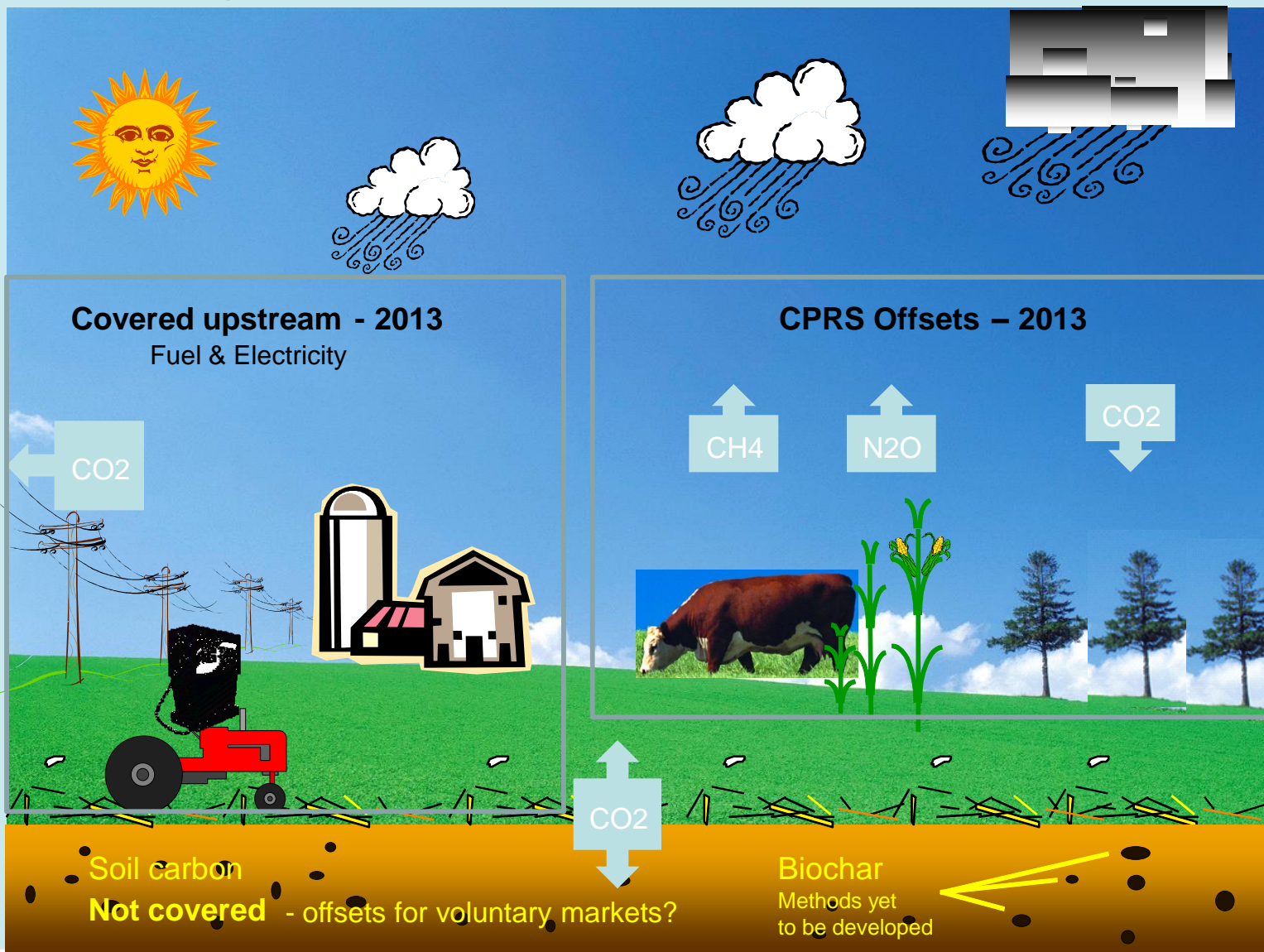
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Agriculture & Kyoto/CPRS

Contributes to national targets?

Counted under Kyoto

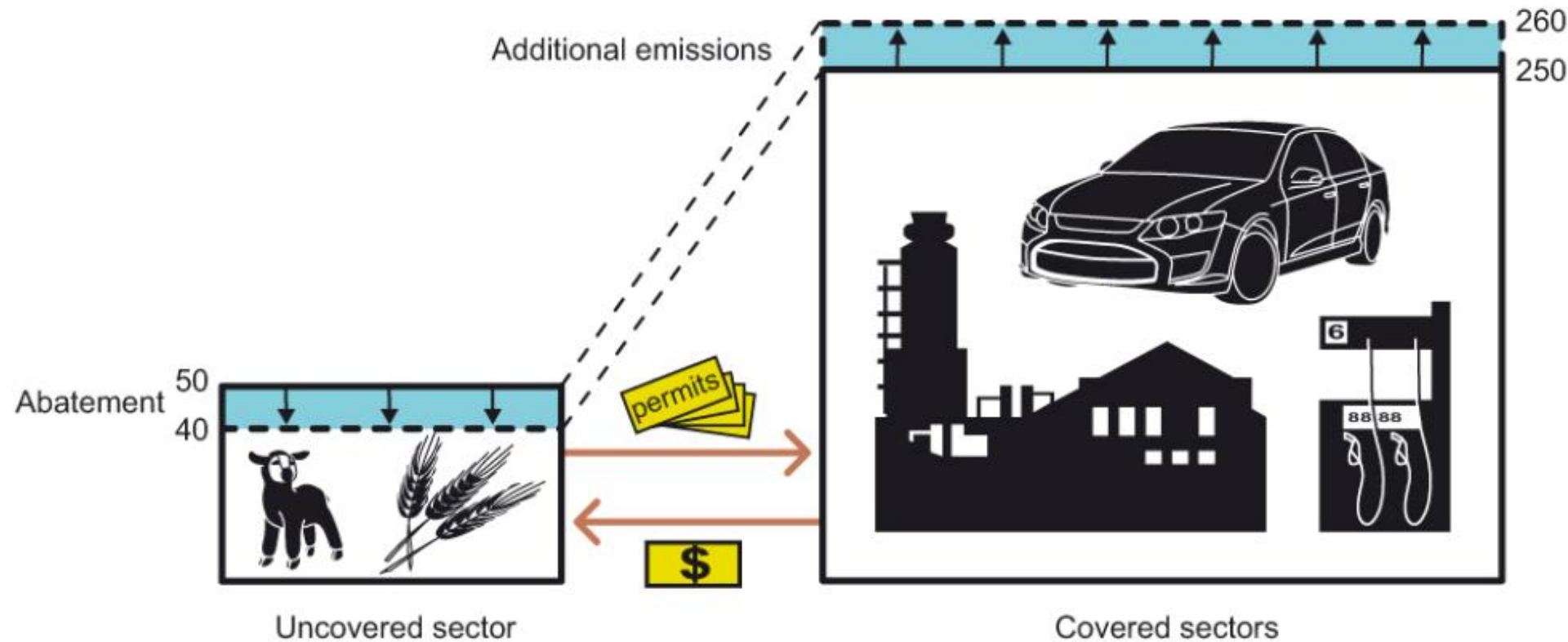
Not counted under Kyoto for most agricultural land



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What is an offset?



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Ensuring abatement is real

- Offsets must meet the internationally accepted principles of:
 - permanence
 - additionality
 - measurability
 - avoidance of leakage
 - independent audit
 - transparency and
 - registration.



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Permanence – a particular challenge for carbon sinks

- Environmental integrity requires that the carbon is sequestered and not released into the atmosphere later.
- When offset credits are issued they bring long term obligations – well after income from credits has been received.
- CPRS forestry provisions provide model:
 - Statutory obligation to retain sinks or ‘make good’ deliberate reversals.
 - Risk of reversal buffer for natural disturbance.



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Going forward

- Government is committed to CPRS and targets
 - Provided there is sufficient progress internationally, the Government expects to legislate in 2013.
- Offsets
 - Voluntary market (NCOS) from July 2010
 - CPRS upon commencement post 2012.
- R&D on soil carbon continues
- Will consult stakeholders on all aspects of CPRS and NCOS offset programs

