

Carbon Farming Outreach Program: Knowledge Bank Discussion Paper

March 2025



The National Farmers' Federation (NFF) is the voice of Australian farmers.

The NFF was established in 1979 as the national peak body representing farmers and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain.

Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

The NFF represents Australian agriculture on national and foreign policy issues including workplace relations, trade, and natural resource management. Our members complement this work through the delivery of direct 'grass roots' member services as well as state-based policy and commodity-specific interests.

NFF Member Organisations



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RE: Carbon Farming Outreach Program: Knowledge Bank Discussion Paper

To Whom It May Concern,

Introduction

The National Farmers' Federation (NFF) appreciates the opportunity to provide feedback on the Discussion Paper to inform the development of the Carbon Farming Outreach Program Knowledge Bank (CFOP Knowledge Bank).

The NFF has long advocated for a centralised, freely available knowledge resource to support farmers and land managers understand and adopt measures that deliver positive environmental and on-farm benefits. The Knowledge Bank is a critical step in addressing this necessity as it will ensure farmers have the tools, information, and guidance they need to navigate emerging carbon markets, supply chain requirements, and regulatory obligations.

Poor Engagement and Recognition

As stated on Page 2 of the Discussion Paper:

"The proposed Knowledge Bank would be a substantial library of knowledge on a wide range of topics. The proposed content is based on current understanding of farmers' and land managers' needs".

It is concerning that farmer engagement was not given sufficient priority in the development of the training package and grants under the CFOP. The training package was developed by the University of Melbourne, the Indigenous Carbon Industry Network, and Indigenous Professional Services. For these extension services to be truly effective, DCCEEW and DAFF must engage directly with farmers, including the NFF, to ensure their accessibility, agility, and relevance. The current standard of engagement is unsatisfactory and does not inspire confidence. While the decision to transfer the Program to DAFF is a

positive step, the success of CFOP under DAFF's tenure will depend on genuine and sustained engagement with the sector.

This broader issue of recognition is also reflected in the artwork on the first page of the Discussion Paper, where agriculture is not represented in any of the imagery. While this may have been unintentional (i.e., use of a standard Department backdrop), the omission contrasts with other DCCEEW consultations that have included subject-specific visual elements. **These details, although small, contribute to how the sector perceives the level of care and effort being invested into recognition and engagement.**

Unclear Scope and Forward Implementation

While we support this initiative, the NFF seeks further clarification on the delivery format and ongoing administration of the Knowledge Bank. Specifically, will it be a standalone online resource, an online library on a Department website, or an actual physical space, and will it be supplemented by ongoing training packages under the CFOP? The only guidance provided is that *"the proposed Knowledge Bank would be a substantial library of knowledge on a wide range of topics"*. Should the Knowledge Bank take the form of an online website, the website must be clearly structured and easy to navigate. This is a problem that has hindered usability of similar tools created under the Future Drought Fund Drought Resilience Adoption and Innovation Hubs. Sadly, this will not be how farmers are likely to consume information, a detailed and robust extension program must be also provided.

It is also unclear whether there will be dedicated staff available on notice to engage with farmers to assist them navigate the Knowledge Bank, provide guidance, and address questions. Clarity is also needed on the expected launch timeline. While an iterative rollout is welcome and supported, key components, including the Voluntary Greenhouse Gas Emissions Estimation and Reporting Standards (VEERS), must be operational as soon as practical to ensure farmers are best prepared to deal with increasing regulatory and supply chain pressures.

The 2024–25 Budget allocation of \$30.8 million over four-years to accelerate on-ground action to reduce agriculture and land emissions by building on the existing CFOP is a welcome foundation. However, to ensure this investment delivers meaningful value to farmers, ongoing funding is essential, and benefits need to be clearly communicated from the outset. Without sustained support, the Knowledge Bank risks becoming an underutilised and outdated resource.

To support an initial rollout, a portion of this funding must be dedicated toward an awareness campaign (supported by State and Territory Governments) in addition to direct farmer engagement. **As no Implementation Plan has been outlined and there is little clarity on what form the Knowledge Bank will be, the practical value to farmers remains uncertain.**

Additionally, there is a need to strengthen trust in the reliability of Government-provided information in this space. A collaborative approach where DCCEEW and DAFF actively engage with Research and Development Corporations (RDCs) in the development and rollout of the Knowledge Bank would help ensure it is seen as a valuable and trusted resource rather than a Government-led initiative developed in isolation from industry.

Purpose

As stated on Page 2:

*“The Knowledge Bank aims to provide centralised, comprehensive and freely available training and information resources, including commodity-specific information, to help farmers and land managers make informed decisions to **reduce emissions and store carbon**”.*

The intended purpose of the Knowledge Bank as stated by DCCEEW is problematic and misses the broader purpose of its creation. The purpose of the Knowledge Bank is to serve as an information resource for farmers and land holders to inform business decisions, whether this results in activities that reduce emissions and store carbon specifically is irrelevant. More broadly, Government policy discussions and resources aimed at helping farmers understand and adopt on-farm activities should focus on reducing emissions intensity rather than absolute emissions reduction. This approach acknowledges the critical role of food and fibre production.

Stewardship and Additional Content

Addressing Scope and Gaps: Climate-Related Financial Disclosure and Downstream Supply Chain Pressures

Although the Australian agriculture sector has no obligations to reduce its emissions (consistent with Commonwealth Minister guarantees), there is increasing movement and interest amongst farmers to decarbonise their assets. This stems from a desire to position Australian agricultural products as a sustainable product in international markets and to address broader supply chain requirements regarding emissions reporting (including the recently legislated Climate-Related Financial Disclosure (CRFD) reporting obligations).

The Knowledge Bank must address the real-world regulatory and financial pressures facing the agriculture sector. The NFF urges the inclusion of specific, practical guidance to help farmers:

- Understand their obligations as it relates to Scope 3 reporting.
- Navigate data requests from processors and retailers (downstream pressures).
- Engage effectively with finance providers and other institutions.

The Knowledge Bank must better reflect the increasing regulatory pressure from Government in addition to broader language referred to under the ‘Supply Chain’ section of the Discussion Paper. CRFD legislation is no longer a framework as noted in the Discussion Paper, it has been legislated and there will be real-world implications for farmers. This is not just an issue emerging from export market requirements as the Discussion Paper suggests.

Additionally, the Knowledge Bank must clearly articulate the impacts and anticipated coverage of farm businesses under this new regime. as This is because the Commonwealth has repeatedly failed to provide this information and its Impact Analysis conducted by the

Department of Treasury is significantly underwhelming and devoid of agricultural-specific detail.

The inclusion of the Sustainable Finance Roadmap and Australian Sustainable Finance Taxonomy is supported as this will provide farmers with a broader financial understanding of the issue.

NFF's Policy on Climate-Related Financial Disclosure is attached at Attachment 1 and should be read in conjunction with the above comments.

Key Questions for Supply Chains

There is a lack of transparency and direct engagement from the finance and accounting sector regarding its approach to CRFD reporting for agriculture. We raise the following key questions to the finance and accounting sector that require answering:

1. *How will you respond to farmers that refuse to provide emissions data to satisfy Scope 3 reporting obligations?*
2. *What measures are being undertaken in-house to support Scope 3 disclosure (whether that be mechanisms to support primary or secondary estimation)?*
3. *What direct engagement plans exist to include the agricultural sector into the discussion and broader decision-making process?*
4. *To what extent will data on financed emissions be captured indirectly Vs. directly from growers? Given AASB ASRS S2 states that Scope 3 emissions data collection must be undertaken "without undue cost or effort", where direct data collection is required, how will the sector minimise the administrative burden on farmers? In general, how will CRFD change the reporting processes already experienced by farmers?*
5. *How will data inform future lending decisions and what level of transparency will be built into this decision-making process? Will there be data sharing between, for example, banks and insurers, and how will this be communicated to farmers?*
6. *Is there interest in providing assurance for suitable carbon calculators to streamline data collection?*
7. *How will the sector make the reporting process valuable to farmers? Is there going to be additional resources and support provided Is there going to be an opportunity for them to access certain benefits?*
8. *Who will own the data, how will it be managed, including considerations around security and privacy management?*
9. *What tools or external verification processes are being used – can the sector confirm it is a trusted tool that is relevant for Australian conditions?*

Domestic and International Policies, Commitments, and Resources

The Knowledge Bank is seeking to provide a clear articulation of domestic and international policy frameworks and commitments related to climate change that affect the agriculture sector. The following initiatives should be included in addition to those provided in the domestic policy list:

- **Future Drought Fund Drought Resilience Adoption and Innovation Hubs:** These Hubs provide regionally focused, science-driven solutions to support planning and

resilience in the farming community against drought and other climate-related challenges.

- **My Climate View Tool:** Developed by the Department of Agriculture, Fisheries and Forestry (DAFF).
- **Zero Net Agriculture CRC:** Which is driving research on low-emission farming practices including an examination of viability and commercial application.
- **2027 IPCC Methodology Report:** A review of common reporting metrics has been scheduled by the Subsidiary Body for Scientific and Technological Advice (SBSTA) at its 66th session in 2027.
- **Research and Development Corporations:** A summary of progress and current activities/work stream.
- **The Australian Agricultural Sustainability Framework:** A joint initiative led by NFF and supported by Australian Government that provides international trading partners with confidence that Australia takes agricultural sustainability seriously and provides clarity about how agricultural production aligns with international climate and sustainability initiatives.

Taking Action

Calculators and Tools

The Discussion Paper has attached a list of carbon calculator tools from the existing CFOP training package as an information resource and tool for farmers to utilise to support carbon accounting. **The list that is provided is a good first-step, although requires the following improvements.**

Firstly, the following calculator tools outlined below are not listed, weblinks to relevant organisation webpages including information as formatted in the column structure must be provided:

- **Agricultural Innovation Australia beta GHG Environmental Accounting Platform.**
- **Australian Eggs Carbon Calculator:** A spreadsheet-based tool developed by Australian Eggs, enabling producers to input data and determine their carbon footprint and on-farm emissions.
- **Cool Farm Tool:** An international calculator evaluated for Australian grain growers.
- **Farm Forestry Toolbox:** A suite of tools for farm foresters, including carbon accounting functionalities.
- **HortCarbon Info.**

Secondly, the following utility enhancements should be made:

- **Include information about system compatibility** (i.e., operating system requirements) **and software dependencies** (i.e., specific versions of Microsoft Excel etc.). This would help users ensure they have the appropriate technological set-up to experiment and utilise the calculators effectively if they choose to do so.
- **Include last updated dates for each calculator.**

The value of outlining the differences between international and Australian-specific carbon calculators as proposed in the Discussion Paper is unclear. There is a risk that providing this information will make this module unnecessarily complex and distracting, and it

arguably detracts from its initial function which is to serve as a knowledge resource for Australian farmers to support domestic action. This is compounded by the fact that farmers have been slow to decarbonise their efforts, and the concept and technicalities of what a carbon calculator is, is not widely understood.

Commodity Specific Information

Notwithstanding carbon calculators, there are additional emerging tools that provide value to farmers that should be recognised and listed. At present, the Discussion Paper has appeared to prioritise carbon calculators as the only available mechanism of choice (through omission of alternative options). The Knowledge Bank must provide detailed guidance on the following carbon accounting and emission reduction strategies:

- Regionally Specific Emissions Factors for Different Commodity Groups:**
 RDCs and the Zero Net Agriculture CRC need to take ownership in discussions and broader work to develop commodity-specific information, including geographic emissions factors for industry. This needs to be supported by consultation with peak industry bodies. Despite interest and discussion in this space, farmers lack visibility on the expected timelines and scope of ongoing work. In recognition that Scope 3 reporting will be fully in effect by 1 July 2028, information on the development of geographic emissions factors (including work output for VEERS) must be made available well in advance, tested, and incorporated into the Knowledge Bank as a resource for farmers to utilise to satisfy increasing supply chain pressures around data and reporting. The Knowledge Bank must also place greater priority into research in this space given the anticipated timeframes for work outputs, for example, VEERS.
- On-Farm GHG Emissions Management Planning Templates (e.g., Towards Net Zero Agriculture Pathfinder Tool):**
 The Pathfinder Tool is developed by the Clean Energy Finance Corporation and CSIRO to assist farmers reduce GHG emissions while maintaining productivity and competitiveness. Relevant functions include farm emissions reduction planning and emissions baseline assistance.

Other Tools

The Department has developed several publicly accessible tools to support and inform project planning including the Protected Matters Search Tool (PMST) and more recently, the PLANR integrated tool.

There should be important caveats attached regarding the limitation of these outputs. As the NFF has previously articulated, there are many examples that can be drawn upon that demonstrate incorrect mapping and identification of Protected Matters on held land title when using the PMST tool. For example, NFF are aware of several circumstances where satellite imagery in the PMST has failed to distinguish between a threatened ecological community and on-farm infrastructure/cultivation paddocks. Incorrect mapping of native vegetation on public and private land is also a common issue. With regards to the PLANR integrated tool, as outlined in our November 2023 submissions to the Nature Repair Market

consultations¹, NFF have identified several flaws in the web-based PLANR management tool which impede functionality and usability for landholders. Key limitations, outlined below, need to be acknowledged and resolved for farmers' and land managers' benefit.

- *Ability to input cost of land does not function correctly in some instances.*
- *No ability to describe native pasture.*
- *No ability to select an option that pasture is not renewed.*
- *Further refinement and clarity to explain figures for tree cover VS ground cover. For example, in one instance, tree cover indicated 20% forest while ground cover displayed at 0%. This is imperative as target levels for native vegetation cover will be set in the NBAS to determine biodiversity outcomes required.*
- *Greater functionality and customisation required for the carbon sequestration section.*
- *Significant improvement to the scope and detail of the project planning section (information that must be submitted under a Project Plan for at least the first proposed methodology). For example, requirements to include significant work such as fencing and firebreaks.*

Guidance on Carbon Markets and the Australian Carbon Credit Units Scheme

The NFF support the proposed scope of Australian Carbon Credit Units (ACCU) Scheme Guidance. It is our view that in addition to the broader elements outlined (Table 1), ACCU Scheme guidance must clearly outline the risks and costs associated with participation, including:

- Project permanence obligations.
- Additionality requirements (that are being variously interpreted by regulators).
- Audit and reporting frequency and costs (administrative burden).
- Eligibility and consent guidance under Native Title, including information resources to resolve conflicts should they arise.

Table 1: Proposed ACCU Scheme topics whereby information and guidance will be provided and rendered accessible under the Knowledge Bank.

○ Permanence	○ Notification requirements
○ Additionality	○ Steps in undertaking an ACCU Scheme project
○ Newness	○ Practicalities and challenges of participation
○ Reporting and auditing	○ Costs
○ Eligibility and what is covered under the ACCU Scheme	○ Risk management
○ Timing	○ Carbon service providers and information on seeking advice

¹ November 2024: [NFF Ecological Knowledge Submission](#) to the Department of Climate Change, Energy, the Environment, and Water

	(expanded on under ‘Support networks’)
○ Changes to projects	○ Co-benefits of participation
○ Legal right and native title	○ Double counting
○ Eligible interest-holder consent and consent guidance	○ Reversal events.

Additionally, NFF support the development of specific guidance for Carbon Insetting. Carbon Insetting is an emerging concept that is not fully understood in the sector, as such, we welcome efforts to provide guidance for farmers and land managers. The Knowledge Bank should include:

- Case studies demonstrating how insetting can work within supply chains.
- Practical guidance on measuring sequestration within farm operations.
- A reliable mechanism to establish and promote insetting outcomes.

Nature Repair Market

Finally, the Knowledge Bank should include Nature Repair methodologies in the pipeline that have been prioritised for future development, including any additional information links to registration and/or EOI opportunities for farmers’ awareness. These include:

- **An Enhancing Remnant Vegetation Method** to encourage protection and enhancement of existing native vegetation. Informed by the Enhancing Remnant Vegetation Pilot.
- **A Replanting Native Forest and Woodland Ecosystem Method** (previously named the carbon + biodiversity method) to enable environmental restoration to create biodiversity certificates and carbon credits, informed by the Carbon + Biodiversity Pilot.
- **An Invasive Pest Management Method** that focusses on the control of a range of specific feral pests or weeds.
- **A Permanent Protection (i.e., Human Induced Reforestation) Method** to protect and conserve biodiversity in line with Australia’s national goal of protecting 30% of land by 2030.
- **A Rangelands Method** to manage and enhance habitat in the arid and semi-arid areas of Australia.

Credibility and Direct Farmer Engagement

For the Knowledge Bank to be an effective and trusted information resource, its content must be developed in direct consultation with farmers and industry experts. The Department should:

- Work closely with the Zero Net Agriculture CRC to validate emissions reduction strategies considering they are driving research in low emission farming practices and examining viability and commercial application.
- Use clear, farmer-friendly language that avoids excessive technical complexity.
- Publish case studies of real-world farm businesses implementing carbon strategies.

- Engage with NFF and other agricultural bodies through an iterative process in the lead-up to the launch and continued rollout of the project.

This same principle applies to assessing the benefits and risks for reducing emissions and sequestering carbon as articulated in the 'Emissions Reduction and Carbon Farming Practices' section of the Discussion Paper. The NFF has clearly and repeatedly articulated the benefits and drawbacks of various technologies in previous submissions to the Commonwealth on climate-related consultations. The following submissions should be reviewed at the minimum as background for understanding, these are available as Attachments 2 and 3 respectively.

- *NFF Submission: Agriculture and Land Sectoral Decarbonisation Plan.*
- *NFF Submission: Climate Change Authority: 2024 Issues Paper: Targets, Pathways, and Progress.*

Expansion of Scope to Include Additional Information

As the intention of the Knowledge Bank is to provide farmers with a centralised, freely available knowledge resource that provides farmers and land managers with the tools and information they need to navigate emerging carbon markets, supply chain requirements, and regulatory obligations, **it is critical that this resource is tailored to the realities of the sector. The Knowledge Bank must therefore serve as a balanced, farmer focussed information resource that not only presents Government perspectives but also reflects what farmers are thinking and ongoing industry discussions in the sustainability space.**

To ensure the Knowledge Bank is accurately informing and supporting farmers, it should include the following additional modules/components:

1. Agriculture's Emissions Reduction Achievements and Current Complexities

The Knowledge Bank should highlight the significant progress already achieved by the sector in reducing emissions and increasing efficiencies, in addition to highlighting the sector-specific challenges that make reduction efforts complex. While the cost and benefits of initiatives such as the ACCU Scheme have been captured under the existing scope, having a more generalised and accessible section that appears upfront in the library would be helpful from an accessibility perspective. This includes commentary on the following complexities: the predominantly biological nature of agriculture's emissions, seasonal variability, challenges in commercial viability, and technological barriers.

The NFF submission to the DAFF Agriculture and Land Sectoral Decarbonisation Plan articulates the complexities of the sector in greater detail. The NFF Submission is attached at Attachment 2 and should be read in conjunction with this section.

2. Reporting Metrics

A dedicated section on emissions metrics in the Knowledge Bank is essential to ensure that farmers and land managers have access to comprehensive, balanced, and up-to-date information on how agricultural emissions are measured and reported. As the Knowledge Bank is designed to help farmers navigate carbon markets, supply chain requirements, and regulatory obligations, understanding how emissions are quantified plays an important role

in the decision-making process. In addition to the GWP100 Paris Agreement standard, there are ongoing discussions in the sector regarding the value of other reporting metrics (including but not limited to GWP*, GWP20, etc.) for certain use-cases. Such information could be provided for farmers' awareness.

Conclusion

We understand that delivery of the Knowledge Bank under the CFOP is scheduled to transfer from DCCEEW to DAFF from 1 July 2025. We look forward to continued discussion and engagement with the Department and project staff. Please do not hesitate to contact Warwick Ragg, General Manager, Natural Resource Management, via e-mail: WRagg@nff.org.au at the first instance to progress this discussion.

Yours sincerely,



TROY WILLIAMS

Chief Executive Officer

Attachments List:

1. *NFF Climate-Related Financial Disclosure Policy*
2. *NFF Submission: Agriculture and Land Sectoral Decarbonisation Plan*
3. *NFF Submission: Climate Change Authority: 2024 Issues Paper: Targets, Pathways, and Progress*



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