

# Queensland's Land Restoration Fund

## An overview



### Land Restoration Fund

The \$500 million Land Restoration Fund (LRF) is the Queensland Government's flagship environmental program. Announced in 2017, it aims to expand carbon farming in the state by supporting land-sector projects that deliver clear environmental, social and economic co-benefits<sup>1</sup>, while also investing in market development and science to support the industry's growth.

A key LRF objective is to provide farmers and land managers new options for generating additional income streams through carbon farming projects.

A robust carbon farming industry in Queensland will create regional jobs and contribute to reducing Queensland's carbon emissions, as well as providing valuable co-benefits like healthier waterways, more habitat for threatened species, and more resilient landscapes.

### Land Restoration Fund investment priorities

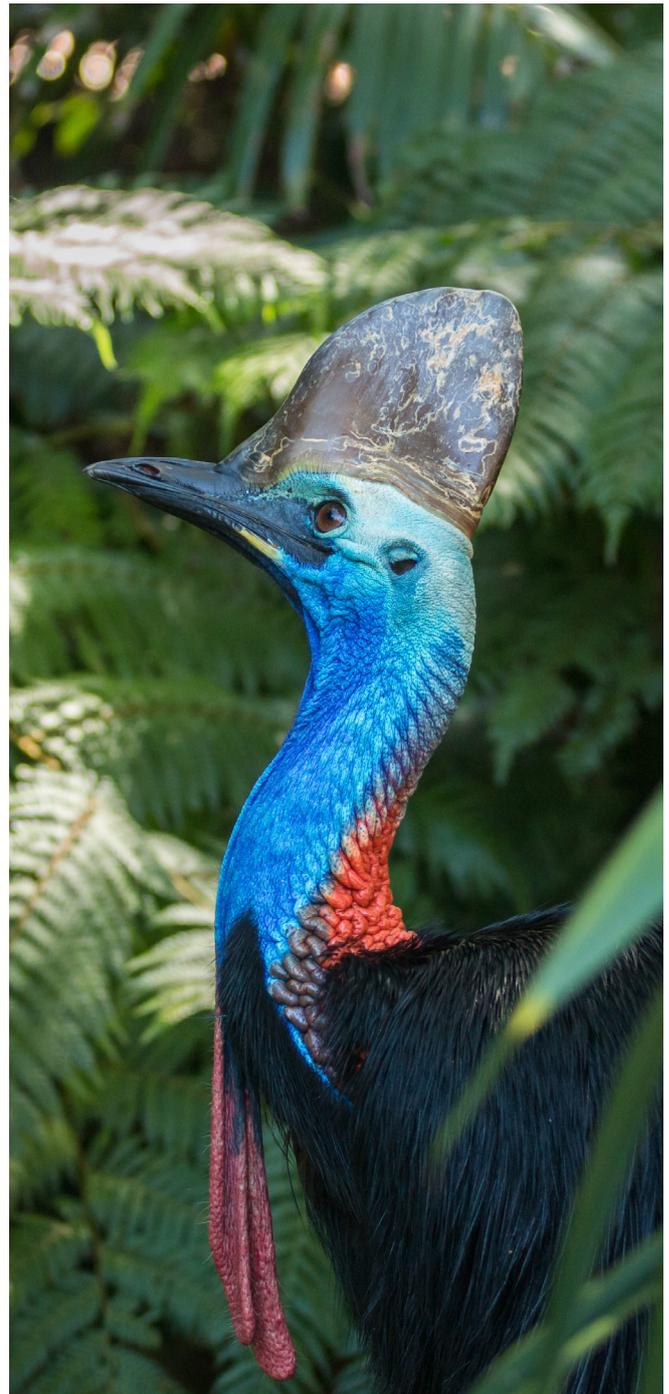
There are three priority areas identified for investment for the Land Restoration Fund:

1. Land restoration to improve the health of wetlands and coastal ecosystems, including the Great Barrier Reef.
2. Land restoration for threatened species and biodiversity.
3. Land restoration for social and economic sustainability.

### Benefits of co-benefits

Unlike the Federal Government's Emissions Reduction Fund (ERF), which has to buy carbon credits at lowest-cost through its reverse auction process, the LRF will use co-benefits as the key driver to obtain well-designed carbon farming projects to incentivise sustainable land and agricultural management practices. Land sector projects can deliver on many priorities that might otherwise involve multiple sources of public and private investments.

Likewise, in the case of carbon projects that may currently appear marginal (i.e. the carbon price does not cover the project costs compared to other potential uses of the land, such as agricultural production) the valuing, quantifying and pricing of the co-benefits associated with the carbon project is designed to improve project feasibility.



<sup>1</sup> "Saving Habitat, Protecting Wildlife and Restoring Land: Ending broadscale tree clearing in Queensland (again)", 2017 Policy Document, Palaszczuk Labor Government [www.queenslandlabor.org/media/20226/alpq-saving-habitat-policy-document-v3.pdf](http://www.queenslandlabor.org/media/20226/alpq-saving-habitat-policy-document-v3.pdf)



## Applying for funding under the LRF?

Any land manager with the legal right to undertake a carbon farming project is eligible to apply under the LRF.

Legal right has a specific meaning under the ERF legislation and guidance is provided by the Clean Energy Regulator<sup>2</sup>. Having the legal right to undertake an ERF project has two main parts:

- The right to carry out the project activity on the project site,
- A lawful and exclusive right to be issued the Australian Carbon Credit Units (ACCUs) that might be created as a result of project activities.

Details on LRF applications, eligibility, process and assessment can be found on the LRF website - [www.qld.gov.au/environment/climate/climate-change/land-restoration-fund](http://www.qld.gov.au/environment/climate/climate-change/land-restoration-fund)

## LRF and the Private Sector

Private sector demand for carbon credits with added co-benefits underpins the industry. There are many ways that the private sector can be actively involved in supporting and growing Queensland's carbon farming industry and the Australian domestic offset sector as a whole, including:

- Using the LRF Co-benefits Standard<sup>3</sup> to identify co-benefits associated with carbon farming projects,
- Directly investing in ACCUs with co-benefits,
- Sustaining long-term private sector demand with a stable investment pipeline,
- Integrating natural capital frameworks into financial decision-making,
- Directly investing in or co-financing research and development, and supporting development of new carbon farming methods (e.g. blue carbon),
- Aligning voluntary carbon neutral goals and emission reduction targets with company values and Sustainable Development Goals, aligning with co-benefits e.g. Indigenous procurement policy and First Nations generated credits,
- Partnering with government and carbon service providers to develop standards and branding for premium carbon offsets (carbon plus co-benefits),
- Becoming a supporter of the Australian Carbon Industry Code of Conduct<sup>4</sup>.

## More Information

The Land Restoration Fund [www.qld.gov.au/landrestorationfund](http://www.qld.gov.au/landrestorationfund)

Carbon Farming Industry Roadmap [carbonmarketinstitute.org/roadmap](http://carbonmarketinstitute.org/roadmap)

Emissions Reduction Fund [cleanenergyregulator.gov.au/ERF/Pages/default.aspx](http://cleanenergyregulator.gov.au/ERF/Pages/default.aspx)

<sup>2</sup> Clean Energy Regulator – Legal Right - [www.cleanenergyregulator.gov.au/ERF/Want-to-participate-in-the-Emissions-Reduction-Fund/Planning-a-project/Legal-right](http://www.cleanenergyregulator.gov.au/ERF/Want-to-participate-in-the-Emissions-Reduction-Fund/Planning-a-project/Legal-right)

<sup>3</sup> LRF Co-benefits Standard - [www.qld.gov.au/\\_data/assets/pdf\\_file/0025/116548/lrf-co-benefits-standard-exposure.pdf](http://www.qld.gov.au/_data/assets/pdf_file/0025/116548/lrf-co-benefits-standard-exposure.pdf)

<sup>4</sup> Australian Carbon Industry Code of Conduct [marketplace.carbonmarketinstitute.org/code](http://marketplace.carbonmarketinstitute.org/code)