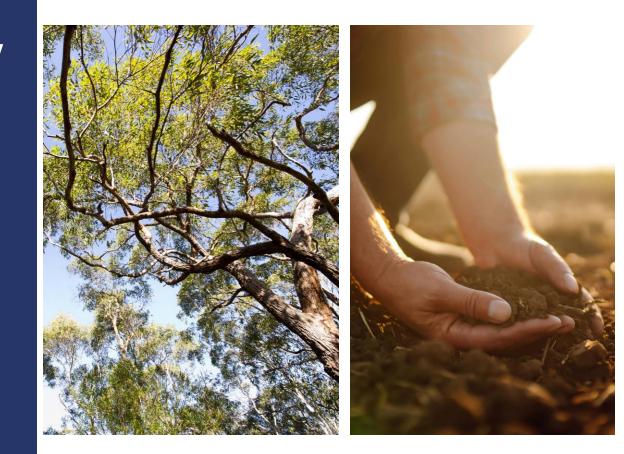
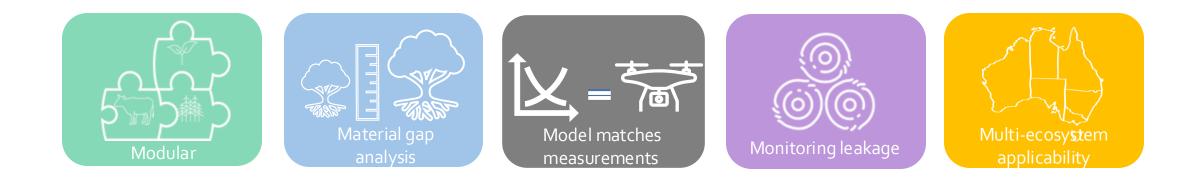


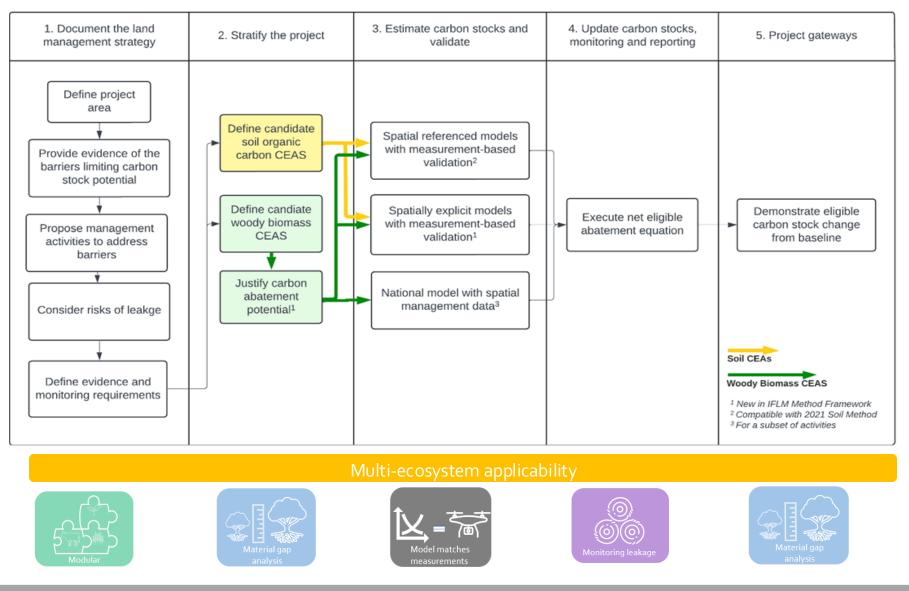
Session 1: Overview of five-step project cycle & application in diverse ecosystems around Australia

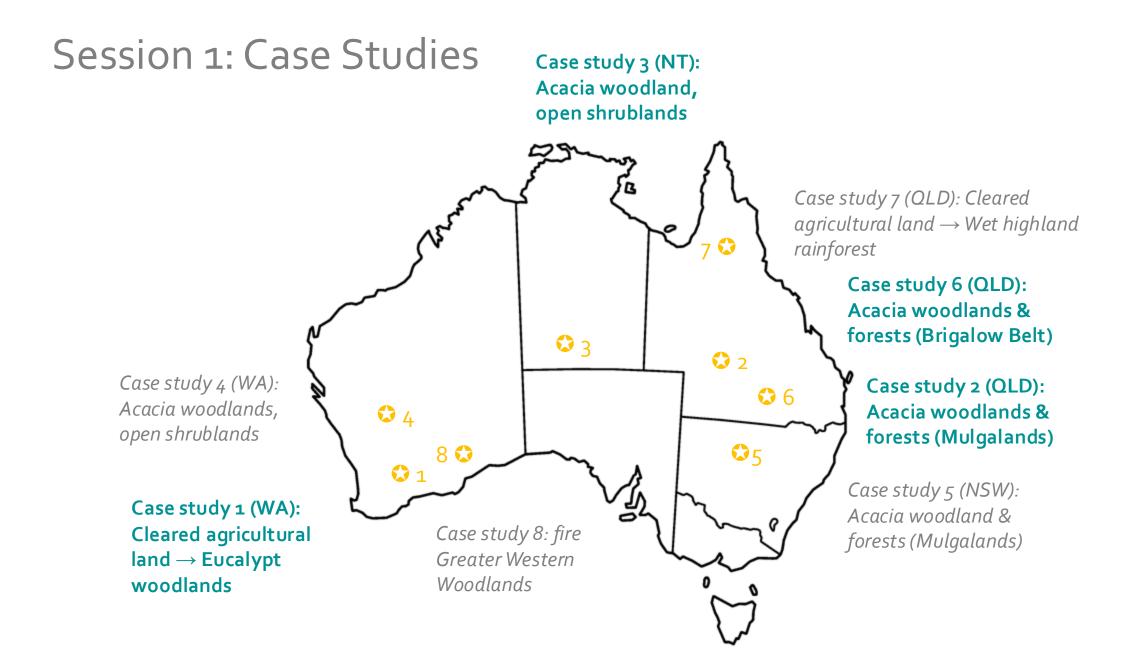


Five major innovations of IFLM



Session 1: Overview five-step IFLM project cycle

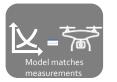




Case study 1 (WA): Cleared agricultural land → Eucalypt woodlands











| IFLM Step | Property type & size | Mixed farming enterprise, 4,600 ha |
|-----------|--|--|
| 18 | Location | Katanning, WA – 478 mm annual rainfall |
| | Traditional Owners | Goreng People |
| | Currently registered under ACCU scheme? | Woody biomass: Yes, under the environmental plantings method Soil: Yes |
| ıb | Barriers limiting carbon sequestration potential | Ecological: Tree recruitment requires good rainfall for spontaneous germination, followed by low or no grazing pressure |
| | | Biological : Competition from introduced grass species and a lack of native seed source or propagules |
| | | Physical/chemical: Over-grazing and soil cultivation has led to a lack of year round ground cover, leading to poor rainfall infiltration |
| 1C | Management activities | Ecological: Temporarily removed grazing pressure |
| | to address barriers | Biological: Introduced native tubestock i.e. facilitated regeneration |
| | | Physical/chemical: Deep ripped to ensure favourable seed bed |
| ıd | Risk based leakage assessment | Leakage risk is low-moderate. Grazing temporarily displaced until trees are above grazing height. Leakage mitigation strategy involved planting in strips to facilitate an optimal tree/pasture balance, livestock will be re-introduced once trees exceed grazing height. |
| 10 | Evidence & monitoring examples | Receipts for planting contractors and purchase of seedlings Satellite based monitoring of survival and transition to forest cover |
| 2a | Stratify the project | Soil & planting CEAs (350ha) would fully overlap under IFLM |
| 2b | Material gap analysis | Based on aboveground woody carbon stock CEA: o t C ha ⁻¹ Ecosystem benchmark: 42 t C ha ⁻¹ (conceptual model) |

Case study 1 (WA): Cleared agricultural land \rightarrow Eucalypt woodlands

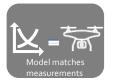
Carbon stocks in living trees (tC/ha)



| Case study 2 |
|------------------|
| (QLD): |
| Acacia woodlands |
| and forests; |
| Mulgalands |











| IFLM Step | Property type & size | Rangelands pastoral enterprise; ~60,000 ha | |
|-----------|--|--|--|
| 1a | Location | Cheepie, QLD – 348 mm annual rainfall | |
| | Traditional Owners | Bidjara and Mardigan Peoples | |
| | Currently registered under ACCU scheme? | Woody biomass: Yes, under the under the human induced regeneration method | |
| ıb | Barriers limiting carbon | Ecological: Tree recruitment typically requires above-average summer rainfall | |
| | sequestration potential | Biologica l: Overstocking of domestic livestock leads to use of trees as fodder, especially damaging for young seedlings | |
| | | Physical/chemical: Heavy grazing removes ground cover during dry periods, leading to poor infiltration capacity and reduced productivity when water returns, exacerbating reliance on trees for fodder | |
| 1C | Management activities to | Biological: Reduce/modify stocking rate to reduce livestock consumption of tree fodder | |
| | address barriers | Physical/chemical: Increase pasture rest to improve ground cover, increase rainfall infiltration | |
| ıd | Risk based leakage assessment | Fodder harvesting – Leakage risk is moderate-high. Project area contains a large non- implementation area under operational control of the proponent, where fodder harvesting could be displaced to. Leakage monitoring is required. | |
| | | Grazing – Moderate. Project could trigger displacement of fodder harvesting activity to provide feed for displaced livestock. Outline leakage prevention strategy in the LMS. | |
| 10 | Evidence & monitoring examples | Third-party evidence of livestock numbers over baseline and project period Assessment of actual vs 'safe' grazing pressure | |
| 2a | Stratify the project | Woody biomass: spontaneous regeneration new cohort 28,0000 ha spontaneous regeneration understorey 12,800 ha | |
| 2b | Material gap analysis (Justification of abatement potential) | CEA: 4 t C ha-1 Ecosystem benchmark: Option 1: Conceptual model: 18 t C ha ⁻¹ Option 2: reference ecosystem: 58 t C ha ⁻¹ | |

N

Case study 2 (QLD): Acacia woodlands and forests; Mulgalands

Step 2b: Material gap analysis





Case study 2 (QLD): Acacia woodlands and forests; Mulgalands





Step 2a: Stratification





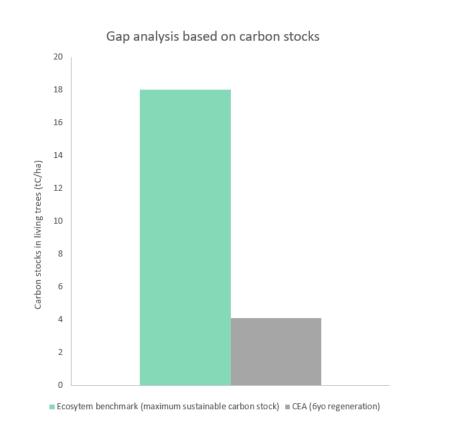
Case study 2 (QLD): Acacia woodlands and forests; Mulgalands

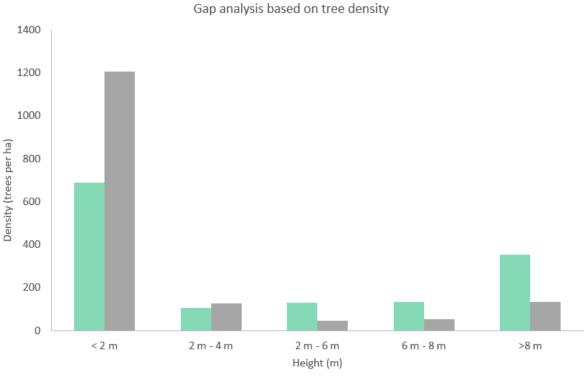
Option 1:

Step 2b: Material gap analysis

Option 2:





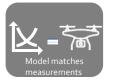


■ Ecosystem benchmark (~80yo forest) ■ CEA (6yo regeneration)

Case study 3: Northern Territory Acacia woodland, open shrubland











| IFLM Step | Property type & size | Extensive grazing , circa 600k ha |
|-----------|--|---|
| 1a | Location | South of Alice Springs |
| | Ecosystem | Acacia woodland/ open shrubland |
| | Traditional Owners | Central Land Council - Anangu |
| | Currently registered under ACCU scheme? | Woody biomass: Yes, under the human induced regeneration method (registered 2022) |
| ıb | Barriers limiting carbon sequestration potential | Ecological: Dysfunctional hydrological processes Biological: Very high grazing pressure, feral grazing pressure |
| 1C | Management activities to address barriers | Ecological: slow rates of water flow Biological: Manage total stock, rest based grazing, reduce distance to water, reduce stock/water, feral control, increase groundcover/slow flow and increase infiltration |
| ıd | Risk based leakage assessment | Leakage risk is low, as the carbon project investments will enable more strategic grazing management, meaning stock numbers are matched to safe grazing limits and developed sustainably |
| 10 | Evidence & monitoring examples | Stock numbers and distribution, feral control, water point development costs, |
| 2a | Stratify the project | Aboveground CEA |
| 2b | Material gap analysis (Justification of abatement potential) | Field survey (species ID and stem counts), fixed wing and plot-based LiDAR for height classes Reference condition |
| | | |

Case study 4: Northern Territory Acacia woodland, open shrubland



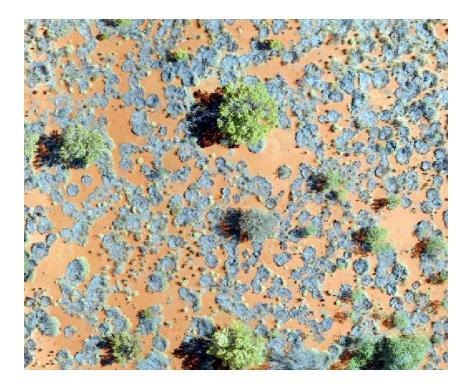








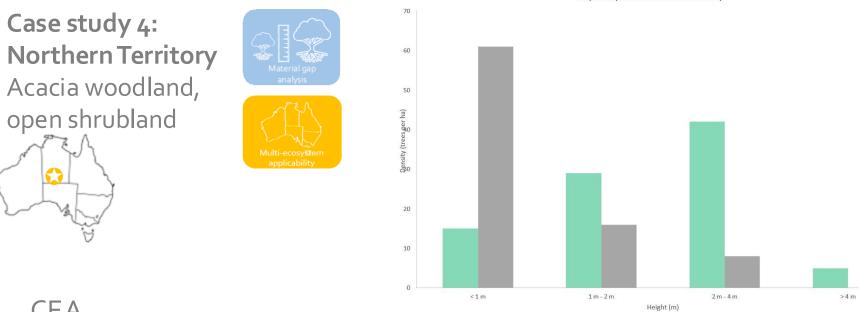




CEA

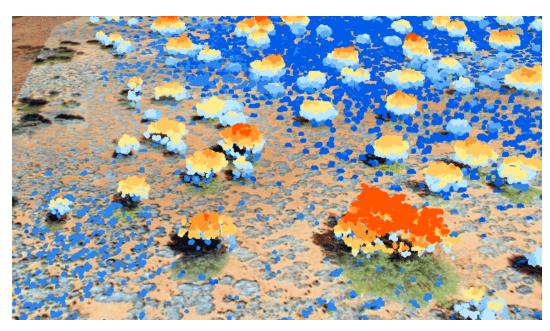


Forest



Gap analysis based on tree density

CEA



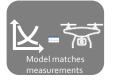


Case study : 4 Western Australia Acacia woodland and Open Shrubland













| IFLM Step | Property type & size | Pastoral grazing (100,000 ha) |
|-----------|--|--|
| 1a | Location | Murchison Shire, WA |
| | Ecosystem | Acacia woodlands and Open Shrublands |
| | Traditional Owners | Wajarri Yamaji Aboriginal Corporation RNTBC |
| | Currently registered under ACCU scheme? | Woody biomass: Yes, under the under the human induced regeneration method (registered 2023) |
| ıb | Barriers limiting carbon sequestration potential | Ecological : Tree recruitment typically requires above-average summer rainfall |
| | | Biological : Overstocking of domestic livestock (exacerbated by drought) leads to use of tree sand tall shrubs as fodder, especially damaging for young seedlings |
| | | Physical/chemical: Heavy grazing removes ground cover, leading to poor infiltration capacity and reduced productivity when water returns, exacerbating reliance on trees and shrubs as forage |
| 1C | Management activities to address barriers | Biological: Changing the timing and extent of grazing |
| ıd | Risk based leakage assessment | Low |
| 10 | Evidence & monitoring requirements | Stock records, on-ground monitoring of recruitment and recovery |
| 2a | Stratify the project | Stratification based on geophysical, vegetation and management data sets coupled with field-based sampling and remote sensing |
| 2b | Material gap analysis (Justification of abatement potential) | Used stem density measures comparing CEA and forest areas demonstrates potential |

Case study 4: Western Australia (Acacia Woodlands and Open Shrublands)

Step 1e: Evidence & Monitoring Examples



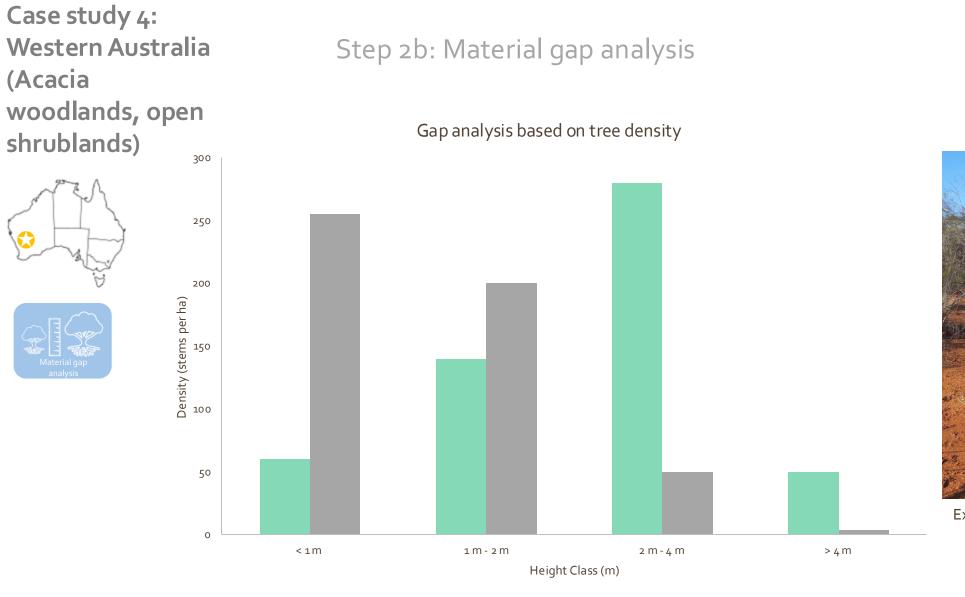
Loss of vegetation cover due to heavy grazing around waterpoint







ga recruitment

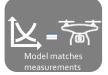


Example Acacia woodland ecosystem benchmark

■ Ecosystem Benchmark ■ CEA

Case study 5 (NSW): Acacia woodland & forests (Mulgalands)





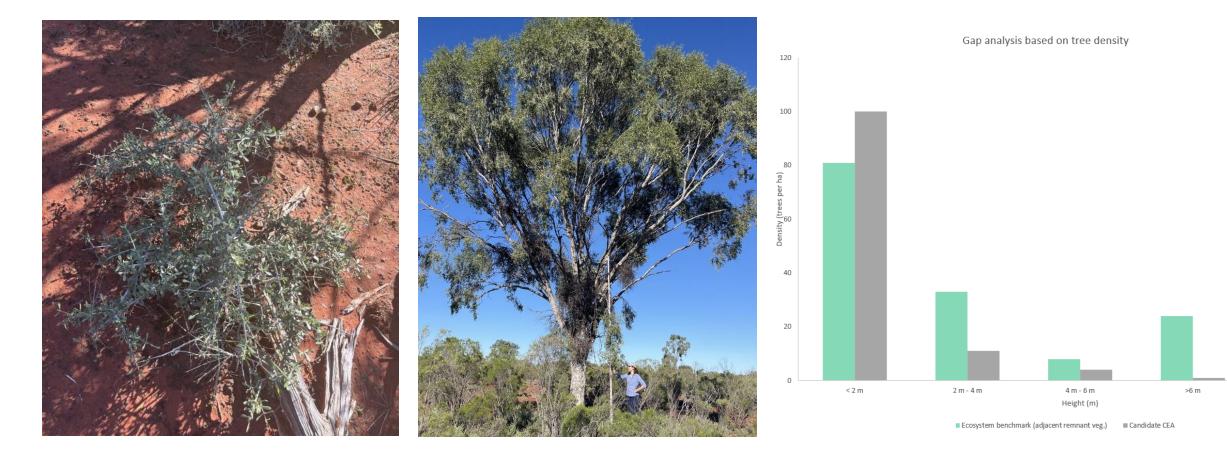




| IFLM Step | Property type & size | Pastoral grazing (9,000 ha) |
|-----------|--|---|
| 18 | Location | Bourke, NSW. 300 mm annual rainfall |
| | Ecosystem | Acacia woodlands and forests |
| | Traditional Owners | Ngemba/Ngiyaampa Peoples |
| | Currently registered under ACCU scheme? | Yes, under the human induced regeneration method |
| ıb | Barriers limiting carbon sequestration potential | Ecological : Tree recruitment typically requires above-average summer rainfall |
| | | Biological : Overstocking of domestic livestock & feral animals (exacerbated by drought) leads to use of trees and tall shrubs as fodder, especially damaging for young seedlings |
| | | Physical/chemical: Heavy grazing removes ground cover, leading to poor infiltration capacity and reduced productivity when water returns, exacerbating reliance on trees and shrubs as forage |
| 1C | Management activities to address barriers | Biological: Remove livestock (goats) and manage feral goat incursion |
| ıd | Risk based leakage assessment | Low |
| 10 | Evidence & monitoring requirements | Stock records, on-ground monitoring of recruitment and recovery |
| 2a | Stratify the project | Stratification based on geophysical, vegetation and management data sets coupled with field-based sampling and remote sensing |
| 2b | Material gap analysis (Justification of abatement potential) | Stem density measurements show statistically significant gap for all height classes above 2m |

Case study 5: Acacia woodland and forests; NSW





Heavily suppressed Leopardwood (has thorns at a young age which gives it ability to survive heavy grazing pressure)

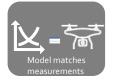
Mature Leopardwood at same site, showing carbon sequestration possible if young Leopardwood cohort is allowed to progress past grazing height.

Case study 6 (QLD): Acacia woodlands & forests (Brigalow Belt)







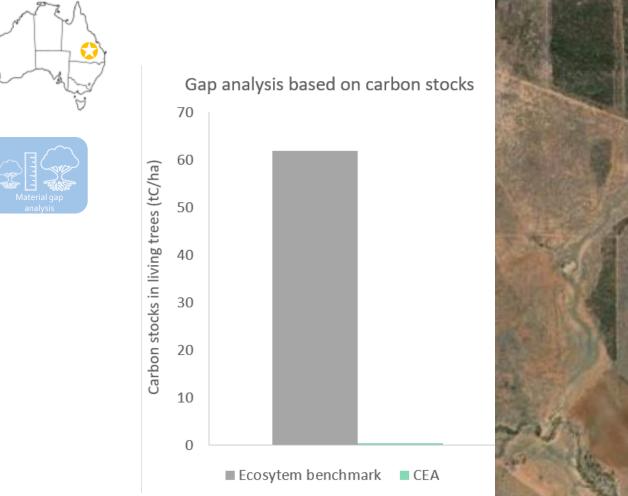






| IFLM Step | Property type | Rangelands pastoral enterprise; 24,600 ha |
|-----------|--|---|
| 1a | Location | Surat, QLD; 500mm annual rainfall |
| | Traditional Owners | Gunggarri People |
| | Currently registered under ACCU scheme? | No |
| ıb | Barriers limiting carbon | Ecological: Competition from introduced grass species |
| | sequestration potential | Biological : Overstocking of domestic livestock animals leads to high mortality of young seedlings, exacerbated by drought |
| | | Physical/chemical: Mechanical suppression of woody biomass |
| 1C | Management activities to address barriers | Biological: Reduced stocking rate, increased paddock rest Physical/chemical : Cessation of clearing |
| ıd | Risk based leakage assessment | Mechanical suppression – Leakage risk is moderate-high. Proponent has other properties under its operational control, clearing could be displaced to. Leakage monitoring is required. Grazing – Moderate. Project could trigger displacement of clearing activity to provide feed for displaced livestock. Outline leakage prevention strategy in the LMS. |
| 10 | Evidence & monitoring requirements | Confirmation of Category X classification land (i.e. permission to clear), clearing history (SLATS), fuel receipts from previous clearing activity, livestock numbers |
| 2a | Stratify the project | Woody biomass – spontaneous regeneration CEA 6,000 ha |
| 2b | Material gap analysis (Justification of abatement potential) | Option 1: Based on average aboveground carbon stock CEA: 0.5 tC / ha Ecosystem benchmark: 65 tC/ha (Reference ecosystem – adjacent paddock, remnant under QLD Vegetation Framework, with TERN biomass data collected in 2009) |

Case study 6 (QLD): Acacia woodlands & forests (Brigalow Belt)



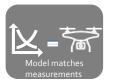


Case study 7 (QLD): Cleared agricultural land → Wet highland rainforest

3





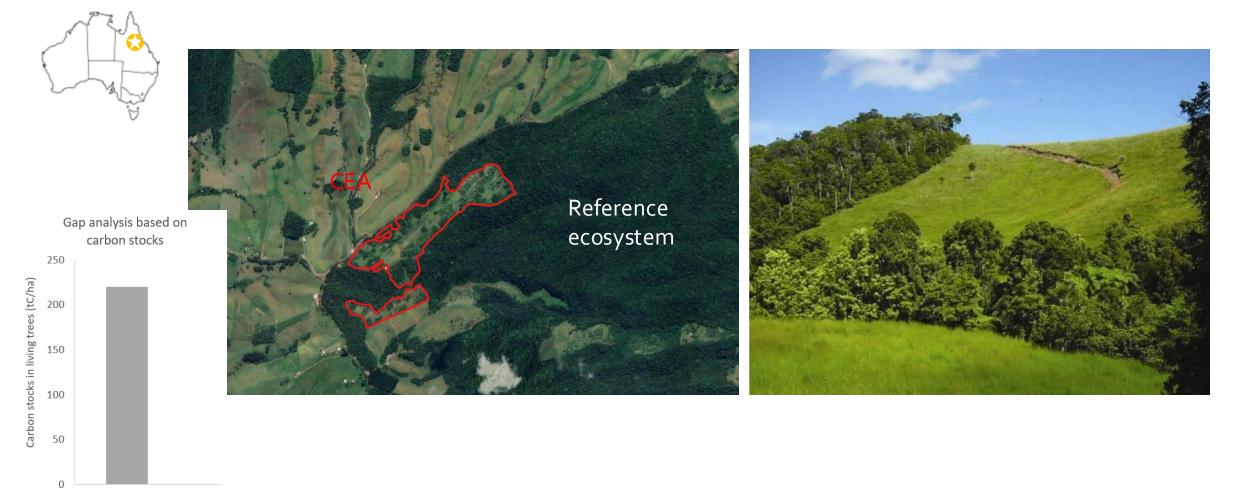






| IFLM Step | Property type & size | Conservation & research, 181 ha |
|-----------|--|---|
| 1a | Location | Atherton Tablelands, QLD – 1,047 mm annual rainfall |
| | Traditional Owners | Yirrganydji People |
| | Currently registered under ACCU scheme? | Woody biomass: Yes, under the reforestation and afforestation method Soil: No, but soil has been measured for research purposes |
| ıb | Barriers limiting carbon | Ecological: Lack of niche microclimates for rainforest restoration |
| | sequestration potential | Biological: Competition from introduced grass species |
| | | Physical/chemical: Compacted soils |
| 1C | Management activities to address barriers | Planting rainforest species (23 ha) & soil carbon sequestration following reforestation |
| ıd | Risk based leakage assessment | Leakage risk is low – Cattle grazed on agistment (not owned by proponent). Income from carbon is sufficient to offset income from cattle at an ACCU price of \$37. Proponent is committed to conservation and is unlikely to displace activities. |
| 10 | Evidence & monitoring examples | Receipts from planting contractors Ongoing monitoring of tree survival, progression towards forest cover Affiliated research project on rainforest restoration techniques |
| 2a | Stratify the project | Woody biomass — facilitated regeneration CEA 23 ha Soil CEA 23 ha (overlapping woody biomass) |
| 2b | Material gap analysis (Justification of abatement potential) | CEA: ot C ha-1 Ecosystem benchmark: Option 1: 220 t C ha-1 (conceptual model, based on MaxBio layer) Option 2: old growth rainforest not cleared for at least 150 years (reference ecosystem, on property) |

Case study 7 (QLD): Cleared agricultural land → Wet highland rainforest



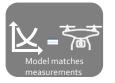
■ Ecosytem benchmark ■ CEA

Case study 8: fire Greater Western Woodlands





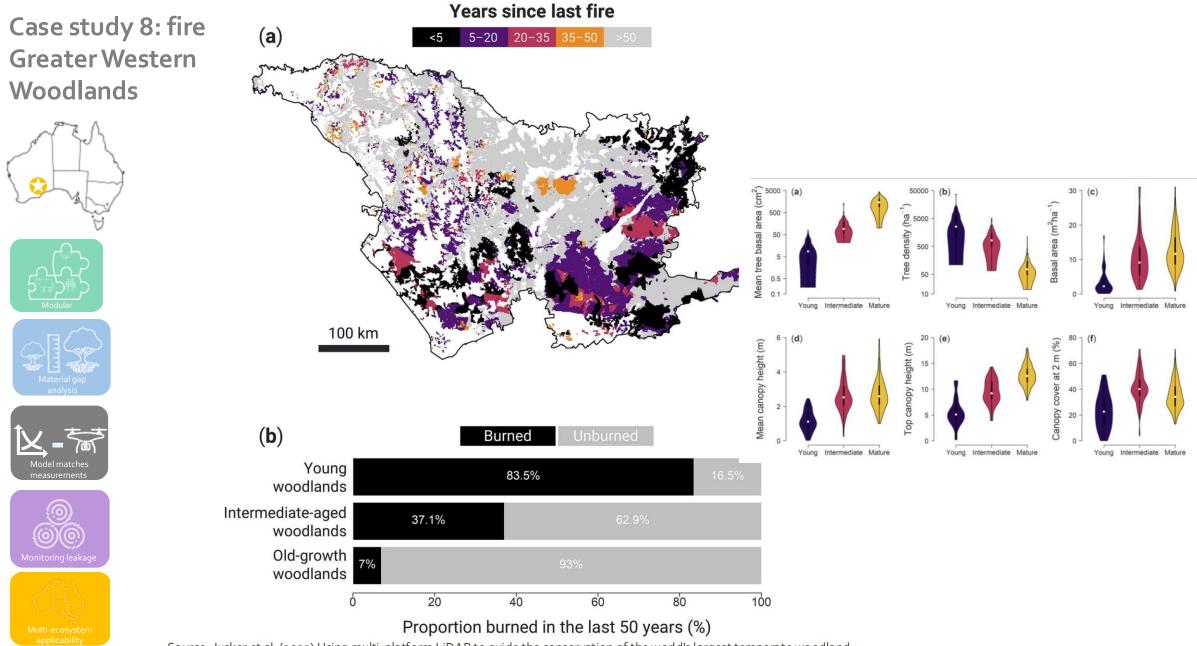






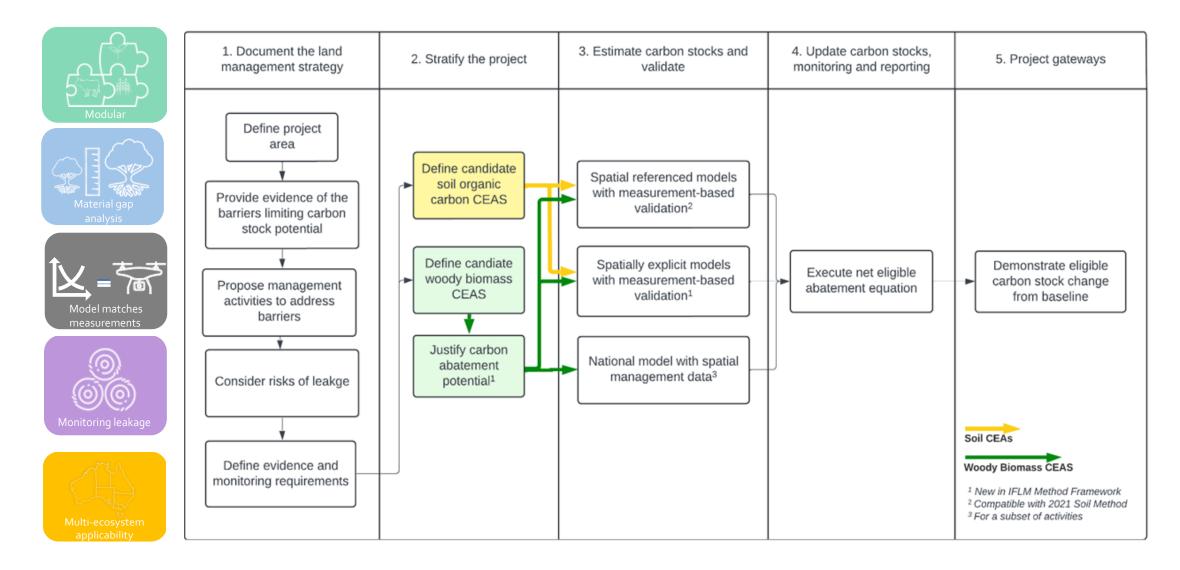


| 1a | Location | Greater Western Woodlands, WA |
|----|--|--|
| | Ecosystem | Ngadju peoples |
| | Traditional Owners | Various |
| | Currently registered under ACCU scheme? | No, this area is south of the eligible savanna fire management zone |
| ıb | Barriers limiting carbon sequestration potential | Ecological : More frequent, high intensity wildfires kill mature trees, and transition the ecosystem to a lower carbon stock for decades. |
| 1C | Management activities to address barriers | Ecological: Application of highly targeted planned cultural burning to reduce fuel load |
| ıd | Risk based leakage assessment | Low |
| 10 | Evidence & monitoring requirements | Historical fire scars, planned burning requirements |
| 2a | Stratify the project | Stratify by veg class and burn history |
| 2b | Material gap analysis (Justification of abatement potential) | Material difference in basal area and tree height between young (i.e. recently burnt), intermediate, and mature ecosystems. |



Source: Jucker et al, (2023) Using multi-platform LiDAR to guide the conservation of the world's largest temperate woodland, Remote Sensing of Environment, Volume 296,

Recap: broad architecture of IFLM



Session 2: Woody Biomass & 5-Step Process

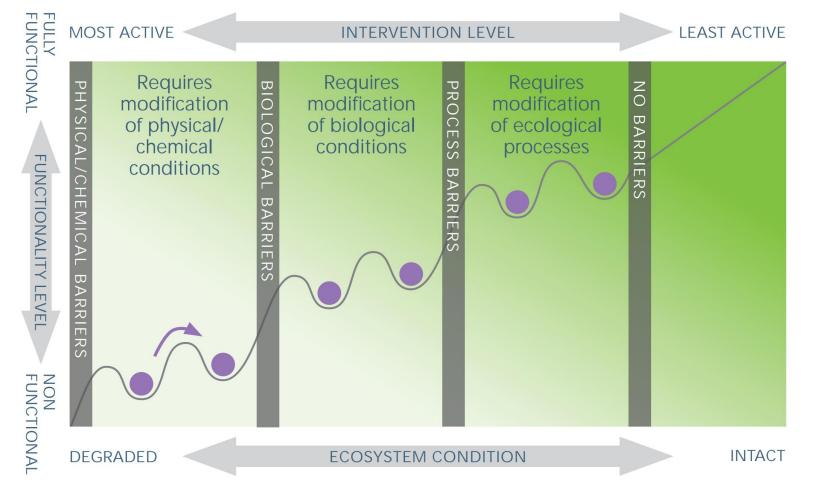
Focus Questions

Does the Society for Ecological Restoration Australasia (SERA) ecological restoration framework provide a suitable approach to analyse barriers to woody biomass regeneration and inform carbon project management activities?

What should be the key criteria for selecting ecological benchmarks or reference sites?

The gap analysis and eligible carbon stock ratio are designed to provide robust evidence of additionality. Are there any further refinements to these proposed safeguards?

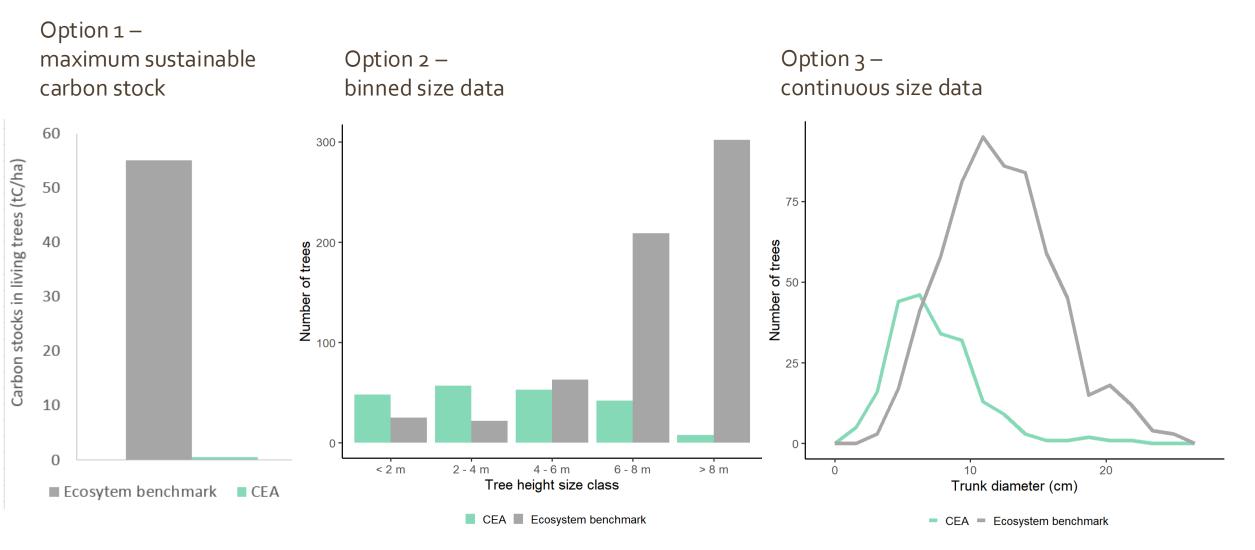
Session 2: Woody Biomass & 5-Step Process



The SERA National Standards^[1] describe three broad types of barriers (physical, biological or ecosystem process) that prevent ecosystems moving to high functioning, advanced ecosystem states. Barriers may require a variety of interventions and ecosystem dynamics may be complex and non-linear. When barriers are removed, the ecosystem is expected to proceed toward a high carbon state. Note that barriers are not necessarily sequential, but physical, biological and process barriers may all exist at the same time and be addressed in parallel.

^[1] Standards Reference Group SERA (2021) National Standards for the Practice of Ecological Restoration in Australia. Edition 2.2. Society for Ecological Restoration Australasia. Available from URL: Available from URL: http://www.seraustralasia.com/standards/home.html

Gap Analysis Examples



IFLM Case Studies

Session 3: Soil & 5-Step Process

Focus Questions

It is largely proposed to mirror the requirements from the recent Soil Carbon Method 2021 given it was recently reviewed and legislated.

However, is there an opportunity to modify the restrictions on biochar as one of the eligible management activities for soil under IFLM method?

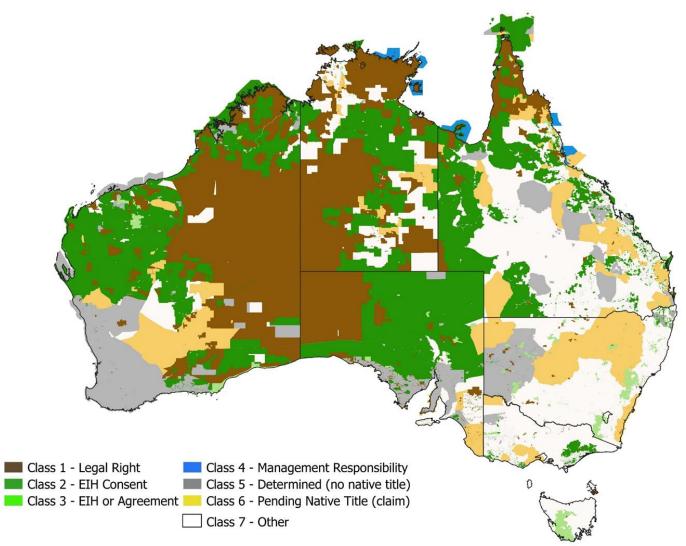
Are there any additional considerations, including logistics, that should be considered when accounting for soil sequestration under woody biomass?

Session 4: Fire & 5-Step Process

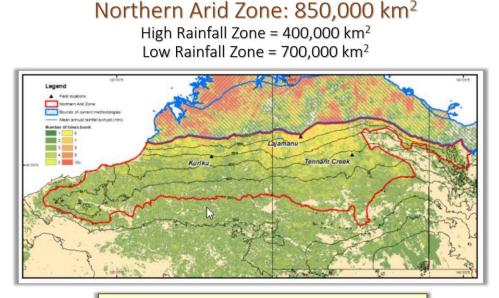
Focus Questions

Would a regional baseline or a dynamic baseline approach be most suitable for changes to fire management?

Should there be regional restrictions on fire management as an eligible activity? Is there a need to manage the regional overlap with the savanna burning method?



• Initially there should be no overlap with the savanna burning method

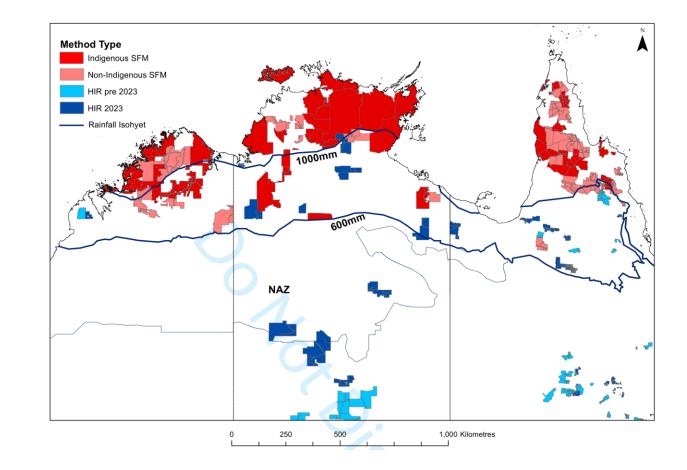


Criteria:

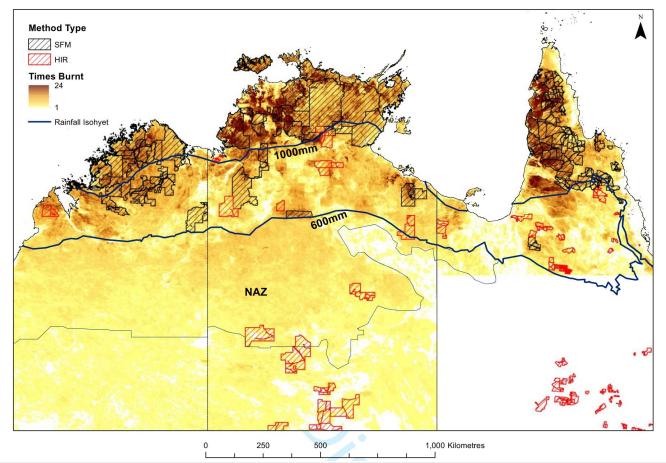
Frequent fire

Monsoonal influence

- Low Rainfall Zone Method approach
- Spinifex dominated Shrublands and Open Woodlands



• Fire as a disturbance event and permanence management activity is already a feature in carbon farming methods



- There could be two options to calculate baselines:
 - Option 1: gap analysis + five yearly gateway (including benchmarking of projects against regional fire return intervals)
 - Option 2: dynamic baseline based on fire probability modelling



Workshop Agenda – Day 2

| | Item |
|---------------|-----------------------|
| 9-11am | Integrated Accounting |
| 11-11.30am | Morning Tea |
| 11.30-12.30am | Emerging Issues |
| 12.30-1.30pm | Lunch |
| 1.30-2.45pm | Risk-based leakage |
| 2.45-3.15pm | Afternoon tea |
| 3.15-4pm | Wrap up |

Session 5: Integrated Accounting – measurement & modelling approaches

Focus Questions

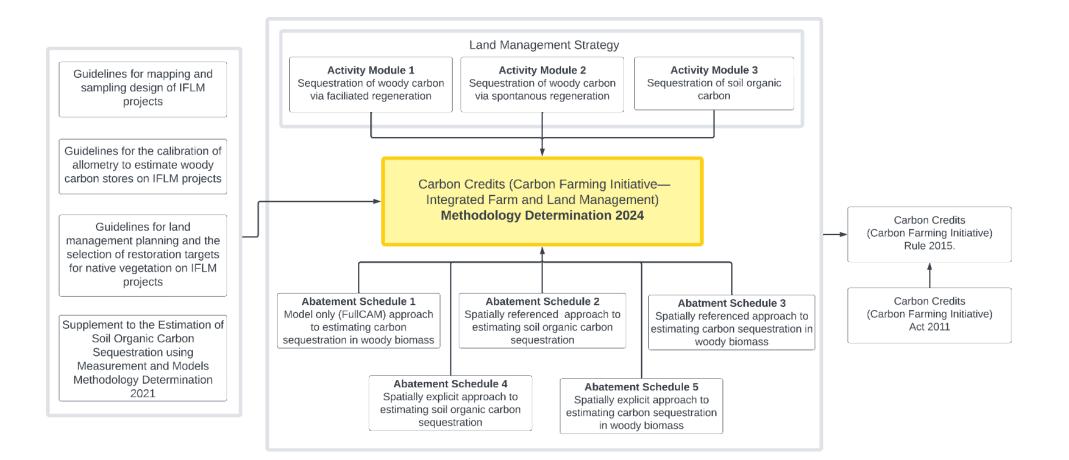
Five different Abatement Schedules are proposed for measuring and/or modelling woody biomass and soil organic carbon:

- National model woody biomass:
- Spatially referenced models Soil
- Spatially referenced models Woody biomass
- Spatially explicit models Soil
- Spatially explicit models Woody biomass

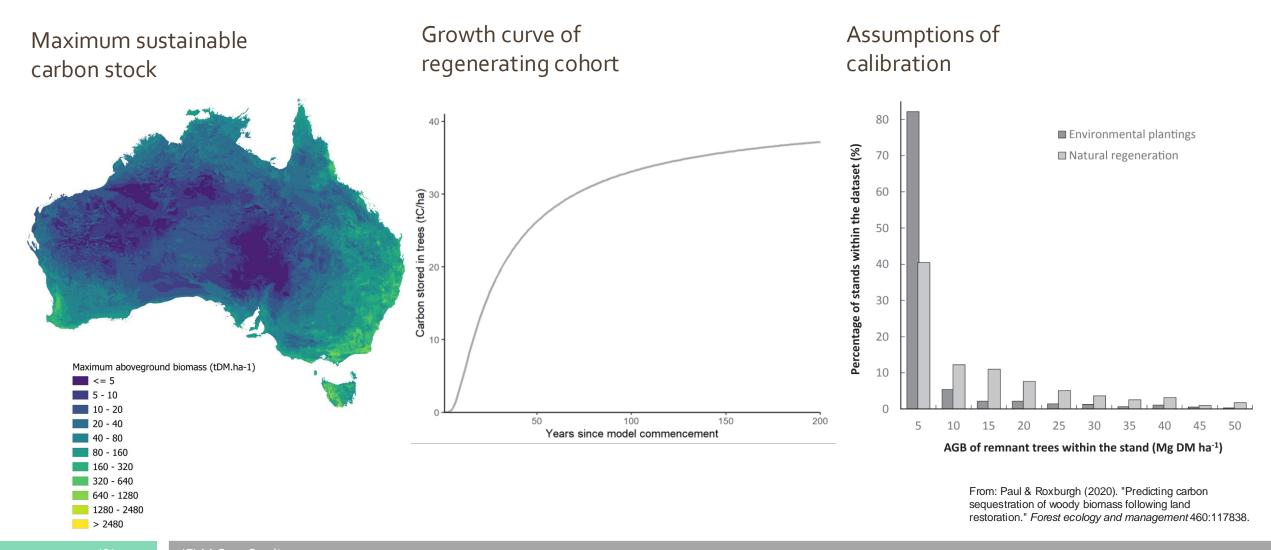
Do these schedules provide the right breadth of options and model validation requirements?

Some additional restrictions are proposed for projects opting to apply the national model (i.e. FullCAM). Is that appropriate? Should there be any targeted research or data collection to fill any gaps?

Session 5: Integrated Accounting – measurement & modelling approaches

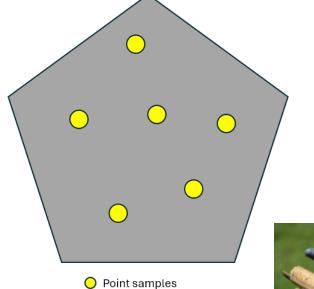


Schedule 1 - National model – woody biomass:



Schedules 2 & 3 - Spatially referenced models

Model the average carbon stock in the CEA and multiply by the area



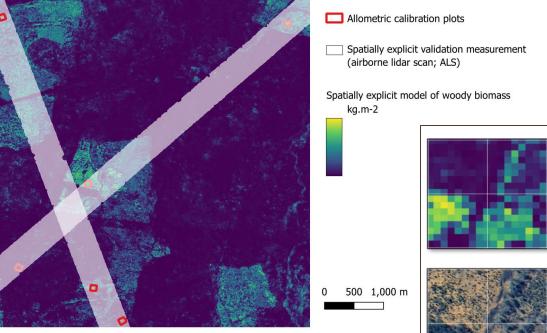
CEA boundary



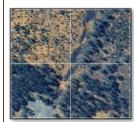


Schedules 4 & 5 - Spatially explicit models

Model the distribution of carbon stocks across the CEA and sum



Note: CEA boundaries not yet defined for IFLM, not shown



Session 6: Issues Emerging

Insert based on discussions on day 1

Session 7: Risk based Leakage examples

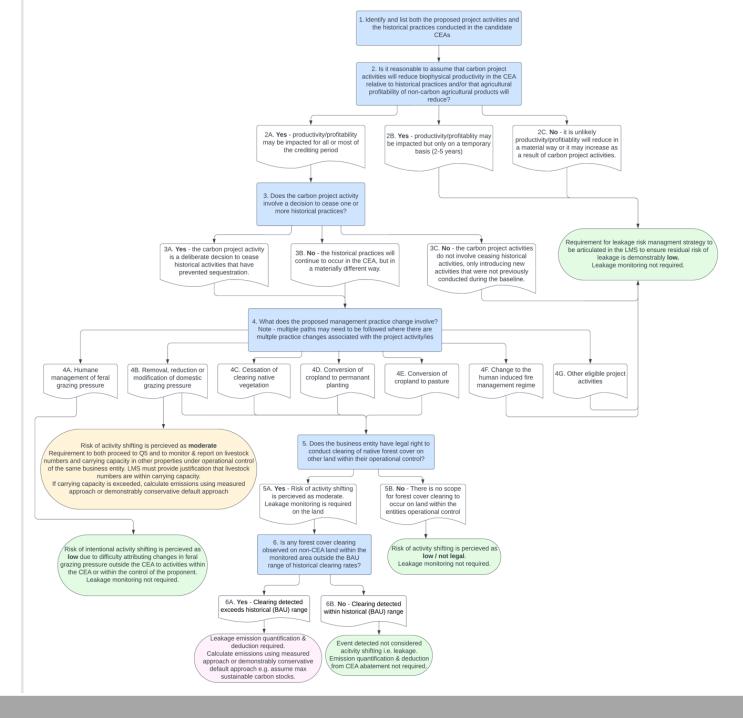
Focus Questions

What is an acceptable materiality threshold for leakage?

Is the proposed risk-based leakage assessment tool fit for purpose? Do you agree that displacement of clearing is the main risk of material leakage?

In the Australian context where national reporting of emissions takes place, is there a need for a leakage assessment at a project level? Or is leakage accounted for under existing or scheme-wide buffer deductions?

Session 7: Risk based Leakage examples



Workshop Wrap-up

Summary of discussions

Items identified for further discussion

Preliminary overview of workshop report & next steps