Attn: Gillian Mayne
Natural Capital Program
Department of the Environment, Tourism, Science and Industry
Queensland Government
Re: Improved Avoided Clearing of Native Regrowth Method Consultation
By Email

Dear Gillian,

The Carbon Market Institute's Integrated Farm and Land Management (IFLM) Taskforce (The Taskforce) thanks the Queensland Government for the opportunity to provide feedback on the proposed new Improved Avoided Clearing Native Regrowth (IACNR) method, as currently drafted. We understand the development of the method is in line with the Emissions Reduction Assurance Committee's decision in 2024 to shortlist the IACNR and three other methods for priority development, under its proponent-led process.

The IFLM Taskforce draws significant expertise and experience from a diverse membership base and we would be happy to engage further with the Queensland Government in supporting the development of a robust, high-integrity method going forward.

Underlying this is strong support of an avoided clearing method to address genuine risks of native vegetation loss in Australia, particularly where regulation or law reforms haven't worked. A new generation avoided clearing method is critical, not only to prevent emissions by retaining native forests and preserve their carbon stocks, but also for the ecosystem services and protection of biodiversity. Indeed, the IFLM Taskforce's initial blueprint for the IFLM method included avoided clearing as an eligible activity under the method.

While the scope of IFLM under development with the Australian Government has been reduced and does not currently include avoided clearing, the modular approach is designed to allow for new activities to be added over time. As a framework method, the IFLM method is designed to be interoperable with existing standalone methods like the Soil 2021 method and the Environmental Plantings 2024 method. This will be achieved by harmonisation of definitions, eligibility assessment approaches, parameter naming conventions, baseline approaches; and appropriate summation equations. Ultimately, we hope an improved version of the IACNR could become one of the first new IFLM method modules, in addition to its standalone implementation.

The table below provides a detailed description of the Taskforce's feedback on the proposed IACNR method in the QLD Government's Discussion Paper, and commentary on perceived issues and suggestions for improvements.

To progress to an Exposure Draft, we believe the method needs to address the feedback on issues and integrity gaps.

Those key concerns – outlined further below are:
    a.   the proposal to develop a second integrated method in addition to the Government's priority IFLM method, which would create significant confusion, duplication of effort and administrative challenges for the scheme.
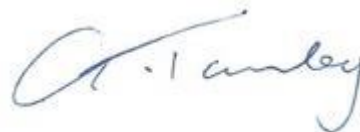
b. the departure from the inventory forest definition and locking the method to a particular pixel size
c. the compressed crediting proposal and the risks it creates around social license due to perverse incentives

This response was informed by a whole of Taskforce meeting and technical expert input and feedback from the IFLM Taskforce Technical Working Group.

Thank you for considering our input into the draft IACNR method. We welcome the opportunity to discuss the content with the QLD Government and to further contribute to improving the integrity, applicability of the method and consistency and alignment across ACCU methods.

Skye Glenday
Co-CEO
Climate Friendly   Australian Integrated Carbon

About the IFLM Taskforce

In 2021, the Carbon Market Institute (CMI) formed the Integrated Farm and Land Management method Taskforce (IFLM Taskforce). The IFLM Taskforce's 60+ members represent a broad cross-section of CMI members and stakeholders that are committed to a high-integrity, fit-for-purpose carbon market in Australia.

Since its creation, the IFLM Taskforce has sought to develop and provide technical advice to the Australian Government on the creation of an IFLM method for the Australian Carbon Credit Unit Scheme (ACCU Scheme), including as part of the initial method prioritisation process.

The IFLM Taskforce also wants to see widespread consultation and clear development timelines in a way that ensures adequate public consultation and expert input from a wide range of experts and stakeholders.

The views of the IFLM Taskforce do not necessarily represent the views of CMI, nor any individual CMI member.

2. Summary of the IFLM Taskforce feedback on the proposed IACNR method

Issue	Details	Recommendations
National Integrated Method	In its current form, The Taskforce is concerned some elements of this method present risks to ACCU Market stability and integrity, agricultural uptake, and Australia's broader carbon strategy. With improvements, this method could be developed as a: • A **stand-alone method**, provided a number of improvements are made; and • As a **module under the proposed Integrated Farm and Land Management framework**, ensuring cross-compatibility and strengthened governance. A new avoided clearing method would be a valuable and important addition to the ACCU Market methodology suite. However the proposal to include environmental plantings and regeneration as part of IACNR introduces significant complexity, duplicates effort and creates confusion if there are overlapping activities with other methods but divergent eligibility criteria, rules, gateways and guidelines. Market confusion is key barrier preventing further uptake of carbon farming projects, so we urge caution in the idea of creating another 'integrated' method, separate to the IFLM. The IFLM method has given considerable thought to the interoperability of existing methods, like the 2021 Soil method and 2024 Environmental Plantings method. The Taskforce hopes an improved version of the	The Taskforce recommends further robust and transparent consultation, and improvements are required before the method progresses to become a legislative instrument. The Taskforce believes that there should be one national integrated method and that should be the Integrated Farm and Land Management method, which is a priority method and under development by the Department of Climate Change, Energy, Environment and Water. A truly integrated, modular method will work best by harmonisation of definitions, eligibility assessment approaches, parameter naming conventions, baseline approaches; and by including appropriate summation equations. The Taskforce would like to work more closely with the Queensland Government and other stakeholders to achieve this objective, and to start the conversation has included the current working draft of the taxonomy (attached) which has already had broad stakeholder consultation.

Issue	Details	Recommendations
	IACNR – while suitable for standalone implementation – could become one of the first additional modules to be added to the IFLM method. The Taskforce believes the method can remain restricted to the eligible regions, but QLD and NSW carbon project holders should not be penalised from being able to participate or integrate other eligible carbon opportunities should they wish to expand. For this reason, interoperability of IACNR with IFLM is very important.	The Taskforce believes there is significant merit in the creation of the avoided clearing method for standalone use, and for inclusion as a module under the IFLM, aligned with the original IFLM Blueprint.
Forest and forest cover definition	The Taskforce is concerned with the proposed changes to the Forest definition as set out in the Discussion Paper. Inconsistency between the definition at a method level, and the federal inventory level present challenges to monitoring, reporting and verification (MRV) requirements, as well as risks to integrity and transparency.- The Taskforce is also concerned that a different definition could be incompatible with the National Greenhouse Gas Inventory, undermine -Australia's Paris Agreement reporting and potentially have credibility implications in future international carbon markets. A shift in definition also presents challenges to future integration with the IFLM method, or transition of projects to the IFLM method.	The Taskforce recommends that the method include a forest definition that is consistent with other ACCU Scheme methods and the National Greenhouse Gas Inventory.
Compressed crediting for 100-year permanence projects	The Taskforce is concerned that 10-year crediting with 100-year permanence creates social licence risks, as well as increasing the risk of non-compliance beyond 10 years.-	The Taskforce recommends that incentives for project activities and carbon maintenance obligations are better aligned with monitoring and carbon maintenance obligations.

Issue	Details	Recommendations
	Frontloading crediting as an incentive for an increased permanence period accidentally creates a perverse incentive whereby it increases the duration of carbon maintenance obligations without any income or compensation.- The Taskforce believes compressed payment models could saddle farmers with three generations of obligations for a short-term payment, risking the creation of stranded assets, financing difficulties, succession issues, and public backlash against carbon farming.	Consider staggered issuance with a requirement for updated remote sensing to confirm ongoing vegetation presence and threats mitigated
Project Eligibility	The Taskforce believes that several of the eligibility requirements and activities could be further refined to avoid potential uncertainty around additionality and social licence.- The Taskforce supports the Queensland Government's intent to improve spatial accuracy in the delineation of clearing extents. This corrects a weakness in the former avoided clearing method. However, there are several aspects of the proposed grid-based clearing assessment that require more thought to ensure a practical approach. In particular, the eligibility requirement to demonstrate 90% pixel-level comprehensively cleared land may prove extremely difficult based solely on satellite or aerial imagery archives. -The Taskforce is concerned that the satellite archive (e.g., Landsat) is of insufficient resolution (30m) to adequately delineate clearing without ancillary evidence, and some form of accuracy assessment. Otherwise, there is a risk that clearing events are undetectable or misclassified.	The Taskforce recommends that the method acknowledge that multiple lines of evidence are required to demonstrate the extent of historical clearing, rather than hardcode dependence on a specific technology. The Taskforce recommends removing the fixed spatial resolution and instead adopt a resolution-agnostic MRV design, where spatial precision is fit-for-purpose . We also recommend introducing appropriate map accuracy requirements. The Taskforce recommends that the IACNR method more explicitly outline (require) how active land management activities are undertaken. This could be done by setting the requirement of a Land Management Strategy under project eligibility.

Issue	Details	Recommendations
	Practically, there are limited data sources (e.g. remote sensing) that can detect clearing at the proposed resolution, especially where this pertains to clearing of sparse woody vegetation (i.e. not deforestation). For example, the National Forest and Sparse Woody Vegetation dataset operates at 0.2 ha resolution, while the Statewide Land and Trees Study (SLATS) in Queensland has 0.25 ha resolution. The temporal specifications for detection of clearing should also be defined. Publicly available products like Woody Cover Fraction, or simple indices like NDVI, are highly sensitive to rainfall and can show 'flashy' responses whereby rapid increases and decreases in canopy cover can be detected, without necessarily being associated with a clearing or regeneration event, and with no real effect on woody carbon stocks. The national inventory deals with this problem by having a temporal stability check (i.e. checking that a detected 'clearing' signal persists for a specified period of time), to ensure it is not temporary flicker. The IACNR method may wish to apply a similar rule. The method also contains little detail on how to attribute any detected clearing to natural (eg: wildfire, drought impact); or human-induced causes (mechanical or chemical clearing, prescribed fire). This is particularly important as the nationally available woody cover spatial products do not distinguish whether canopy losses are due to human induced conversion of native forest to non-forest, or natural disturbance.	

Issue	Details	Recommendations
	The Taskforce believes a Land Management Strategy is one tool that could be used to demonstrate eligibility for clearing, as well as the evidence setting out historical clearing events and importantly evidence that management activities are planned, implemented, and monitored effectively, and all project risks are identified and mitigated.	
	An LMS can also be used for project eligibility assessment, reporting and record keeping and would allow proponents to demonstrate aspects of project compliance. If the IACNR method is also mirrored as a module under the proposed IFLM method, the inclusion of an LMS would support consistency and replicability between this method and the IFLM method. This will ~~open up~~open further opportunities for landholders to transition to the IFLM method when it is made.	
	Under the IFLM method, the Taskforce has recommended parameters to ensure that the LMS is robust, including the required sign-off from a qualified person with relevant expertise e.g. NRM, ecology, agronomy. In the IACNR method, this could provide an extra layer of independent integrity by providing a publicly accessible resource demonstrating regulatory, financial and environmental additionality.	
Project areas	As currently designed and with the restricted interpretation of 'comprehensive clearing' (being mechanical or chemical) this method can only be applied in QLD and NSW.	As the ACCU Market evolves, and methods are applied to address place-based opportunities, it makes sense that some methods will have restricted location and/or ecosystem application.

Issue	Details	Recommendations
	Without changes to the definition of what constitutes cleared and uncleared, it will not be applicable in other states – and this should be made clearer from the outset.	This method could be clearer in acknowledging its regional limitations.
Reporting	The Taskforce believes improvements should be made to the currently proposed MRV requirements. Historical Avoided Clearing and Avoided Deforestation methods, both in Australia and internationally, have previously generated social licence and integrity concerns. For this reason, we believe this method could require stronger evidence around additionality, and the likelihood of clearing. The Taskforce believes every effort should be made to show how this method addresses previous concerns and improves integrity and outcomes.	The Taskforce believes all ACCU Scheme methods should set out clear MRV criteria, including: • Field verification at registration and gateways. • Technology-neutral remote sensing approaches. • Scheduled compliance checks over time (e.g., every 5-10 years). In addition, the Taskforce recommends additional evidence requirements be considered to demonstrate the likelihood of clearing – including evidence of land clearing permits, statutory declarations, and risk scoring models based on contemporary clearing activity in the local context of the project.
Measurement/ Modelling	The Taskforce believes that including measurement of carbon stocks is a valuable addition, but the focus on DBH based forest inventory does not reflect current measurement technologies. As the ACCU Scheme moves towards more robust, second-generation methods, a key requirement should be that methods include technology agnostic MRV options. The Taskforce is concerned that there is insufficient detail regarding how measurement will be used to revise the FullCAM abatement curve.	To support further accountability through robust MRV, a technology agnostic approach should be included that would enable proponents to utilise newer, higher resolution datasets. Current technological approaches such as LIDAR biomass quantification the following could be used for stronger, and more evidenced-based results

Issue	Details	Recommendations
	The discussion papers propose that measurement may be used when proponents believe that FullCAM underestimates carbon stocks and revise the rate of sequestration up by as much as 25% but makes no protections for when measurements demonstrate that FullCAM is overestimating carbon stocks. It is possible that proponents would undertake measurement and use whichever approach gave them the highest ACCU returns. The Taskforce is concerned that the proposed modelling approach assumes that regeneration occurred immediately after clearing, whereas clearing is most often undertaken for agricultural production purposes which the discussion papers acknowledge can be suppressed by production activities such as grazing. Uncertainty in the regeneration or model commencement date can overestimate carbon stocks, by starting too early or growing too fast, or underestimate carbon stocks where clearing of sparse (non-forest) woody vegetation is not detected.	The qualification process for new technologies could be similar to that utilised by the Soil Organic Carbon 2021 Method Schedule 2.
Permanence period	The proposed permanence and crediting periods under this method are not aligned with the current ACCU scheme requirements, nor international permanence requirements such as the Integrity Council for Voluntary Carbon Markets' Core Carbon Principles and obligations under international frameworks such as the Paris Agreement (Article 6). For further detail see here. The Taskforce believes the 50-year permanence period would require changes to the overarching *Carbon Credits (Carbon Farming Initiative) Act 2011 (CFI Act)*.	Potential legislative change, if required, should not come ahead of other urgent legislation changes already being sought under the Chubb Review and should be considered as part of scheme wide consultations, rather than through the lens of an individual method. The Taskforce recommends that long-term monitoring be required throughout the permanence period.

Issue	Details	Recommendations
	While considering other amendments to the CFI legislation, the Taskforce believes that more consideration could be given to how Paragraph 20AA of the CFI Rule interacts with this method. This legislation excludes any land cleared in the seven years prior to project registration (or five if there is a change of ownership), which could reduce participation in areas with rapid re-clearing cycles, or where there are recent re-clearing events. Project areas applying this rule in an area with frequent re-clearing would end up looking like 'swiss cheese'. It could be worth exploring whether there are other more practical ways to prevent gaming, which is the intent of Paragraph 20AA of the CFI Rule. In addition, the Taskforce believes not enough consideration has been given to the importance and need for long-term monitoring to ensure that projects maintain important ecological services and do not turn into unmanaged assets, potentially creating sources of and weeds, fire risks or experience decreased resilience to climate change.	Evidence of planning and management of natural disturbances and appropriate risk planning should also be required. These risks could be identified and planned for under the Land Management Strategy and provided with reporting requirements.
Compressed crediting for 100-year permanence projects	The Taskforce is concerned that 10-year crediting with 100-year permanence creates social licence risks, as well as increasing the risk of non-compliance beyond 10 years. The Taskforce believes compressed payment models could saddle farmers with three generations of obligations for a short-term payment, risking stranded assets, financing difficulties, succession issues, and public backlash against carbon farming.	The Taskforce recommends better aligned crediting and permanence periods including consideration of a 25-year and 100-year permanence period) should be offered in line with the *CFI Act*. The Taskforce recommends using a crediting trajectory that matches ongoing protection. Consider staggered issuance with a requirement for updated remote sensing to confirm ongoing vegetation presence and threats mitigated

Issue	Details	Recommendations
	Alignment with the overarching legislation will also support future integration with the IFLM method and help manage project and monitoring costs for land and project managers.	
Land Management and Leakage	The proposed IACNR method would result in land that is "locked up" without any requirements that projects must undertake or provide evidence of active land management practices. Current ACCU methods and methods under development, such as IFLM, all require active land management practices (and a Land Management Strategy) as critical risk mitigation measures and for improved ecosystems and a landscape-scale approach to projects. The CFI Act acknowledges that carbon farming projects have a responsibility to be consistent with environmental protection and restoration and additionally, in Section 23, that *"the project area, or any of the project areas, for the project is covered by a regional natural resource management plan (it) be accompanied by a statement about whether the project is consistent with the plan."* The Taskforce believes the leakage risks have been underestimated and that there are simple risk management approaches that could be adopted to better address risks and potential (and past) social licence issues. The Discussion Paper's descriptions of 'low risk' and 'low debt' farming operations don't appear to reflect national farm debt and viability data. The Federal Government and ABARES have up-to-date information on farming debt here. It is highly likely that foregoing historically productive	The Taskforce recommends that all proponents be required to actively manage vegetation, grazing, fire, and pest control while maintaining carbon outcomes, under the IACNR method. As a module within IFLM, proponents could undertake additional sequestration activities alongside avoided clearing. The Taskforce recommends the QLD Government consider or seek advice from the Taskforce regarding the leakage triage framework, it has developed to address similar risks under the proposed IFLM Method (refer to Section 2.3 of the attached IFLM Framework document). The Taskforce has additional research and technical advice on leakage frameworks available, if required.

Issue	Details	Recommendations
	land to carbon farming will cause displacement to other jurisdictions where clearing is still permitted.	
Fire	In the Discussion Paper, fire appears to be considered only as chemical clearing or as a disturbance. Given the use of fire as a widespread clearing agent, the Taskforce believes it should be identified as a separate eligible activity, due to the potential complexity with different applications of fire, particularly for Indigenous communities, who use cool fire as a land management tool. Also, fire is a core ecological process. The Taskforce is concerned that failure to account for managed vs. unmanaged fire regimes could skew both baselines and credit issuance.	The Taskforce is concerned that a blanket approach to fire may reduce opportunities for Indigenous communities' uptake of the method and recommends further consultation with Indigenous groups more broadly to capture the complexities of this element. The Taskforce also recommends that the method require fire regime mapping in baselines and that credits are only generated for protection measures or active fire planning. The Taskforce believes further work to refine rules for how wildfire vs. controlled burns affect credit eligibility and permanence is recommended.

Conclusion

The Taskforce believes the IACNR method could be a valuable and important addition to the ACCU Market methodology suite. However, it must be appropriately designed to address integrity and technical concerns.

We urge DETSI to:

- Apply consistent integrity standards across all methods.

- Prioritise long-term resilience over short-term issuance.

- Build the IACNR method into a framework that strengthens, rather than fragments, Australia's carbon market future.