



Submission Template

Design of the Carbon Farming Initiative

Overview

This submission template should be used to provide comments on the consultation paper outlining the proposed design of the Carbon Farming Initiative.

Contact Details

Name of Organisation:	Indigenous Land Corporation
Name of Author:	Michael O’Ryan
Phone Number:	07 3854 4600
Email:	Michael.oryan@ilc.gov.au
Website:	www.ilc.gov.au
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Australian Government

Indigenous Land Corporation

SUBMISSION TO:

Design of the Carbon Farming Initiative

27 January 2011

INTRODUCTION

The Indigenous Land Corporation (ILC) is generally supportive of the Carbon Farming Initiative (CFI) and its purpose of assisting farmers, forest growers and landholders to access domestic, voluntary and international carbon markets.

The ILC believes that the legislation should attempt to ensure that exclusive possession native title holders and other categories of Indigenous land have rights to benefit from carbon storage activities. This should happen before commencement of the initiative, otherwise some Indigenous-held lands will be placed outside the scope of the initiative or left behind.

The ILC is keen to collaborate more closely with the Department of Climate Change and Energy Efficiency (DCCEE) to better understand the real opportunities for Indigenous people; to assist in distributing information, advice and tools to Indigenous landowners; and to consider legislative and policy issues to help maximise Indigenous benefits from carbon related opportunities.

COMMENTS

Consultation arrangements

The timing of the consultation period has been problematic given that it included the Christmas/New Year period and, regrettably, a time when large parts of regional Australia have been subject to flooding. These events militated against the ILC being able to consult more widely with Indigenous landowners and contributed to a delay in transmitting these comments. Indigenous landowners have commented to the ILC that consultation about the CFI was primarily limited to capital cities, thereby limiting participation from Indigenous landowners residing in regional and remote Australia. The ILC would be supportive of extending the consultation period to allow for further submissions.

Collaboration with the ILC

Since its establishment in 1995 the ILC has acquired nearly six million hectares of land for the benefit of Indigenous Australians. 231 properties have been acquired and 149 of these have been granted to Indigenous organisations. See Attachment A for information "*About the ILC*".

As stated above, the ILC believes there is merit in closer collaboration between the DCCEE and the ILC. This could include better understanding the real opportunities for Indigenous people; the ILC helping distribute information and tools to Indigenous landowners; examining legislative and policy issues affecting Indigenous landowners; and determining how the ILC might assist Indigenous landowners to maximise benefits from carbon related opportunities.

The ILC already works closely with the Northern Australia Indigenous Land and Sea Management Alliance (NAISMA) and is providing funding to develop a business plan for developing fire abatement projects in five locations in northern Australia. We are interested in supporting other carbon projects, including on land acquired by the ILC, to offset our own carbon footprint and to share knowledge with Indigenous landowners.

Other carbon-related policy

Indigenous landowners have advised the ILC that they find it confusing that the CFI is being proposed ahead of important policy decisions currently under consideration by the Australian Government. The absence of a carbon price, and policy settings for reducing GHG emissions, makes it difficult for farmers and landowners to determine the economic efficacy of pursuing new practices to secure income through offsetting greenhouse emissions. Clarity is also lacking about the administrative costs of scientific verification, carbon accounting and legal fees.

Further, many Indigenous Australians are concerned that the proposed CFI will be a fore-runner to the introduction of a carbon tax or other methods to force a reduction in GHG emissions. Indigenous farmers, like other farmers, are afraid of the burden of additional taxes.

Native title and land tenure issues

The ILC envisages opportunities for Indigenous Australians to engage in the new carbon economies, given that 17% of Australia's land mass is owned or controlled by Indigenous Australians. However, land tenure issues for Indigenous Australians are complex. The ILC notes that the consultation paper raises issues about native title and the tenure of Indigenous lands. It believes that the legislation should attempt to ensure that exclusive possession native title holders and other categories of Indigenous land, including that held in trust, have rights to benefit from carbon abatement activities. In any event, the ILC believes these issues need to be resolved prior to commencement of the initiative, otherwise some Indigenous-held lands will be placed outside the scope of the initiative or left behind.

Additionality

The ILC notes page 11 of the paper which states that *"Landscape conservation or restoration that has been funded under previous or existing government programs and secured, for example, with a covenant or contract, could not be considered additional even if environmental covenants or contracts protecting these areas are removed or cancelled"* (page 11). The ILC would like to examine and discuss this issue further with the Department, as it may disadvantage Indigenous people who have accepted financial assistance in good faith in order to develop abatement activities to assist in the sustainability of the land they own. Final arrangements in respect to this issue should clarify how the outcomes of activities indirectly sponsored under the *Caring for our Country* program will be treated.

Interests in land

The ILC notes and supports page 16 of the paper which will require that *'project proponent(s) would also have to demonstrate the consent of all persons who have a registered interest in the project land to include that land in the scheme'*. The ILC supports this proposition and, when it grants land to an Indigenous organisation, places a caveat on title noting the ILC's statutory interest in the land. The ILC does this to safeguard loss of the land/property from the Indigenous Estate. The ILC is prepared to consider requests from Indigenous organisations to temporarily lift the caveat to allow engagement in schemes that will not have a deleterious effect on title of the property.

Co-benefits

The ILC is supportive of the information to be included in the initiative on projects achieving co-benefits and is particularly interested in looking at branding Indigenous carbon in association with Indigenous landholders. Indigenous protection of significant cultural sites is another co-benefit that might be incorporated into the initiative.

ABOUT THE INDIGENOUS LAND CORPORATION

The ILC is an independent statutory authority of the Australian Government, established in 1995 to assist Indigenous Australians *acquire and manage land* to achieve economic, environmental, social and cultural benefits. The ILC is governed by an Indigenous-controlled Board appointed by the Minister for Families, Housing, Community Services and Indigenous Affairs.

The ILC has two programs that align with its functions – Land Acquisition and Land Management.

Land Acquisition

The ILC acquires and grants land to Indigenous corporations to build a secure and sustainable land base for Indigenous people. At 30 June 2010, the ILC had acquired 231 properties, of which 149 have been granted to Indigenous corporations. It is the experience of the ILC that ownership and management of land in itself does not always translate to benefits for Indigenous owners. Landowners must have the commitment and capacity to undertake activities and land uses to enable them to meet landholding costs.

Land Management

The ILC's land management program assists Indigenous landholders to manage and develop their land. It works to bring land back into production and to develop viable and sustainable Indigenous businesses.

Indigenous landholders are assisted with projects that range from property planning to infrastructure development works. The ILC also collaborates with Australian and state/territory government agencies, Indigenous land councils and industry on regional projects that provide advice, planning, capacity-building, mentoring, infrastructure development and capital to Indigenous landowners in the Kimberley, Pilbara, Queensland, South Australia, the Northern Territory and other places in regional Australia.

Sustainable employment and land uses

The ILC prioritises projects that achieve socio-economic development, including creating employment, for Indigenous people. The ILC is interested in land uses that can provide sustainable income and employment for Indigenous landholders, including for areas of land where there are limited market opportunities.