

CLIMATE AND CARBON

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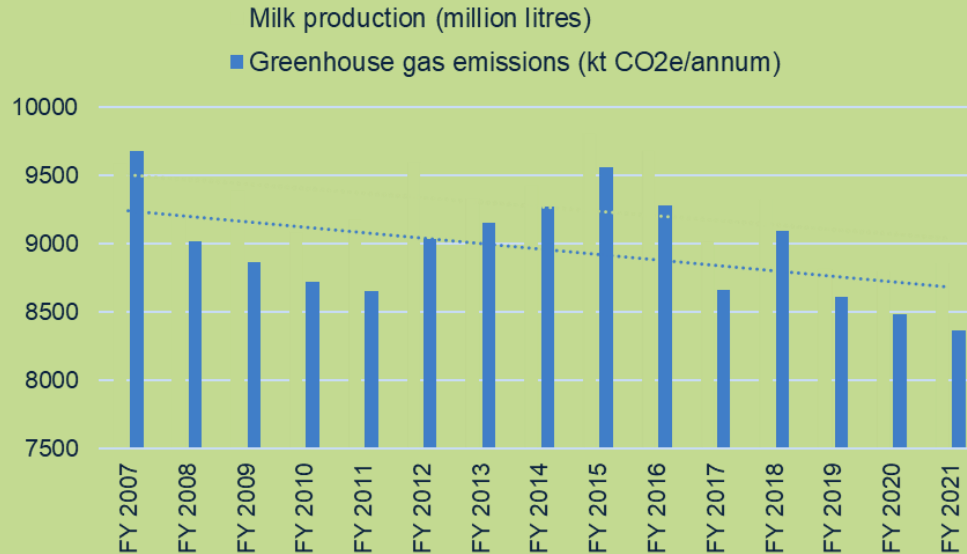
DRIVERS FOR DA ACTIONS

- Australian Dairy Industry Sustainability Framework Targets
- DA Strategic Portfolio 4 Thrive in a changing environment

10 Reduce greenhouse gas emissions intensity

10.1 Reduce greenhouse gas emissions intensity by 30% across whole industry on 2015 levels

Manufacturers (tonnes CO ₂ ~e/ML milk processed) ^{xviii}	140	141.4	136.7	133.1	98	●
Farmers (kg CO ₂ ~e/kg FPCM) ^{xix, xxi}	1	n/a			0.72	



TARGETS AND STRATEGY ARE INFORMED BY

National and International Commitments:

- Paris Agreement: “countries to take ambitious climate actions that keep warming below 1.5 degrees Celsius”
- National Targets – emissions reduction, Global Methane Pledge, sector plans

Market Pressures:

- Social license
- Climate Risk Disclosure
- Corporate responsibility
 - Westpac @ 2023 AFI Conference: “Westpac's agribusiness sector lead for Net Zero, Alison Osborne, said farmers should now be using a carbon calculator, putting data in and working out what their farm footprint was. *"Work out whether you have a liability before you start selling your carbon or biodiversity assets"*

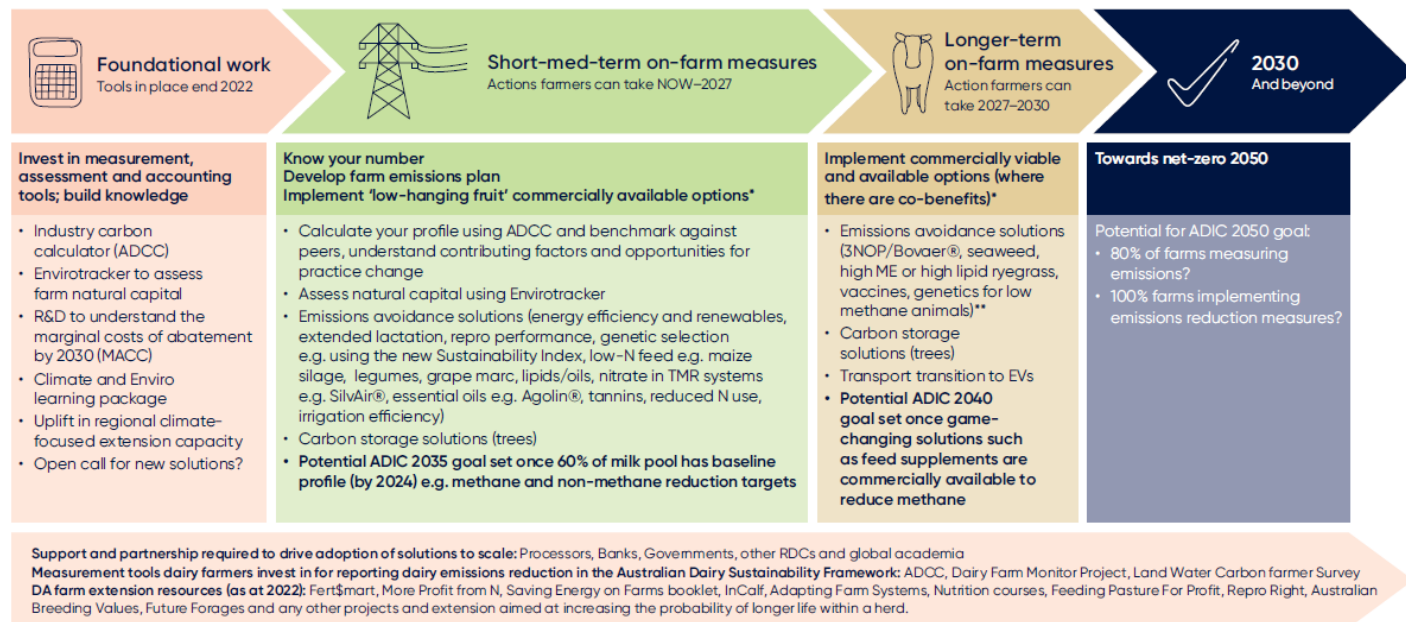
AUSTRALIAN DAIRY FARM EMISSIONS REDUCTION ROADMAP (NEXT 8 YEARS)

Status

Dairy production and processing makes up 2% of national greenhouse gas emissions. Australian dairy farm emissions are low globally (at 1.03 CO₂-e/kg Fat and Protein Corrected Milk) and farm emissions intensity has remained level over the past decade. Research suggests that biogenic methane intensity of milk declined by 40% between 1980 and 2016, reflecting advances in breeding and feeding adopted by Australian dairy farmers over the past forty years. 94% of dairy farmers already implement emissions reduction measures on farm.

Dairy's goal

30% reduction in emissions intensity by 2030 (from 2015 baseline) to contribute to Australian economy-wide net-zero by 2050 and the global dairy industry commitment to net-zero by 2050. Dairy is a core component of a healthy and sustainable dietary pattern and dietary health is a social goal. Achieving a healthy sustainable diet relies on a balance between nutrition and environmental goals.



* i.e. options with productivity benefits or otherwise economically advantageous; **technical uncertainties subject to global research effort as at 2022. Co-benefits are critical.

We've developed a roadmap for how we're going to achieve the targets and goals

....PROVIDING ADVICE TO SUPPORT BETTER DECISION MAKING

Refer DA website for to available tools, including...

Webinar for dairy farmers:

<https://youtu.be/V9Ayn3JSYSk>

Australian Farm Institute "Carbon Opportunity Decision Support Tool"

- Assisting Australian land managers to understand carbon farming and other environmental crediting opportunities, and to identify which might be best suited for their enterprise.

AgriFutures' "A farmer's handbook to on-farm carbon management"

- Includes information about how carbon markets operate, things to consider for projects on your farm, and options manage your own project or to engage with external service providers or cooperatives.

Key steps in preparing for a carbon project on your farm:

- **Use the ADCC** to work out your baselines – you can't measure progress unless you know where you're starting from.
- **Don't rush** into a project – project opportunities are increasing and markets for carbon credits are still maturing.
- Make sure that you **clearly understand the project requirements** such as time commitments, participation costs, percentage of revenue/ACCUs and, risks such as farm access requirements and land title covenants/land valuation impacts.
- Consider whether you want to sell any credits you generate to earn income or save them to offset your own on-farm emissions. **You cannot do both.**
- **Communicate with your processor** to ensure you understand their plans for reducing supply chain emissions and any impacts this will have on your project.
- **Check if your intermediary** is a signatory to the industry Code of Conduct.

KEY THINGS IN THE NEXT 12 MONTHS...

ADCC roll-out (#1)

- 'Know your number' before you do anything else
- WA Pilot program to reach 80% of farmers
- Working out how to collate the data
- Explaining to farmers the value of doing this
- Data bonanza for policy and program development

Energy efficiency materials

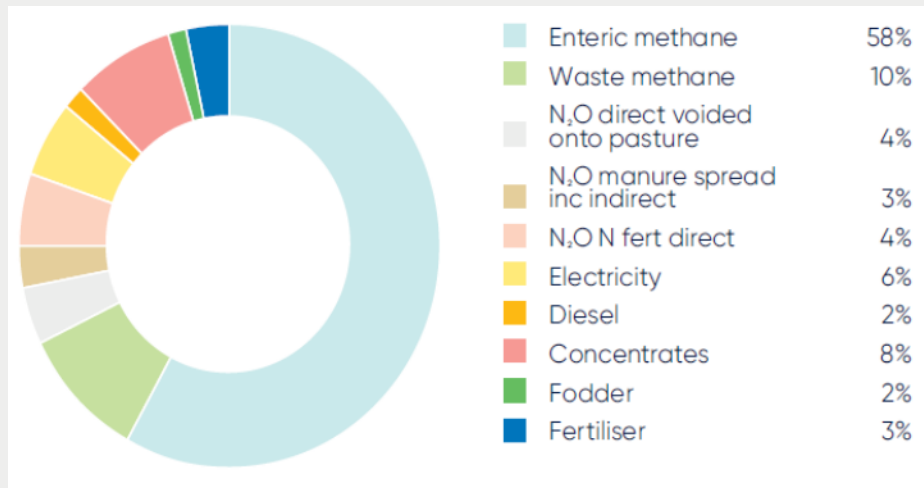
Online climate modules

Carbon markets education

Watching the development of Biodiversity Markets

More supporting resources and easier website imminent.

Extension and train the trainer in development



THE CALCULATOR INCLUDES

Herd dynamics

Milk production

Milkers diet

Fertilisers

Energy use

Purchased feed

Tree plantings

Manure management

Each element asks a number of questions with data and options to get an accurate answer.

Supporting resources help you gather your data ahead of time and understand WHY certain options may give a different emissions intensity or net emissions answer.

DISCUSSION

