



2022 Policy Priorities
Climate is everyone's business



Summary

Australian farmers are on the front lines of climate change, facing more severe and frequent drought, heatwaves, fires and floods. If we act quickly, there are huge economic opportunities for farmers and regional Australians. Let's not miss the opportunity to create secure, resilient jobs and livelihoods for farmers and regional Australians.

Extreme weather is making farming harder and more uncertain. Extreme weather affects the food supply chain at every stage. We are adapting, but there are limits to adaptation.

We need deep emissions reductions this decade to protect Australian farmers from extreme weather events caused by climate change, and ensure we are able to continue to produce food for Australia and the world.

Australian farmers have shown that agriculture is ready and able to lead. With the right policy support, Australian agriculture can be carbon neutral well before 2050. But emissions reductions are needed across all sectors of the economy. Other sectors need to play their part and rapidly reduce emissions.



OUR PRIORITIES

1

Strong national policy to reduce emissions across the economy this decade

2

Prioritise emissions reductions before offsets

- Incentivise uptake of electric vehicles
- Prepare for a clean energy grid
- RD&E for methane and nitrous oxide reduction in agriculture

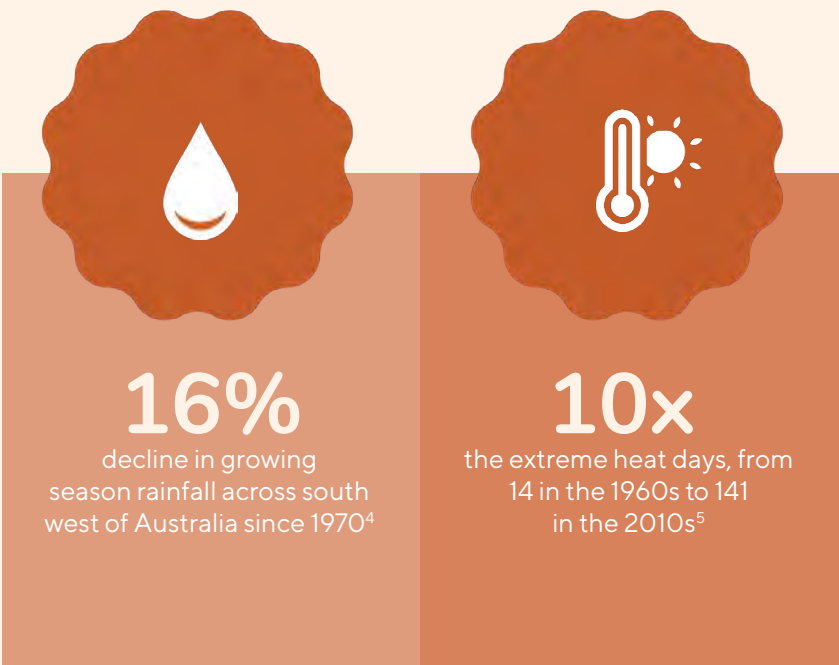
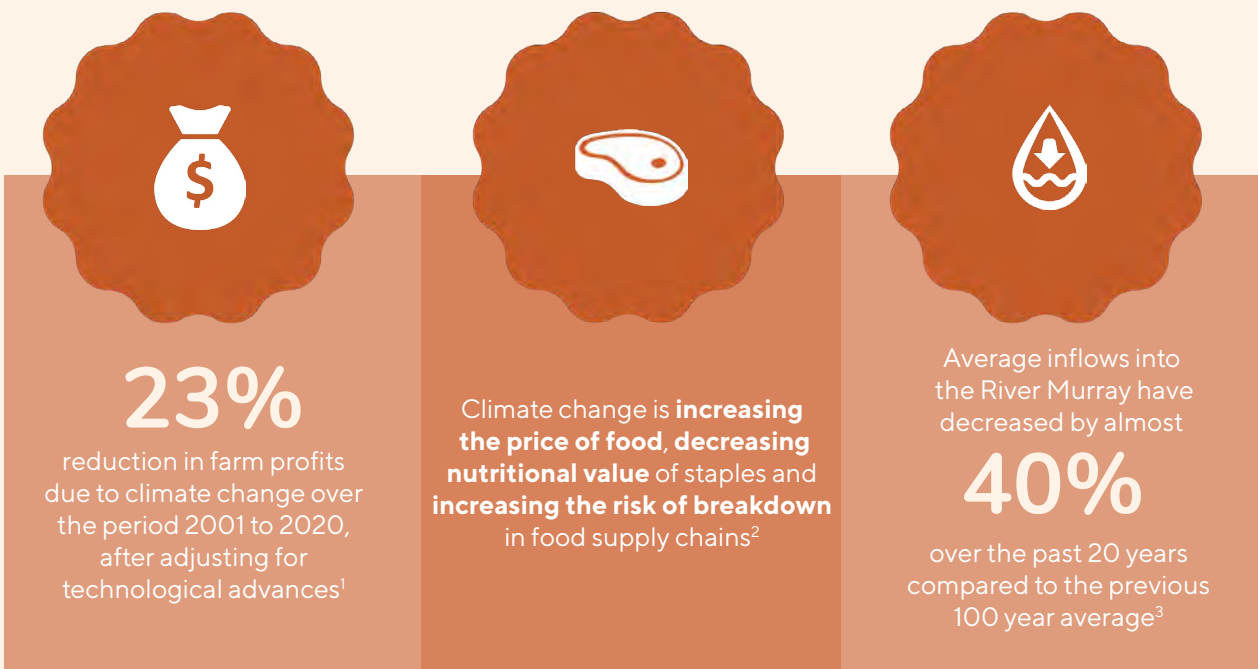
3

Support farmers to make the most of participation in carbon markets

- National rollout of Carbon + Biodiversity pilot and Enhanced Remnant Vegetation pilot
- Restore trust in Australia's carbon market integrity

Climate Matters to Agriculture

IMPACTS THROUGHOUT THE FOOD SUPPLY CHAIN



1 Neal Hughes and Peter Gooday, "Climate Change Impacts and Adaptation on Australian Farms" (ABARES, July 2021)
2 Stephen Bartos, "Fork in the Road: Impacts of Climate Change on Australia's Food Supply" (Farmers for Climate Action, 2022)
3 Murray-Darling Basin Authority, "The 2020 Basin Plan Evaluation" (Canberra: Australian Government, 2020)
4 CSIRO and BOM, "State of the Climate 2020," 2020
5 CSIRO and BOM



OPPORTUNITIES FOR AGRICULTURE AND
RURAL AUSTRALIA



Regional Jobs

Research shows that strong energy policy would result in 30,000 regional jobs by 2025 in the renewable energy sector.¹



Low carbon competitiveness

Red meat industry targeting 2030 carbon neutrality, pork targeting 2025



Farmer revenue diversification

Industry goal of \$5 billion of farm revenue to come from ecosystem services by 2030.²



Resilience

Climate adaptation increases financial opportunities, boosts resilience, and promotes natural capital protection and regeneration.³

¹ C Briggs et al., "Renewable Energy Jobs in Australia – Stage 1." (University of Technology Sydney, 2020)
² NFF, "2030 Roadmap: Australian Agriculture's Plan for a \$100 Billion Industry" (Canberra: National Farmers' Federation, n.d.)
³ Katie McRobert et al., "Change in the Air: Defining the Need for an Australian Agricultural Climate Change Strategy"



Farmer Stories

Stuart Proud, winemaker in Victoria's Yarra Valley

"The time for talking is over. We need to speak via our actions. Fast. As a parent, a farmer and an Australian I don't want to be explaining to the next generations why we didn't do more to minimise our impact on the climate and our natural environments." ▶



Jarred Tilley, mixed farmer from Kapunda, South Aus- tralia

"In six generations of our family farming in Australia, there has always been anxiety caused by making a living working with a variable climate. No farmer wants the following generations to have it any worse. Now is the time to act for the next six generations." ▶



Simon Gedda, Queensland grazier

◀ "We've also learnt to expect the unexpected – what's happened in the past is no longer an indicator of what's going to happen, so we need to be prepared for whatever comes our way and respond accordingly – fires, floods, droughts, they're all increasingly on the cards."



Our Priorities

1. STRONG NATIONAL POLICY TO REDUCE EMISSIONS ACROSS THE ECONOMY THIS DECADE



Australia must make deep economy-wide emissions reductions this decade to protect our farmers. Agriculture has shown it is ready and willing to play its part, but action is required across all sectors. In particular, the transport and energy sectors which have proven, commercial solutions available. Advances in this area will also assist farmers to cut both the energy and

transport portion of their own emissions profile, while also mitigating the future intensity of climate change impacts. To achieve this, Australia needs stronger national policies to increase the rate of emissions reduction and achieve deep cuts across all sectors of the economy this decade.

2. PRIORITISE EMISSIONS REDUCTIONS BEFORE OFFSETS



Incentivise uptake of electric vehicles

The transport sector made up 17.7% of Australia's emissions in 2020.¹ Light vehicles make up over 62% of those emissions and heavy vehicles around 20%.² A light vehicle emissions standard is the most efficient way to reduce emissions in this sector.³ This would encourage manufacturers to import and sell low emissions vehicles, increasing consumer choice and decreasing the price.

For heavy vehicles, width limits to align with major supplier economy standards, consultation to fill skills gaps and investing in infrastructure along major routes.⁴ Supporting the uptake of electric vehicles will reduce on-farm costs, improve farm resilience, improve safety for staff and animals, and deliver production outcomes.⁵

¹ Department of Industry, Science, Energy and Resources, "National Greenhouse Gas Inventory Quarterly Update: June 2021,"
² Anthony Wood and Grattan Institute, "Towards Net Zero: Practical Policies to Reduce Transport Emissions," 2021
³ Wood and Grattan Institute
⁴ Electric Vehicles Council and Australian Trucking Association, "Electric Trucks: Keeping Shelves Stocked in a Net Zero World," 2022
⁵ Angus Mackintosh, "Record Fuel Prices Didn't Make This Farmer Switch to an Electric Motorcycle, Saving His Lambs Did," ABC News, March 28, 2022



Prepare for a clean energy grid

Australia is perfectly positioned to produce abundant renewable energy not just for ourselves, but to export to our neighbours. The Government can prepare for the reality that energy companies are moving to cleaner sources by accelerating the roll out of renewables and hydrogen developments.¹ Research from the International Energy Agency indicates there can be no new coal, oil or gas projects if the world is to reach net zero by 2050.²

To meet Australia's future needs, the Australian Energy Market Operator has identified \$12.5 billion of

actionable network investment, which is forecast to deliver \$29 billion, a 2.5 times return on investment.³ This will provide surety to the market to continue to roll out renewable energy projects across the country.⁴

The renewable energy boom is providing our regions with an opportunity to harness their own power generation. Fully enacting and funding an agency to establish local renewable energy projects, similar to that described in Australian Local Power Agency Bill, would empower rural communities.



1 See Beal et al., "Phasing Down Gracefully: Halving Electricity Emissions This Decade."
2 International Energy Agency, "Net Zero by 2050 - A Roadmap for the Global Energy Sector" (International Energy Agency, May 2021)
3 AEMO, "Draft 2022 Integrated System Plan," 2021
4 Research from the University of Technology Sydney found that strong energy policy would result in 45,000 jobs by 2025 in the renewable energy sector.



RD&E for methane and nitrous oxide reduction in agriculture

Australian agriculture is ready to lead the way in emissions reductions, but needs further government support to achieve this. Agriculture contributes just over 15% of Australia's greenhouse gas emissions.¹ Methane and nitrous oxide emissions are responsible for the vast majority of those emissions. The red meat industry aims to be carbon neutral by 2030 and Australian Pork by 2025, which together account for around 65% of agricultural emissions.

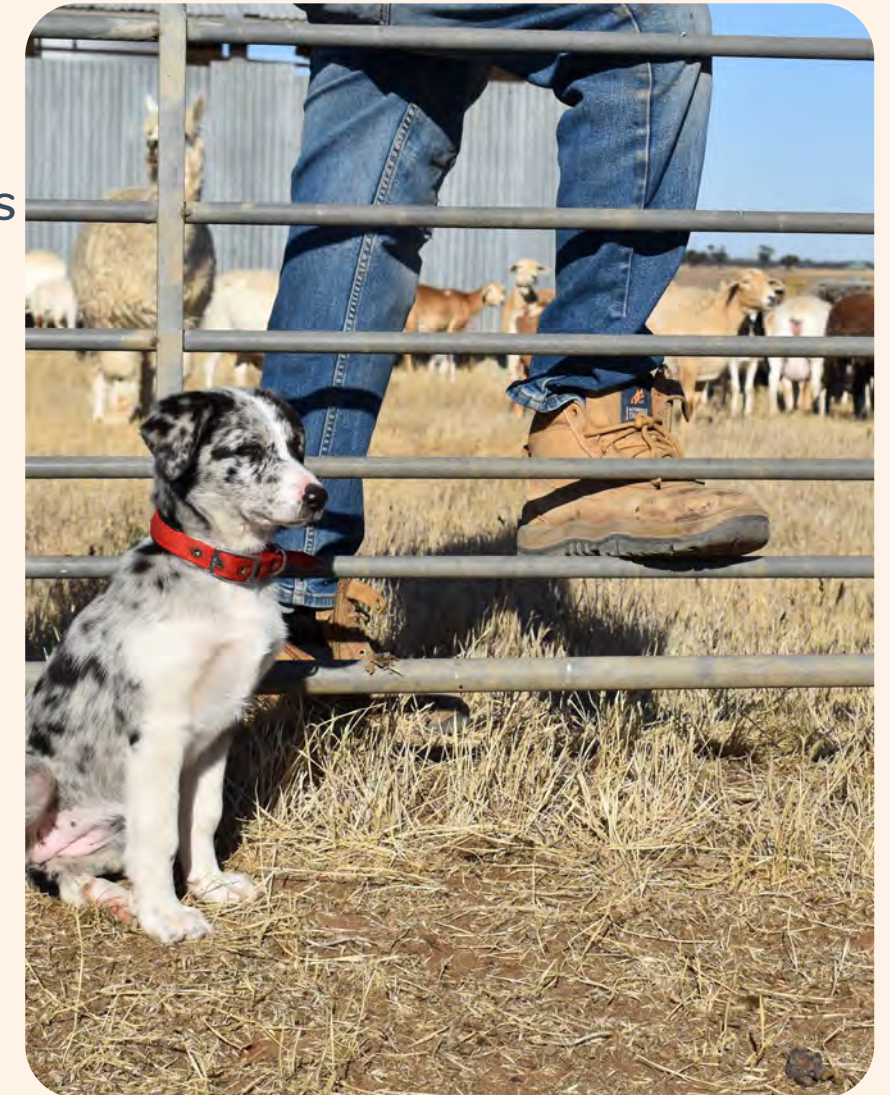
Substantial research, development and extension for programs that aim to reduce these emissions are already underway within

Meat and Livestock Australia, Australian Pork, Dairy Australia and Grains Research and Development Corporation, other government bodies such as CSIRO, and universities.

Increasing the funding for programs that prioritise reduction of agricultural emissions will boost farm productivity and efficiency, decrease emissions and increase Australia's competitive advantage as a 'clean, green' producer in our domestic and export markets which increasingly prioritise sustainability. Sustainability credentials are increasingly sought by international markets.²

¹ Department of Industry, Science, Energy and Resources, "Quarterly Update of Australia's National Greenhouse Gas Inventory: September 2021"
² TCFD, "Recommendations of the Task Force on Climate-Related Financial Disclosures," 2017

3. SUPPORT FARMERS TO MAKE THE MOST OF PARTICIPATION IN CARBON MARKETS



Expansion of Agricultural Stewardship Program pilots to nationwide

A report from Ernst & Young models just 0.9 per cent of Australia's agricultural land becoming home to carbon and biodiversity plantings/shelter belts as part of the pathway to bring agriculture to net zero by 2040.¹

Both the Carbon + Biodiversity Pilot and Enhanced Remnant Vegetation Pilot need to be expanded to nationwide programs. These pilots enable farmers to choose where carbon and biodiversity crops go on

their farms, so they can use underproductive pockets of their farmland.

Barriers to participation should be removed to encourage farmer participation. This can be done through the expansion of satellite auditing systems, low interest loans through the Rural Investment Corporation and implementation of fully automated systems to allow proponents to apply, measure and report online.

¹ Ernst & Young, "How Can Australia's Agriculture Sector Realise Opportunity in a Low Emissions Future?" (Farmers for Climate Action, 2021)

Restore trust in
Australia's carbon
market integrity

\$10 million for a structural review of the Emissions Reduction Fund is required to better reflect current needs. It is imperative that any review is undertaken by a credible independent reviewer, and focussed on ensuring appropriate governance structures and scheme integrity, to underpin ongoing confidence in Australia's carbon credits.



“We’re planting as many trees as we can, because there are so many benefits for the land, climate and cattle. It’s satisfying to see that these young trees are already providing shade for calves.”

Wilco Droppert and Sandra Jefford,
dairy farmers near Sale, Victoria





Farmers for Climate Action is a movement of farmers, agricultural leaders and rural Australians working to influence Australia to adopt strong climate policies by growing the number of farmers, regional communities and elected representatives championing ambitious action. We connect farmers with each other and support them to advocate for climate solutions both on and off farm. We are independent, non-profit and non-partisan.

We represent 7,000 farmers across Australia, and our supporter base includes over 35,000 Australians committed to climate action for agriculture.



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