CN30 | Carbon Neutral 2030

Your questions answered

Want to know more about how the Australian red meat industry will become carbon neutral by 2030? Here are the answers to some of the frequently asked questions MLA receives from producers, industry stakeholders and the wider community.

When was the target set?

In 2017, MLA committed to support the Red Meat Advisory Council's goal to achieve net zero emissions by 2030.

Will the CN30 target restrict productivity?

No. The CN30 target and productivity are complimentary goals. While the target is based on a herd size cap (28 million cattle, 75 million sheep) the goal can accommodate herd and flock increases through increased carbon efficiency in production.

What progress has been made to date?

The red meat sector has reduced its emissions by 59.05% from 2005 baseline levels (2022).

Why is 2005 the baseline year for the target?

Emissions are compared against the baseline year of 2005 as this is the year that Australia committed to a 26–28% reduction by 2030 on a 2005 baseline under the Paris Agreement.

Will all farms have to become carbon neutral?

No, the industry goal can be achieved without every individual producer becoming carbon neutral. However, it will require significant adoption of carbon efficient practices by a large majority of industry to achieve this collective goal.

Does carbon neutrality only refer to carbon? What about other greenhouse gases like methane?

The term carbon neutral encompasses the 3 key greenhouse gases, carbon dioxide (CO_2), nitrous oxide (N_2O) and methane (CH_4).

How can I lower emissions on-farm while maintaining productivity?

Focus on improving the emissions intensity of your business. Emissions intensity refers to the amount of emissions produced per kilogram of liveweight. The more efficiently we can produce meat, the better our intensity. Management decisions that improve reproduction rate, improve rate of weight gain or decrease time to turn off can all improve the emissions intensity per kilogram of liveweight of your operation, which is great for CN30 and productivity.

What carbon farming practices are eligible to earn carbon credits?

Not all methods that have a positive impact on emissions and productivity are eligible to generate carbon credits. Under the Carbon Farming Initiative, only methods approved by the Emissions Reduction Fund (ERF) and the Clean Energy Regulator are eligible to earn ACCUs. You can view approved methods online at the ERF website. A 5-minute survey via **CSIRO's LOOC-C tool** can also guide you on the most suitable methods for your business and region. Some of the most common project methods for Carbon Farming projects in livestock are revegetation, avoided clearing, soil carbon improvement and herd management.

What is a carbon credit?

A carbon credit represents 1 tonne of carbon dioxide equivalent abated or stored. In Australia, the financial product for carbon is an Australian Carbon Credit Unit (ACCU) which is issued by the Clean Energy Regulator through the Emissions Reduction Scheme.

What is carbon off-setting?

Carbon offsets refer to the purchase of carbon credits to compensate for emissions a business produces. Landholders and producers can generate credits through recognised carbon farming projects to sell as offsets to third parties who do not have the capacity to reduce emissions within their business - like airlines or offices. Producers may also purchase offsets to achieve a carbon neutral status for their own enterprise or product.

What is carbon in-setting?

Carbon insetting refers to credits generated by a carbon farming project which are kept or "inset" against the business's carbon baseline, to balance its own emissions. Insetting is a strategy for producers to lower or neutralise their net emissions position with credits they generate on-farm. Rather than trading credits off-farm for revenue, holding onto your credits may be important to maintain market access or to supply low carbon/carbon neutral brands in future.

Where should I start?

Complete a carbon account on your own or with an independent consultant to see where your emissions are coming from on farm. The **Sheep-Beef Greenhouse Gas Calculator (SB-GAF) Tool** and manual are free online and can assist you to put your own farm data into the model.

I want to launch a registered carbon farming project. Who do I talk to?

MLA does not provide commercial advice about carbon development companies, but we can provide high level suggestions on what to consider. For example:

- Complete a carbon account of your business, online or with an independent consultant.
- Consider your capacity to lodge the project independently or whether you wish to engage a carbon project developer.
- If you choose to have a third party register the project on your behalf, do your due diligence. Have any contracts reviewed by a trusted legal advisor.
- Check that the company is a signatory to the Carbon Market Institute Code of Conduct.
- Understand the implications of the project and what they mean for your property, cash flow or decision autonomy over the long term.

For more information, visit MLA's CN30 hub: mla.com.au/cn30