Question on Notice

No. 368

Asked on Tuesday, 10 May 2022

MR S O'CONNOR ASKED THE MINISTER FOR THE ENVIRONMENT AND THE GREAT BARRIER REEF AND MINISTER FOR SCIENCE AND YOUTH AFFAIRS (HON M SCANLON)—

QUESTION:

With reference to the $500m Land Restoration Fund (LRF), and Estimates Pre-Hearing Question on Notice No. 17 asked on 14 July 2021—

Will the Minister provide the updated (a) total funds expended to date and (b) details of each project with funds spent to date, project total, expected timeframe and main location?

ANSWER:

I thank the Member for the question.

Unlike grants programs, payments made from LRF projects are based on the delivery of outcomes such as the issuing of Australian Carbon Credit Units (ACCUs) and reporting requirements.

New projects typically take 12 to 24 months to meet the main condition precedent requirement of the LRF contract, to become unconditionally registered with the Clean Energy Regulator.

The structure of LRF contracts has been developed to provide stronger support to the establishment of new carbon projects, unlike the majority of carbon contracts in the voluntary market which pay on delivery of carbon credits alone, which can take up to five years from the date of unconditional registration with the Clean Energy Regulator.

Over $10 million is expected to be made in contract payments by 30 June 2023, including over $7 million in advance payments to support the early development of these projects.

In 2019, 12 pilot projects under two programs were approved under the Land Restoration Fund (LRF). A total of $3.19 million has been expended to date on pilot projects.

Six projects were approved under the Kickstarting the Market Program including:

Project name	Start Date	Expiry Date	Project Total $M	Spend to Date $M	Location
LRF013 – Kickstarting Cassowary Credits for Carbon and Community	27/05/2019	05/09/2020	0.18	0.18	Wet Tropics Bioregion
LRF091 – Kickstarting action carbon, culture, ecology and economies in Cape York	11/07/2019	31/08/2021	0.20	0.20	Cape York Peninsula, Normanby Basin
LRF040 – Blue Carbon Opportunities in Queensland: how much and where?	22/05/2019	22/06/2020	0.20	0.20	Queensland coastal zone (Great Barrier Reef Catchments)
LRF023 – Strategic analysis of Cape York Peninsula Fire patterns leading to increased carbon credits through optimised regional management	03/05/2019	30/08/2020	0.20	0.20	Cape York Peninsula
LRF010 – Facilitating adoption of the Beef Cattle Herd Management Method as a foundation for the LRF in North West Queensland	23/05/2019	23/06/2020	0.20	0.20	Southern Gulf Region
LRF035 – Protecting Threatened Species and Restoring Grazing Land	23/05/2019	28/02/2021	0.21	0.21	Great Barrier Reef catchments
TOTAL			**1.19**	**1.19**	

Six projects have been approved under the Catalysing Action Program including:

Project name	**Start Date**	**Expiry Date**	**Project Total $M**	**Spend to Date $M**	**Location**
LRF032 – Blue Carbon and Farm Land Restoration	11/09/2019	11/12/2024	0.69	0.31	Cassowary Coast Region
LRF117 – Tradition meets Innovation - Gidarjil Development Corporation Carbon Project Alliance	25/02/2020	25/02/2023 (Activity End) 25/02/2030 (Final ACCU Delivery)	0.34	0.14	Burnett Mary Catchment, Central Queensland
LRF124 – Counting the co-benefits: Carbon, connectivity, koalas and water	14/09/2020	14/09/2025 (Activity End) 14/09/2030 (Final ACCU Delivery)	0.67	0.38	Bremer and Lockyer catchments, South East Queensland
LRF061 – Permanent Tropical Reforestation with Native Conifers, Riparian and High Biodiversity Rainforest Plantings	18/03/2020	18/03/2025 (Activity End) 18/03/2030 (Final ACCU Delivery)	0.75	0.13	Atherton Tablelands
LRF062 – Murra Yambangka Carbon Project	09/11/2020	09/11/2024 (Activity End) 09/11/2035 (Final ACCU Delivery)	0.74	0.54	Central Western Queensland
LRF114 – Active landscape management pilot	25/11/2019	25/02/2025	0.75	0.50	Rangelands and the Brigalow Belt, South West Queensland
TOTAL			**3.94**	**2.00**	

* Note: ACCU - Australian Carbon Credit Units

16 projects have been contracted under LRF Investment Round 1 including:

Project Details	**Duration of Project**	**Project Total $M**	**Spend to Date $M**	**Location**
R1015 – Central Cape York Regional Savanna Fire Project	15 years	28.86	0.00	Central Cape York Peninsula
R1026 – Mungalla Carbon Project	16 years	3.75	0.00	Mungalla Station, Forrest Beach
R1034 – Multi-species pasture cropping to sequester carbon in soil in Gladstone	15 years	0.78	0.00	Mount Tom, Gladstone Region
R1038 – Beef and Conservation for the Future	10 years	2.13	0.18	Goondicum Station, Yarrol
R1040 – Environmental Plantings in the Burnett Catchment	16 years	2.63	0.00	Mimosa Station, Gayndah
R1050 – Lake Dalrymple Watershed	15 years	3.42	0.00	Carse O Gowrie, Ravenswood
R1054 – Boreelum Carbon Project	15 years	1.24	0.00	Colosseum, Gladstone Region
R1057 – Restoring box-gum grassy woodland for threatened species of the Nandewar bioregion	16 years	1.96	0.47	Silver Spur, Goondiwindi Region
R1058 – Corner Country to Bulloo River carbon and habitat restoration project	15 years	12.99	0.00	Dynevor Downs and Bulloo Downs, Thargomindah
R1062 – Ivanhoe Timber Retention Project	5 years	0.69	0.11	Ivanhoe Station, Coverty
R1063 – Burnham Regenerative Production Project	10 years	0.79	0.05	Stonehaven, Thangool
R1065 – Northern Aurukun Savanna Burning Project	15 years	8.50	0.00	Aurukun
R1072 – Kinrara Dry Tropics Regeneration Project	15 years	4.97	0.00	Kinrara Cattle Station, Mount Garnet
R1073 – West Albany Regeneration Project	15 years	3.78	0.00	West Albany, Dunkeld
R1083 – Saltwater Creek Carbon Project	16 years	3.75	0.00	Miallo, Douglas Shire

Project Details	Duration of Project	Project Total $M	Spend to Date $M	Location
R1086 – Tablelands Regional Integrated Agriculture Carbon Project	16 years	7.43	0.00	Upper Barron, Tablelands Region
TOTAL		**87.67**	**0.81**	

Assessment is underway for LRF Investment Round 2. Investment Round 2 has an allocation of $25 million for investing in carbon farming projects, with up to $5 million in funding available per project.

In addition to pilot projects and investment rounds, the LRF is making an investment to establish the Queensland Natural Capital Fund. The investment of $35 million will seed the Queensland Investment Corporation managed fund that will aim to attract co-investors. The Queensland Natural Capital Fund will invest in sustainable agriculture and environmental markets projects across Queensland, providing commercial returns to investors.