



Environmental Footprint of Rural Land: Carbon Farming and the Great Barrier Reef

MAY 2023

Before committing to a purchase, buyers must consider more than the physical features of rural land. Third party arrangements, leases and renewable energy agreements in addition to new regulations for land within Great Barrier Reef catchment areas may impact the intended land use of rural property and should be investigated before entering into a contract or satisfying any due diligence condition.

This is the third and final part in our three part series of articles on rural property in Queensland.

Restrictive third-part arrangements

Although it is not particularly common, rural property can be impacted by restrictive third-party arrangements, such as renewable energy agreements or leases.

Buyers will be subject to these agreements and need to understand their rights and obligations, and should do so before committing to a Contract to purchase. Rural properties may also have wind farms, turbines, or solar farms which require further consideration than an average purchase.

Carbon Farming participation

While carbon farming is not necessarily going to be relevant for every rural property, it is important that buyers who are farmers understand that there are various schemes and initiatives available in Queensland, depending upon the activities and land use.

Queensland is responsible for 90% of Australia's total land sector emissions.¹ The purpose of carbon farming is to restore balance, by reducing the amount of greenhouse gases in the atmosphere. This is achieved by using Earth's land-based



plant life and wetlands to naturally reabsorb excess carbon dioxide, and by changing and improving land management practices to reduce the impact from human activities.

Carbon farming can provide land owners with a range of benefits such as increased natural capital and improvement to land, and an alternate source of income. Benefits for landowners and farmers may include:

- a) improved water use efficiency;
- b) better protection for stock (through natural shade and windbreaks);
- c) improved livestock production;
- d) increasing habitat for threatened species;
- e) improved soil quality; and
- f) improved fertilizer-use efficiency.²

There are two ways to farm carbon:

1. By avoiding (eliminating or reducing) agricultural emissions that would otherwise have occurred by changing, or introducing, specific on-farm practices designed to reduce greenhouse gas emissions, for example reduced methane emissions from livestock, reduced fertilizer emissions, manure management, savanna fire management; or
2. By sequestering CO₂ from the atmosphere and storing it in the landscape. For example, reforestation and managed regrowth, avoided deforestation and soil carbon (reducing carbon loss or increasing sequestration).

Catchment areas & farming activities

Properties within the Great Barrier Reef (GBR) catchment area are subject to additional legislation and regulations, particularly where the property is used for farming purposes.

GBR Catchment areas include the regions of Cape York, Wet Tropics, Burdekin, Mackay Whitsunday, Fitzroy and Burnett Mary.³ The catchments that flow in to the Reef

have different characteristics and farming systems, and generally consist of properties used for grazing, horticulture, grains, bananas, and sugarcane. When dealing with properties in these areas, buyers must understand their obligations in the effort to help conserve the GBR.

Farmers generally need to adopt practices to manage nutrient and sediment run-off, to reduce harm to the GBR in these areas. Buyers should be aware that the government offers various programs, support, resources, and incentives for producers to assist in reducing the impact to the GBR.

Recent legislation affecting GBR

Amendments to the regulations have been put in place to address land-based sources of water pollution flowing to the GBR, including agricultural and industrial sources of nutrient and sediment pollution in the catchment area. The changes form part of a 5 year roll out that started 1 December 2019 with catchment areas regulated at different stages, depending on priorities in those regions.

The new requirements under the GBR regulations include:

1. Record keeping required for all graziers, sugarcane and banana producers, and agricultural advisers.
2. Industry specific minimum practice agricultural standards developed for primary producers of sugarcane, grazing and bananas, with further commodities to be added to certain regions over the span of 5 years.
3. All sugarcane producers in the Wet Tropics, Burdekin and Mackay Whitsunday regions must have a farm nitrogen and phosphorus budget in stages.
4. For any new or expanding cropping activities carried out on land sized 5 hectares or more with no cropping history in a GBR catchment area, an environmental authority (permit) may be required before any activity or work takes place. Cropping history refers to land which has been used for cropping or horticulture in at least 3 out of the last 10 years.



5. Grain and horticulture producers may also need to obtain an environmental authority (permit) before starting or expanding commercial cropping and horticulture activities on land sized 5 hectares or more with no cropping history in a GBR catchment area.
6. Any new, expanded or intensified regulated industrial land use activities such as sewage and water treatment plants, land-based aquaculture or mining in any Reef region must meet new discharge standards to ensure there is no increase in nutrient or sediment pollutant loads.

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¹ Queensland Farmers' Federation. Carbon Farming. 2022. URL: <https://www.qff.org.au/advocacy/carbon-farming/>

² Queensland Government. Carbon farming in Australia. 2021. URL: <https://www.qld.gov.au/environment/climate/climate-change/land-restoration-fund/carbon-farming/australia>

³ Queensland Government. Great Barrier Reef catchment and river basins map. 2018. URL: https://www.qld.gov.au/data/assets/pdf_file/0019/105247/gbr-catchment-river-basins-map.pdf