



CATTLE COUNCIL OF AUSTRALIA

SUBMISSION

2 September 2021

Emissions Reduction Fund Governance and Policy
Clean Energy Regulator
Via email: emissions-reduction@industry.gov.au

Dear Sir/Madam

Re: Emissions Reduction Fund Method Priorities for 2022

Cattle Council of Australia (CCA) is the peak industry organisation representing Australia's grass-fed cattle producers. Established in 1979, CCA brings together all state-based farming organisations representing cattle producers in their jurisdiction, associate member organisations with close connections to the cattle industry, and individual cattle producers.

CCA welcomes the opportunity to put forward our industry's recommendations for consideration in the Emissions Reduction Fund (ERF) Method prioritisation process for 2022. We provide this submission without prejudice to any submissions from our members or individual producers.

The Australian beef industry is committed to becoming carbon neutral by 2030 (CN30) and is playing a lead role in reducing Australia's greenhouse gas accounts and delivering progress towards its Paris Agreement commitments. Australia's beef cattle producers are stewards of approximately 50 per cent of Australia's land mass (over 77 per cent of the total land area used for agricultural production), which puts them in a unique position to be part of the climate change solution.

Every year, Meat and Livestock Australia (MLA) invests approximately \$10 million of producer levies and Australian Government matched funding (through MLA Donor Company partnership investment) into development of new technology to reduce and avoid greenhouse gas emissions from red meat production. CCA contends that there is significant untapped opportunity for the Australian Government's ERF to play a greater role in incentivising and assisting the uptake of this technology by beef producers as it becomes commercially available. CCA proposes that this potential can be enhanced by prioritising the following ERF methods for development by the Clean Energy Regulator in 2022.

Recommendations

Cattle Council of Australia (CCA) recommends the following Emissions Reduction Fund (ERF) methods be prioritised for development by the Clean Energy Regulator in 2022.

Prioritise development of a method stacking approach that enables producers to take up the full range of outcomes-based carbon abatement activities possible on their land in the most streamlined and efficient way.

Prioritise the development of a Livestock Emissions Framework to account for emissions avoided

from livestock due to innovations such as feed supplements and forages; and utilise this to develop the associated ERF methodology to incentivise uptake of these new technologies and practices on farm where viable, as soon as these become commercially available.

CCA provides in principal support for the *Active Land Management and Agricultural Production (AL-MAP) Method Blueprint* (attached) as an efficient means to achieving the above priorities. The *Blueprint* has been developed as part of a collaboration between the carbon, agriculture, technology, resources, and conservation sectors, with inputs from Traditional Owner groups, state and Federal governments and researchers.

In addition to the above priorities, CCA emphasises the following objectives that the industry sees as priorities for ERF Method development generally. These are:

1. Reducing cost and administrative burden associated with undertaking an ERF project to increase uptake and enable producers to participate directly in ERF projects,
2. Keeping a range of methodology options open and available to producers to enable them to meet their various goals; and
3. Ensuring that new technology can be efficiently incorporated into new or existing ERF methods as it becomes available.

Background information

CSIRO research has confirmed the red meat and livestock sector's greenhouse gas mitigation potential¹ and MLA has committed industry funds to an extensive program of research, development, and adoption to enable industry to meet its 2030 carbon neutral target (CN30). In 2018 the Australian beef industry recorded a **51.46 per cent reduction** in the carbon footprint of the industry since the 2005 baseline year, while concurrently rebuilding the national cattle herd.²

With industry commitment, government support, and the right policies and programs in place, CCA maintains that the beef industry can be a part of the solution to climate change. Crucial to this is ensuring all producers can access the environmental, production, and economic benefits associated with reducing and avoiding greenhouse gas emissions from production and storing carbon in soil and vegetation. Increasing the value of carbon market participation for grassfed cattle producers is a priority for CCA.

In November 2020, MLA launched the CN30 Roadmap. This was developed in consultation with CCA and provides the red meat and livestock sector with enterprise-level pathways and practices that reduce carbon emissions, improve carbon storage and sequestration, and provide tools to calculate enterprise level GHG emissions. CN30 activities are grouped into four key areas of work, representing the most important priorities to achieve carbon neutrality by 2030. These are emissions reduction; carbon storage; integrated management systems; and leadership building.³

Feed additives to reduce ruminant enteric methane emissions is an opportunity being actively progressed through MLA's Research and Development efforts. Red Asparagopsis is one of the most promising technologies that will reduce livestock methane emissions. Pathways to adoption that don't compromise

¹ Mayberry, D., Bartlett, H., Moss, J., Wiedemann, S., & Herrero, M. (2018). Greenhouse gas mitigation potential of the Australian red meat production and processing sectors. Meat & Livestock Australia, North Sydney.

² Red Meat Advisory Council., (2021). 'Australian Beef Sustainability Framework, 2021 Annual Update'. Available at [bh.03_australian-beef-sustainability-annual-summary-v5.pdf \(sustainableaustralianbeef.com.au\)](https://www.sustainableaustralianbeef.com.au/bh.03_australian-beef-sustainability-annual-summary-v5.pdf)

³ Meat & Livestock Australia., (2020). 'Carbon Neutral By 2030 Roadmap'. Available at [2689-mla-cn30-roadmap_d7.pdf](https://www.mla.com.au/2689-mla-cn30-roadmap_d7.pdf)

other emissions reduction initiatives will be critical to ensuring maximum uptake and realising the full potential of this technology.

3-NOP is another feed additive offering promising ruminant enteric emissions reduction capacity. 3-NOP is a synthetic product that can be added as a feed supplement for cattle. It is known to inhibit the enzyme, methyl coenzyme M reductase (MCR) which is required in the last step of methane production.⁴

Greater adoption of on-farm and off-farm practices that are beneficial to the environment is important to the beef industry as it builds community trust and gives us an environmental competitive advantage in domestic and international markets.

Australia contributes around **17 per cent** of the world's beef trade, being one of the **top-three largest exporters** for over seven decades. In 2019, Australian beef exports totaled 1.23 million tonnes, up 9 per cent year-on-year, valued at over **A\$10.8 billion**. The export of live cattle was worth an additional **A\$1.6 billion**.⁵ Our contribution to food security both within Australia and in importing countries cannot be overstated.

There is also an opportunity for the Australian beef industry to further contribute to Australia's efforts towards the United Nations Sustainable Development Goals (UN SDGs) via adoption of on-farm practices that reduce emissions while maintaining productivity. CCA contends that prioritising the ERF Methods recommended above can incentivise uptake of new technology and in turn boost Australia's contribution towards UN SDG 13 on climate action, and UN SDG 2 on reducing hunger.

Concluding comments

We encourage the Australian Government to continue seeking input from industry via CCA and MLA throughout the method development process to ensure research and development progress made by industry is incorporated. Collaboration between industry and government is likely to lead to the most effective use of incentives to encourage uptake of the best available technology and practices to reduce emissions from the beef sector most efficiently.

CCA appreciates the opportunity to provide this input into the ERF Method Prioritisation process for 2022. We welcome further opportunities to work with the Australian Government to ensure Australian beef producers can remain profitable and productive while striving to be part of the greater solution to climate change.

If there are any queries about this submission, please do not hesitate to contact our office on 1300 653 038 or email cca@cattlecouncil.com.au.

Yours sincerely

Travis Tobin
Chief Executive Officer

⁴ Meat and Livestock Australia., (2021). 'MLA Sustainability Report'. Available at [mla_sustainability_report_2021.pdf](#)

⁵ Meat and Livestock Australia., (2020). '2020 State of the Industry Report – The Australian Red Meat Industry'.