

# FACT SHEET

## How to participate in the Emissions Reduction Fund



The Emissions Reduction Fund (ERF) allows livestock producers and other landholders to generate extra income by storing carbon in vegetation and soils, or reducing greenhouse gas emissions from their operations.

This fact sheet provides an outline of the steps required to participate in the ERF.

### Choosing a method that is right for you

Producers who want to participate in the ERF must do so by setting up a project using an approved abatement method. These methods explain how to carry out an ERF project and measure the resulting reduction in emissions.

Some methods are aimed at livestock producers specifically, and others apply to landholders generally. Applicable methods include:

- Herd management for beef cattle (awaiting final approval by government)
- Feeding nitrates to beef cattle
- Savanna fire management
- Sequestering carbon in soil in grazing systems
- Estimating Sequestration of Carbon in Soil Using Default Values

It's important that you consider whether starting a project under a particular method makes good business sense in the context of your total farming operation.

Each method has an accompanying explanatory statement, which will help you to work through the method you have chosen. These are available on the Department of the Environment website ([www.environment.gov.au](http://www.environment.gov.au)).

Planning and decision-making tools are available on the Clean Energy Regulator website ([www.cleanenergyregulator.gov.au](http://www.cleanenergyregulator.gov.au)), or you can also contact the Clean Energy Regulator on **1300 553 542** if you are unsure whether your project is eligible.

### Steps for setting up an ERF project

Once you have made the decision to set up an ERF project using a particular method, there is a four step participation process to follow:



### **Step 1 – Apply**

You can participate in the ERF as individuals, sole traders, companies, local, state and territory government bodies and trusts.

To participate you will need to:

- apply to become an ERF participant
- register your project

### **Step 2 – Contracts and auctions**

ERF participants with a registered project may bid for a contract to sell their Australian carbon credit units to the Clean Energy Regulator. The Clean Energy Regulator will run auctions to select bidders according to price.

### **Step 3 – Reporting and auditing**

To receive Australian carbon credit units you will need to submit reports on your registered projects, including reporting on your emissions reductions. You will also need to have your project audited on a schedule determined by the Clean Energy Regulator.

### **Step 4 – Delivery and payments**

Participants who have a contract with the Clean Energy Regulator will deliver Australian carbon credit units according to the schedule in their contract, and will then be paid at the price bid at auction and set out in the contract.

### **Addition information about each of these steps is available at:**

<http://www.cleanenergyregulator.gov.au/ERF/Want-to-participate-in-the-Emissions-Reduction-Fund>



**Australian Government**  
**Department of Agriculture**



**This fact sheet was developed by the National Livestock Methane Program (NLMP). The NLMP aims to provide Australian livestock producers with practical strategies and tools to help them increase productivity and profitability and at the same time lower methane emissions. It is managed by MLA and supported by funding from the Australian Government.**

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