



Climate Solutions Fund

The Climate Solutions Fund will double the Coalition Government's investment in practical climate solutions. We've already contracted more than 193 million tonnes of greenhouse gas abatement through the Emissions Reduction Fund (ERF) to help smash through our 2020 target. The Coalition Government is building on this success by providing an additional \$2 billion to deliver more than 100 million tonnes of low-cost abatement, and help us meet our 2030 target.

The Climate Solutions Fund brings total Coalition Government support for businesses, land holders, farmers and Indigenous Australians through practical climate solutions to \$4.55 billion.

The Climate Solutions Fund gives these Australians the incentive to adopt smarter practices and technologies to reduce greenhouse gases, and at the same time earn additional revenue.

- **Remote Indigenous communities** will be supported to reduce emissions by using traditional knowledge to manage fires in northern Australia and creating employment for Indigenous people living on Country.
- **Small businesses** will benefit from support to replace lighting, air conditioning and refrigeration systems to help reduce energy costs.

- **Farmers** will be supported to revegetate degraded land, improving water quality, reducing erosion and salinity, and drought proofing farms.
- **Local communities** will benefit from support to reduce emissions from waste and increase recycling rates.

How does the Climate Solutions Fund work?

Project participants join the scheme by registering a project, under an approved Emissions Reduction Fund method, with the Clean Energy Regulator.

Once a project is registered, participants can bid to secure a contract with the Australian Government by participating in an auction.

Participants run their project according to the method they have chosen to use, report on it and ensure it is audited when required.

The projects then receive Australian Carbon Credit Units for the emissions reductions they have achieved. These can be sold to the Australian Government under contract, sold to the secondary market, or used to offset emissions from other sources.

Tambua Regeneration Project, NSW

Tambua Station is a farm located near Cobar, NSW which produces fine quality wool and cattle products. The Evans family own the property and recently celebrated 100 years and five generations on the land. Over the years the family has overcome a number of challenges that so often occur when farming, including financial hardship, drought and bushfires.

The Tambua Regeneration Project, supported with an Emissions Reduction Fund contract valued at \$2.8 million¹ over 10 years, establishes permanent native forests on the property. The Evans family encourages forest regeneration from seed on land that was previously cleared and where regrowth has been suppressed for over 10 years. The project manages the timing and extent of grazing and has stopped mechanical clearing to allow native forests to germinate and develop.

Savanna fire management projects in Arnhem Land, NT

The Coalition Government has invested in direct climate solutions in northern Australia, where traditional fire management practices and research is used to better control the extent and severity of savannah wildfires.

Savannah fire management methods are used to reduce methane and nitrous oxide emissions released by fire, through the use of strategic early dry season fire management as well as late dry season fire suppression across savannahs in the tropical north of Australia. They also account for increased sequestration of carbon in dead organic matter.

In Arnhem Land in the Northern Territory, Arnhem Land Fire Abatement projects are being carried out by Indigenous ranger groups consisting of traditional custodians and their families. These projects partner thousands of years of Aboriginal traditional land management practice with modern scientific knowledge and remote sensing technology. To date, projects have contracted more than 2.4 million² tonnes of emissions reductions, valued at more than \$29 million.

1 Based on the average cost of abatement.

2 Based on the average cost of abatement.

