

Environmental Markets

An Overview of Key Markets for Graziers in Queensland



Primary producers are responsible for managing 80% of Queensland's land area. For some farmers participation in environmental market schemes may be an option that can provide a range of benefits. These benefits could include, additional income, income diversification, increased agricultural productivity and improved ecological health. For any farmer considering a project it will be important to obtain independent advice. Some questions you should consider are outlined in the box below.

Thinking about an ACCU Scheme or Environmental market project ?– key questions for landholders:

- Is there a realistic potential to sequester carbon on your farm?
- Are you prepared to commit to a carbon project for 25 or 100 years?
- Do you hold legal and land eligibility rights and have consent from eligible interest holders?
- How will the selected new sequestration activity fit with management and business and personal goals?
- Does analyses of opportunity costs and cost-benefit ratio show the project can be viable?
- Do you understand potential co-benefits or trade-offs, and have any risks been assessed?
- Who will be the project proponent – landholder or a contracted carbon service provider?
- Are the eligibility, reporting, auditing and permanence requirements well understood?

Existing Environmental markets for landholders

Australian Carbon Credit Unit Scheme (ACCU Scheme)

The Australian Carbon Credit Unit (ACCU) scheme, established by the Carbon Credits (Carbon Farming Initiative) Act 2011, is Australia's largest environmental market aimed at reducing greenhouse gas emissions. It allows landholders to undertake projects that remove greenhouse gas emissions from the atmosphere via sequestration or prevent emissions from entering the atmosphere.

Below is a summary of existing in force ACCU methods that relate to the land sector and those currently under review. Projects can still be registered with the Clean Energy Regulator while a method is under review unless the Emissions Reduction Assurance Committee has issued a legislative order under section 27A of the Act. This order suspends the Clean Energy Regulator's ability to register applications under the method.

ACCU Land Methodologies*

**Current as of 24/11/2025*

To participate in the ACCU scheme, primary producers must implement a project using an ACCU scheme methodology. Suitable methodologies include:

1. Estimating Soil Organic Carbon Sequestration Using Measurement and Models Method (under review)
2. Reforestation by Environmental or Mallee Plantings: FullCAM Method 2024
3. Plantation forestry method 2022
4. Savanna Fire Management Methods
5. Tidal Restoration of Blue Carbon Ecosystems Method

The Land Restoration Fund (LRF)

The Land Restoration Fund (LRF) aims to boost carbon farming through innovative land management. Managed by the Department of Environment, Tourism, Science, and Innovation, it focuses on carbon sequestration that delivers additional environmental (soil, water, biodiversity), socio-economic (community development and employment), and/or First Nations co-benefits. Eligibility for co-benefits is detailed in the LRF Co-Benefits Standard.

The LRF operates through investment rounds, during which the LRF contracts project proponents to deliver a premium ACCU project that generates carbon sequestration plus co-benefits. Project proponents can receive a higher price for their premium ACCUs. Projects must be registered under the ACCU scheme.

Nature Repair Market

The Nature Repair Market is the first national, voluntary biodiversity market established under the Nature Repair Act 2023, designed to improve biodiversity in Australia through incentivised land management changes. It aligns with the ACCU scheme, allowing projects to be stacked through dual registration so that they can earn both carbon credits and biodiversity certificates.

Currently, there is one methodology available under the Nature Repair Market:

- Replanting Native Forest and Woodland Ecosystems Method: This approach is suitable for land that has previously been cleared of native forest. Additionally, projects could incorporate culturally significant elements.

Reef Credit Scheme

The Reef Credit Scheme, promotes improved land management to enhance water quality entering the Great Barrier Reef (GBR). Eco-Markets Australia is the independent administrator of the scheme.

The voluntary scheme, limited to projects located in the GBR catchment, supports the Reef 2050 Water Quality Improvement Plan (WQIP) targets and offers market incentives for projects that prevent pollution.

- One reef credit represents 538kg of fine sediment or 1kg of dissolved inorganic nitrogen prevented from entering the GBR.

Cassowary Credit Scheme

The Cassowary Credits Scheme, is a voluntary initiative targeting biodiversity enhancement in Far North Queensland's Wet Tropics. Eco-Markets Australia administers the scheme.

It establishes a biodiversity market where governments, philanthropists, or corporations can fund landholders and managers for habitat restoration.

- Methodology: Currently, there is one method available, namely the rainforest replanting method.
- Note: Cassowary Credits cannot be used to fulfil legal offset obligations in compliance markets.

The Farm Business Resilience Program is jointly funded through the Australian Government's Future Drought Fund and the Queensland Government's Drought and Climate Adaptation Program