

# Rural and Regional Adjustment (Carbon Farming Advice Assistance Scheme) Amendment Regulation 2023

Explanatory Notes for SL 2023 No. 48

made under the

*Rural and Regional Adjustment Act 1994*

## General Outline

### Short title

*Rural and Regional Adjustment (Carbon Farming Advice Assistance Scheme) Amendment Regulation 2023*

### Authorising law

Section 3 of the *Rural and Regional Adjustment Act 1994* (the Act) establishes the Queensland Rural and Industry Development Authority (QRIDA) primarily to administer schemes that foster the development of a more productive and sustainable rural and regional sector in Queensland.

Section 10 of the Act provides that QRIDA may give financial assistance only under an approved scheme.

Section 11 of the Act defines what an approved scheme is and provides that a regulation approving a scheme must set out the scheme in detail.

Section 44 of the Act provides the power for the Governor in Council to make regulations under the Act.

### Policy objectives and the reasons for them

In November 2017, the Queensland Government announced the \$500 million Land Restoration Fund (LRF) to support Queensland-based land sector carbon farming projects and to create new jobs and opportunities in this growing industry.

A component of the LRF is to encourage eligible Queensland landholders to participate in land sector carbon farming projects and generate tradable financial products (Australian Carbon Credit Units) with environmental, social, economic and First Nations co-benefits.

The Carbon Farming Advice Assistance Scheme (the Scheme) aims to accelerate Queensland's transition towards a zero-carbon economy and a cleaner, greener future for the agriculture sector by making the purchase of professional advice more affordable for eligible Queenslanders.

Carbon farming is a complex undertaking. Opportunities differ regionally and landholders need to gain an understanding of suitable methods and tools available, specific to their particular location and agricultural needs.

The intent of the Amendment Regulation is to establish the Scheme as an approved assistance scheme under the Act. This will enable the QRIDA to administer the Scheme.

The Scheme is designed to assist eligible landholders with accessing relevant advice through the establishment of a financial scheme to offset the cost of obtaining carbon farming advice by paying up to \$10,000 for advice provided by an approved adviser.

Tailored carbon farming advice will enable eligible landholders to make good, informed decisions in relation to carbon farming practices on their land.

## **Achievement of policy objectives**

The subordinate legislation will achieve the policy objective by establishing the Scheme as an approved assistance scheme as a new schedule of the *Rural and Regional Adjustment Regulation 2011*.

The Scheme supports eligible landholders with the cost of obtaining carbon farming advice specific to their property by providing a rebate for eligible advice provided by approved advisors.

The amount of assistance available under the Scheme is up to \$10,000 per round.

The Scheme aims to accelerate Queensland's transition towards a zero-carbon economy and a cleaner, greener future for the agriculture sector by making the purchase of professional advice more affordable for eligible Queenslanders.

The Scheme reaffirms the Government's commitment to support Queensland landholders to participate in carbon and environmental markets and benefit from their natural capital by:

- providing a clear market signal to stakeholders about Queensland Government's commitment to growing the carbon farming and natural capital sector
- ensuring the agriculture sector is ready to capitalise on new opportunities by accessing expert advice on carbon farming
- growing green economy jobs in Queensland by supporting increased business and employment opportunities in the carbon farming and natural capital sector.

The Scheme will be offered in rounds based on when funding is released. Applications will open and close on the day stated on QRIDA's website or when funds allocated to the round are exhausted. The Scheme is currently funded to \$700,000.

To be considered eligible under the Scheme, landholders must be any of the following entities:

- an individual
- a local government
- a non-profit organisation
- a small to medium sized business.

An applicant is eligible to receive assistance under the Scheme if the authority is satisfied the applicant:

- is an eligible landholder in Queensland; and
- has received conditional approval; and
- has received eligible carbon farming advice from an approved advisor.

## **Consistency with policy objectives of authorising law**

The subordinate legislation is consistent with the objectives of the Act, which establishes QRIDA to administer schemes that foster the development of a more productive and sustainable rural and regional sector in Queensland.

## **Inconsistency with policy objectives of other legislation**

This subordinate legislation is not inconsistent with the policy objectives of any other legislation.

## **Alternative ways of achieving policy objectives**

An alternative way to achieve the policy objective would be to have an entity other than QRIDA provide the assistance. However, QRIDA was established to provide assistance and support to the State's economy and has significant experience and expertise in administering schemes and grant funding. Given QRIDA's expertise, QRIDA is the most appropriate entity to administer the Scheme.

## **Benefits and costs of implementation**

QRIDA has extensive experience in administering grant, loan, rebate and payment schemes for the government and is well placed to administer the Scheme.

The Scheme will provide up to \$10,000 in rebates to eligible applicants to offset the cost of seeking advice from approved advisers about undertaking carbon farming projects on their land.

The Scheme is currently funded to \$700,000.

## **Consistency with fundamental legislative principles**

The subordinate legislation has been drafted about and is consistent with, the fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992*.

## Consultation

In 2019, the LRF conducted a survey of Queensland landholders and collected feedback from the agricultural industry which found that cost was the number one perceived barrier towards carbon farming.

To assist industry combat this cost, DES launched a \$10,000 rebate to landholders who sought eligible carbon farming advice on 28 January 2020. Two rounds were delivered by DES, however, following evaluation and feedback from landholders, approved advisers and industry representatives it was identified that changes were needed to:

- improved guidance to Approved Advisers on the scope of advice they were paid to provide, and
- note that landholders were left out of pocket until a rebate could be processed.

To address these concerns the implementation of an Amendment Regulation allowing QRIDA to deliver the scheme was deemed most suitable as it addressed all major concerns and did not require an increase in budget.

QRIDA has been consulted through all stages of the regulation drafting process to ensure their expertise is reflected in the scheme.

The Department of Agriculture and Fisheries consulted with the Office of Best Practice Regulation (OBPR), within Queensland Treasury on whether the amendments are excluded from further analysis under the *Queensland Government Guide to Better Regulation*. On 25 October 2022, OBPR assessed that the amendment is excluded from further analysis under category (k) – regulatory proposals designed to reduce the burden of regulation, or that clearly do not add to the burden, and it is reasonably clear there are no significant adverse impacts.