

Our Ref: M3  
BW/ds

28 April, 1998

Committee Secretary  
House of Representatives Standing Committee  
on Environment, Recreation and the Arts  
Parliament House  
CANBERRA ACT 2600

Dear Sir/Madam,

**In Submission to Inquiry into the Regulatory  
Arrangements for trading in Greenhouse Gas  
Emissions**

I wish to address Point Two of your Terms of Reference

***Mechanisms to integrate emissions trading with the development of carbon sinks  
including the science, measurement and security of such arrangements.***

Trust for Nature (Victoria) is a statutory authority and has been operating for 25 years in Victoria to provide the permanent protection of remnant vegetation on private land in Victoria through voluntary conservation covenants.

I therefore submit that under this operation these covenanted areas have the following characteristics

- the area of the covenant is defined and recorded on the title of the property
- the type and extent of vegetation cover is well described in botanical terms
- the covenants are in perpetuity preventing clearing of this habitat
- they are regularly visited (every three years) by Trust staff as part of our stewardship program

From this information, the carbon sink value can be readily calculated.

There is an increasing use of covenants to permanently retain habitat in Victoria with the Trust currently protecting over 9,000 hectares with 250 landowners. These areas are maintained through good conservation management practices. This prevents their loss through clearing or decline through mismanagement.

They provide an ideal source of identifiable carbon sinks for trading purposes as they are regularly monitored in their role as covenants within the Trust. When data becomes available, the Trust will also be classifying the vegetation's contribution to carbon sinks.

In addition to the Trust's own covenants, it is conceivable that in a Greenhouse Trading environment, there will be planting of vegetation for greenhouse gas purposes. If these credits are to be issued for the expected life of the trees and the habitat maintained in an adequate manner, then an independent auditor or monitoring program needs to be implemented. I suggest that in Victoria, the Trust could provide this role and that Trust for Nature conservation covenants be placed on these areas to ensure they exist for the life of the credit they have been given. This could be done on a fee for service basis.

Yours sincerely,

**Dr Brian R. Whelan**  
**Director**