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FACT SHEET

CFI Methodologies: Diverting Legacy Waste to Alternative Waste Treatment

The Carbon Farming Initiative (CFI) allows farmers and other land managers to generate carbon credits by storing carbon or reducing greenhouse gas emissions on the land. Participants can earn carbon credits by setting up a project under an approved CFI methodology, which sets out the rules for the activity.

This fact sheet outlines two methodologies: one for the *Diversion of Legacy Waste to an Alternative Waste Treatment Facility* and a second for *Avoided Emissions from Diverting Waste from Landfill through a Composting AWT Technology.*

Who can benefit from these methodologies?

To facilitate the transition of AWT projects to the carbon price mechanism, the CFI enables Greenhouse Friendly AWT projects and other similar AWT projects to generate carbon credits from 1 July 2010 when the Greenhouse Friendly program came to an end and the commencement of the carbon price mechanism on 1 July 2012.

Ongoing incentives for waste diversion and recycling are provided by the application of a carbon price to landfill emissions. This makes activities that reduce landfill emissions relatively more cost-effective.

The first methodology covers the diversion of legacy waste to an Alternative Waste Treatment (AWT) facility and applies to those AWT facilities that were previously approved as an abatement project under the Greenhouse Friendly™ initiative. To facilitate the transition of Greenhouse Friendly projects to the CFI, all of the waste processed by these facilities is eligible for CFI credits.

The second methodology covers similar AWT projects that are not transitioning from Greenhouse Friendly. Not all of the waste processed by these facilities is eligible for CFI credits. This is because the Domestic Offsets Integrity Committee advised that diversion of some types of waste, for example garden waste, is already common practice. For this reason, the second methodology provides that abatement estimates include only eligible types of waste.

What does it involve?

Alternative waste treatment projects reduce methane emissions from legacy waste by diverting putrescible waste from landfill.

The waste is sent to a composting AWT facility, where it is processed and used in the manufacture of a range of products such as potting mixes, landscape mulches, blended top soils, mine-site remediation products and spill absorbents.

Eligibility

The methodologies cover projects that divert legacy waste which would otherwise have entered a landfill facility to an AWT facility, where:

- the AWT facility is a purpose-built composting AWT facility and not a landfill facility
- the waste was physically accepted onto the waste diversion facility premises in the 'project period' from 1 July 2010 to 1 July 2012
- the compost is not disposed of in a landfill facility.

In the case of the second methodology, *Avoided Emissions from Diverting Waste from Landfill through a Composting AWT Facility*, the waste must be mixed solid waste deposited before 1 July 2012.

These requirements are in addition to broader eligibility criteria, such as the requirement for the project to be carried out in Australia; and the project proponent having the legal right to conduct the project.

Monitoring, Reporting and Auditing

Energy and electricity usage of the waste diversion facility can be measured and the greenhouse gas emissions calculated using the National Greenhouse and Energy Reporting (NGER) (Measurement) Determination 2008. This is available on the ComLaw website www.comlaw.gov.au/Details/F2012C00472

Project proponents must develop a project monitoring plan that includes:

- a project description
- an organisational description (if relevant)
- operational information about the project.

Further details about monitoring and recording requirements are detailed in the respective Methodology Determinations published on the ComLaw website.

Projects must also be audited by a registered greenhouse and energy (NGERS) auditor. A list of registered auditors is available on the Clean Energy Regulator website: www.cleanenergyregulator.gov.au.

Keeping project records is important as these will be used to calculate the abatement that has been achieved by the project and demonstrate that it has been implemented and monitored properly.

Further Information

The Methodology Determinations are available on ComLaw at www.comlaw.gov.au/Details/F2013L00161 and http://www.comlaw.gov.au/Series/F2013L00482.

Project applications to use these Methodology Determinations may be made to the Clean Energy Regulator at www.cleanenergyregulator.gov.au.

To find out about other methodologies relevant to the landfill sector, as well as broader opportunities under the Carbon Farming Initiative, visit www.climatechange.gov.au/cfi.