# [***Corporate giants line up to bury emissions in the mud***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:65M3-43T1-JBJ7-N06B-00000-00&context=1516831)

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**Highlight:** Australia's top ***blue carbon*** scientist says the nation can be a superpower in the emerging market, which is tipped to be worth 10 times more than abatement.

**Body**

Cairns | Corporate giants led by BHP and Qantas are among a flurry of investors pushing to purchase official carbon credits based on a newly approved method that uses coastal wetlands, ***mangroves***, tidal marshes and seagrasses to absorb greenhouse gases.

The challenge is finding the right place to do it, says one of the nation's leading experts in the field, Deakin University's Peter Macreadie.

"It's the closest thing you can possibly get to a true offset," Professor Macreadie told The Australian Financial Review on Wednesday during a visit to the East Trinity reserve south of Cairns, the site of one of Australia's most successful ***mangrove*** remediation projects.

Given the scrutiny of offsets in recent months, Professor Macreadie, head of Deakin's ***blue carbon*** lab, said there was a need to develop projects that sequestered carbon faster and for longer.

"These are the ecosystems that can put carbon back in the ground for thousands and thousands of years," he said, noting that coastal zones were where fossil fuels originate.

"There has been a kind of awakening to the quality of carbon credits even if the market doesn't reward it.

"To paraphrase George Orwell; all carbon is equal, but some carbon is more equal than others.

"A tonne of ***blue carbon*** should attract a premium that should be worth 10 times other forms of abatement, in my opinion."

***Blue carbon*** fund

It is thought that Australia is home to about 12 per cent of the world's ***blue carbon*** ecosystems, and more than 200 years of coastal development has created potential restorable ***mangrove*** region the size of Portugal, according to Professor Macreadie.

Scientists say ***blue carbon*** has the benefit of being able to store carbon at up to 40 times the rate of other vegetation. That feature prompted the federal government to put aside $30 million for a ***blue carbon*** fund, with more than half allocated to major coastal restorations.

Although voluntary ***blue carbon*** credits have been issued overseas, the Australian Emission Reduction Fund approved the first ***blue carbon*** method in January. Credits here are yet to be issued.

"Australia is perfectly positioned for a bad reason - because we've drained a lot of our ecosystems and destroyed a lot of them," Professor Macreadie said.

Their restoration would qualify as a credible source of credits by adding to the store of carbon - meeting the principles of "additionality", which is a primary test of such commodities under global rules.

"Many analysts are saying that carbon credits could become one of the world's biggest commodity markets as there are a lot of companies that are trying to reach net zero emissions, and they've included ***blue carbon*** in that," Professor Macreadie said.

"Whether its Google, or Apple or HSBC and other groups like that, they're really keen for high-quality abatement."

Professor Macreadie said Australia's other advantage was its level of scientific research in the field.

"I think we bat way above our average in terms of our knowledge of these ecosystems and what we could be doing," he said.

"And we're also young enough as a country to start to import and co-operate better frameworks, environmental economic accounting frameworks that do start to value ecosystems for more than just carbon, but for all those other things they do for us."

BHP on Thursday announced a $3 million grants program to develop "shovel-ready" ***blue carbon*** projects. The mining giant is also helping support a CSIRO project to map and estimate the potential CO2 of Australia's ***blue carbon*** ecosystems.

Restoration is key

Restoring coastal wetlands can take many forms, but some are relatively simple, such as restoring tidal flows to spur ***mangrove*** growth, or putting up fences to keep out cattle and other ruminants. The challenge is finding the appropriate parcels of land.

"There's so much investor appetite for ***blue carbon***, but there's no supply of projects for them to invest in," Professor Macreadie said.

"And some of the reasons [are] social challenges, some governance challenges, some economic challenges, even challenges from a technological point of view about measuring ***blue carbon*** at low cost and abatement.

"Fortunately, the new [ERF] method allows that to be done using models, people actually don't need to go in the field and spend a lot of money in measuring that," he said during a visit to the East Trinity reserve, a 774-hectare section of ***mangroves*** directly across Trinity Inlet from the Cairns CBD.

The area was cleared in the early 1970s, levelled and bounded with a seven-kilometre earth wall to plant sugar cane. The changes resulted in a catastrophic surge in sulphuric acids that drained into the Great Barrier Reef, killing fish.

In 2000, the Queensland government acquired the land and began one of the world's most successful large-scale acid sulphate soil remediation projects.

Next time such a project takes place, there may also be valuable carbon credits attached.

The author travelled to Cairns as a guest of the Carbon Market Institute.

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