

Carbon + Biodiversity Pilot, Round 2

Price Guide

December 2021



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Acknowledgement of Country

We acknowledge the Traditional Owners of Country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures and to their elders past, present and emerging.

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1. Role of the Price Guide

The *Carbon + Biodiversity Pilot, Round 2 Price Guide* (Price Guide) has been developed to help farmers who are considering applying to participate in Round 2 of the Agriculture Stewardship – Carbon + Biodiversity Pilot (C+B Pilot). The Price Guide provides indicative estimates of the costs associated with undertaking eligible environmental planting projects. The cost estimates are intended to help farmers in scoping projects and determining whether they want to participate in the Pilot.

Prior to reading the Price Guide and preparing an application, applicants should read the C+B Pilot Guidelines and associated C+B Pilot documentation, including the C+B Planting Protocols and C+B Application Guide. These are available on the [Agriculture Stewardship Package website](#).

1.1 Importance of project planning

Before applying to participate in the C+B Pilot, you will need to plan your project and consider how it fits into your existing agricultural business. Amongst other things, when planning the project, you should consider:

- alternative areas for, and designs and types of, environmental plantings;
- the most cost-effective ways of establishing environmental plantings on your property; and
- the likely costs of both establishing the plantings and managing them over the life of the Emissions Reduction Fund (ERF) permanence period (i.e. either 25 or 100 years).

Where necessary, you should seek expert advice from agronomists, financial advisers, service providers and others when planning the project.

The cost estimates contained in Section 3 of the Price Guide can be used as a starting point for project planning to give you a point of reference in considering whether you want to participate in the C+B Pilot. However, they **should not** be relied on as the sole or primary source of information on the costs associated with undertaking a C+B Pilot project. Project costs are highly variable and depend on a range of factors, including the size, remoteness and accessibility of the site, the types of species that are planted, soil type, slope and the type of tree protection that is used (if any). Applicants are responsible for collecting their own information on project costs and conducting their own analysis of the costs and benefits of participating in the C+B Pilot.

1.2 Improving the competitiveness of your application

The C+B Pilot is a competitive program, meaning not all applicants will receive biodiversity payment offers. Under the C+B Pilot, projects will be assessed on the basis of their costs and projected biodiversity benefits. Generally, projects that generate the highest biodiversity benefits per dollar invested are more likely to be selected and receive biodiversity payment offers.

Applicants should be mindful of the competitive nature of the C+B Pilot when designing their projects and submitting an application.

There are four main ways of improving the competitiveness of your application.

- Designing projects that involve restoring vegetation communities that are of high regional conservation priority (e.g. vegetation types that have been extensively cleared).
- Designing environmental plantings in a way that generates the greatest improvements in the condition of regional biodiversity at the lowest possible cost.
- Providing in-kind contributions to the project – this can be done by submitting lower cost estimates for nominated activities in your application.
- Putting in a competitive bid when submitting your application – you are given the option of doing this in the application form (see: www.agsteward.com.au).

1.3 Role of Natural Resource Management Groups

Your regional Natural Resource Management (NRM) group can provide general assistance with project planning and help identify relevant local service providers, including nurseries and planting and fencing contractors.

2. Making an application

After planning your project, you should be in a position to apply to participate in the C+B Pilot through the web portal at: www.agsteward.com.au. The web portal requires applicants to:

- map the areas where the plantings will be established (known as ‘planting areas’);
- provide details of how the plantings will be established and managed in each planting area; and
- estimate the cost of establishing and managing the plantings in each planting area.

The C+B Application Guide summarises the information required in the application form and should be read prior to making an application through the web portal.

It is important that the information you submit on the planting areas is as accurate as possible. The submission of inaccurate information could distort the outcomes from the C+B Pilot and threaten its ability to achieve its objectives. The cost estimates are of particular importance as they will be used to generate biodiversity payment offers and rank projects in the selection process. Due to this, all applicants are asked to:

- (a) undertake proper project planning before submitting an application through the web portal;
- (b) give appropriate thought and consideration to the information they submit; and
- (c) to the extent possible, ensure the cost estimates that are submitted accurately reflect the likely costs associated with undertaking the proposed project.

Duty to ensure submitted information is accurate

Applicants are required to act with the utmost good faith in their engagements with the C+B Pilot, including in applying to participate through the web portal. This duty requires proponents to act reasonably, honestly and with propriety, and with due regard to what the Australian Government is trying to achieve with the Pilot.

Knowingly providing inaccurate information in an application is likely to constitute a breach of this duty and could result in your exclusion from the C+B Pilot. It could also result in the termination of any agreement you may be offered under the C+B Pilot.

Applicants should note that making false or misleading statements, or providing false or misleading information, in an application is an offence under Chapter 7 of the Commonwealth *Criminal Code*, carrying maximum penalties of up to 12 months imprisonment.

3. Indicative average costs

Table 1 contains indicative estimates of the average costs associated with establishing and managing environmental planting projects in the participating NRM regions. The estimates are provided in seven generalised cost categories relating to the establishment and management of plantings:

- site preparation – weed control;
- soil preparation;
- cost of seedlings and seed;
- planting costs;
- tree protection costs;
- freight (e.g. for seedlings and fencing materials); and
- recurrent management costs (weed control, pest control and post-planting watering).

As noted in Section 1.1 above, the information contained in Table 1 is intended to provide potential applicants with an initial point of reference when considering whether to participate in the C+B Pilot. It should not be relied on as the sole or primary source of information when undertaking project planning or submitting an application to participate in the C+B Pilot.

Should GST be included in the cost estimates submitted through the web portal?

The cost estimates that are submitted through the web portal are required to include GST *where it is payable*. Do not include GST if it is not payable on the relevant good or service.

For example, if you intend to use tubestock from a local nursery but plant the seedlings yourself, GST is likely to be payable on the tubestock but not on the amount you cost for your time and labour. Consequently, the cost estimates submitted through the web portal should: (a) include the GST payable on the tubestock; and (b) not include GST in the cost of the labour associated with planting the seedlings.

Note that, if you are registered for GST, GST will be included in any biodiversity payment offer that you may receive.

Table 1. Indicative costs, by cost component

	Cost range	Comment
1. Site preparation - weed control		
Non-woody weed spot spray	\$80-\$250 per ha per treatment	Plantings generally require between 0-3 treatments.
Non-woody weed boom spray	\$40-\$200 per ha per treatment	Plantings generally require between 0-3 treatments.
Woody weed treatments NB: Woody plants can only be treated if they are an exotic weed species. Invasive native scrub species must not be cleared.	\$100-\$500 per ha per treatment	Depends on species, extent of infestation and technique.
2. Soil preparation		
Manual digging - for seedlings	\$0.50-\$1.50 per seedling	Depends on size of planting, stocking densities and location.
Deep ripping/discing	\$40-\$300 per ha	Size, remoteness and accessibility are important.
3. Seedlings and seed		
Seedlings (tubestock)	\$0.50-\$3.00 per seedling	High variability. Local provenance can increase costs. Specialist/rare species can increase costs significantly. Includes GST.
Seed	\$200-\$500 per kg	High variability. Local provenance can increase costs. Specialist/rare species can increase costs significantly and there is variability between regions. Includes GST.
Amount of seed per ha	0.4-1.5 kg per ha	Depends on stocking density, species and site characteristics.
4. Planting		
Manual tubestock planting	\$0.40-\$1.25 per seedling	Depends on size of planting, stocking densities, site characteristics and location.
Mechanical tubestock planting	\$0.50-\$1.30 per seedling	Depends on size of planting, stocking densities, site characteristics and location.
Direct seeding	\$100-\$400 per ha	Depends on size of planting, site characteristics and location.

5. Tree protection		
Fencing - wire, intermediate posts/pickets and droppers	\$3.50-\$6.00 per metre	Materials only, includes GST
Fencing - strainer assemblies	\$100-\$150 per assembly	Materials only, includes GST
Fencing - gates	\$120-\$200 per gate	Materials only, includes GST
Fencing - installation costs	\$3.00-\$6.00 per metre	Depends on location and difficulty of job.
Guards	\$0.30-\$2.00 per guard	Depends on type of guard (cardboard milk carton, plastic sleeve, corflute plastic etc.) and quantity purchased. Includes GST.
Guard stakes	<\$0.01-\$0.50 per stake	Depends on type of stake (e.g. bamboo, hardwood) and quantity purchased. Includes GST.
Guard installation	\$0.20-\$0.40 per guard	Depends on site characteristics and number and type of stake.
6. Freight		
For seedlings, fencing and other relevant materials	\$1.25-\$2.75 per km	Depends on nature of freight and distance.
7. Recurrent management		
Weed control		
Labour cost	\$25-\$75 per hr	Depends on nature of the weeding and the skills/experience required to safely perform the task.
Chemical application rate	0.5-10 L per ha	Highly variable depending on herbicide used, weeds treated and method of treatment.
Chemical cost	\$7.50-\$25.00 per litre	Variable. Depends type of herbicide, brand and quantity purchased.
Pest control		
Labour and materials (all-inclusive)	\$50-\$120 per hr	Depends on nature of skills and experience required to safely perform the task.
Post-planting watering		
Post-planting watering	\$40-\$175 per ha	Depends on planting type, terrain and water access.

4. Questions and feedback

Any questions or feedback about this document should be sent to agstewardship@awe.gov.au or you can contact the [Department of Agriculture, Water and the Environment](#) on 1800 329 055.