

CFI - Northmore Gordon

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CFI stands for the Carbon Farming Initiative. It is a voluntary carbon offsets scheme in Australia that forms an integral component of the Emissions Reduction Fund. The CFI enables land managers to generate carbon credits by implementing changes to land use or management practices that result in carbon storage or greenhouse gas emission reductions. Participation is optional, allowing participants to choose engagement based on their business circumstances and sustainability objectives.

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What does CFI stand for?

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How does the CFI relate to the Emissions Reduction Fund?

The Carbon Farming Initiative operates as an integral component within Australia's broader Emissions Reduction Fund framework. While the Emissions Reduction Fund provides the overarching voluntary carbon credit system, the CFI specifically focuses on land-based activities and practices that generate abatement. The CFI methodology allows land managers to monetize environmental outcomes through carbon credit generation, supporting the nation's emissions reduction targets while creating potential revenue streams for participating landholders across agricultural and forestry sectors.

What types of activities qualify under the CFI?

The CFI encompasses land-based activities that reduce greenhouse gas emissions or increase carbon storage. Eligible activities typically include changes in land management practices, vegetation establishment, and agricultural modifications that produce measurable abatement outcomes. Each proposed activity must be assessed against an approved CFI method that specifies the technical requirements, measurement boundaries, monitoring obligations and evidence standards. Project eligibility depends on site-specific conditions, existing land use, applicable methods and compliance with scheme registration and newness requirements administered by the Clean Energy Regulator.

Who can benefit from CFI participation?

Land managers, agricultural operators, forestry businesses and rural landholders can benefit from CFI participation by earning carbon credits through eligible land-use and management changes. The scheme creates revenue opportunities from environmental outcomes while allowing participants to maintain operational objectives. Benefits include both direct carbon credit sales revenue and potential alignment with corporate sustainability commitments. However, participation requires meeting eligibility criteria, maintaining monitoring and reporting obligations, and accepting the administrative requirements of scheme registration and compliance with the Clean Energy Regulator's governance framework.

What evidence and monitoring does CFI participation require?

CFI participation requires comprehensive evidence collection and monitoring to establish credible baseline conditions and demonstrate eligible abatement. Participants must document pre-project land conditions, implement the approved method's specified monitoring approach, and maintain records supporting carbon credit calculations. Evidence requirements vary by method but typically include land-use history, activity commencement dates, equipment or practice specifications, and ongoing measurement data. Our carbon advisory services support emissions inventory development, measurement planning and reporting compliance, helping participants gather and document evidence needed for successful CFI registration and unit issuance.

How are CFI carbon credits created and issued?

CFI carbon credits, known as Australian Carbon Credit Units or ACCUs, are created through a staged process. A project must first be registered with the Clean Energy Regulator under an applicable approved method. Following implementation and monitoring, participants submit evidence demonstrating eligible abatement against the approved methodology. The Regulator reviews the claim and, upon acceptance, issues ACCUs representing tonnes of carbon dioxide equivalent stored or avoided. Each ACCU represents one tonne of CO₂-e. Credits can then be transferred or retired to support renewable electricity claims, offset corporate emissions, or sold through carbon markets, providing financial returns for verified environmental outcomes.

What is the difference between CFI abatement and a company's emissions inventory?

CFI-approved abatement and a company's documented emissions inventory represent distinct concepts. An emissions inventory records all greenhouse gas emissions across an organisation's boundaries over a reporting period, establishing a comprehensive baseline. CFI abatement, by contrast, focuses on specific eligible activities that reduce emissions or store carbon under an approved method and scheme pathway. The ACCU Scheme does not issue credits for every reduction shown in a company's emissions inventory; only activities meeting method requirements and regulatory criteria generate eligible credits. Our advisory services help organisations distinguish physical reductions from scheme-eligible abatement and develop transition pathways connecting climate objectives to tradable outcomes.

How does Northmore Gordon support CFI participation and carbon credit development?

We provide comprehensive carbon advisory services supporting CFI participation across diagnostic assessment, emissions inventory development, opportunity identification and transition planning. Our service scope includes carbon-management gap analysis, environmental-attribute due diligence, and assessment of carbon credit potential for land-based projects. We help clients establish project boundaries, evaluate method eligibility, gather monitoring evidence and develop transition workplans connecting CFI opportunities to implementation timelines and ownership. Through our carbon advisory capabilities, we support organisations in understanding CFI's relevance to their sustainability objectives and positioning land-based emissions reductions within broader decarbonisation strategies.