DROVER
LAND MANAGEMENT

# ENVOMARK REEF PROJECTS VS. CARBON PROJECTS

## WHAT LANDHOLDERS NEED TO KNOW

Environmental markets are opening new income opportunities for landholders - but not all markets carry the same level of risk, commitment, or complexity. Here's a quick summary for graziers of the key differences between an ENVOMARK Reef Credit project and a Carbon project to help decision making.

| | 1 CREDIT ISSUANCE | 2 RISK & OBLIGATIONS | 3 FLEXIBILITY & COST |
|---|---|---|---|
| CARBON | • Issued based on measured (soil) or projected (vegetation) outcomes | • Refund risk if reversed<br>• 25-100 year permanence<br>• Project often listed on title | • May be complex to exit<br>• May have high upfront costs |
| REEF | • Issued after verification of measured outcomes | • No refund risk<br>• No permanence<br>• No title obligations | • Can stop at any time<br>• Lower setup costs for Grazing Land Management projects |

NEED HELP OR ADVICE?

**Contact us at DROVER Land Management**

Find out more www.droverlandmanagement.com drover@verterra.com.au 07 3221 1102

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# ENVIRONMENTAL MARKET CONSIDERATIONS FOR GRAZIERS: HELPING DECIDE WHAT'S RIGHT FOR YOU

## ARE YOU COMFORTABLE COMMITTING YOUR LAND FOR 25-100 YEARS?

**NO**
CONSIDER VOLUNTARY MARKETS LIKE ENVOMARK REEF CREDITS THAT YOU CAN STOP AT ANY TIME

**YES**
A CARBON PROJECT MAY BE SUITABLE. SOME PROJECT TYPES ONLY HAVE 25YR PERMANANCE SO CHECK YOUR OPTIONS

## ARE YOU WILLING TO RISK REFUNDING CREDITS IF OUTCOMES AREN'T MET?

**NO**
CONSIDER PERFORMANCE-BASED MARKETS LIKE SOIL CARBON OR ENVOMARK REEF CREDITS WHERE YOU ONLY GET PAID FOR OUTCOMES THAT HAVE ALREADY BEEN DELIVERED

**YES**
A CARBON PROJECT MAY BE SUITABLE. SOME PROJECT DEVELOPERS OFFER TO CARRY THIS RISK FOR THE LANDHOLDER SO CHECK THE AGREEMENT.

## DO YOU NEED THE OPTION TO STOP THE PROJECT OR SELL YOUR LANDHOLDING WITHOUT ONGOING OBLIGATIONS?

**NO**
A CARBON PROJECT MAY BE SUITABLE. NOT ALL CARBON PROJECTS GO ON THE LAND TITLE SO CHECK THE AGREEMENT

**YES**
CONSIDER VOLUNTARY MARKETS LIKE ENVOMARK REEF CREDITS THAT DON'T STIPULATE PERMANENCE OBLIGATIONS

## ARE LOW UPFRONT COSTS IMPORTANT RIGHT NOW?

**NO**
CARBON MAY BE AN OPTION. DIFFERENT PROJECT TYPES HAVE DIFFERENT SET UP COSTS SO TALK TO YOUR DEVELOPER.

**YES**
CONSIDER ENVOMARK REEF CREDITS. GRAZING LAND MANAGEMENT PROJECTS HAVE RELATIVELY LOW SET-UP COSTS.

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