

## Australia removes ACCU water rule to boost carbon farming and forestry jobs

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Australia has removed the water rule from the Australian Carbon Credit Unit (ACCU) scheme, another crucial next step in reforming the nation's carbon crediting system and creating jobs in regional Australia.

The water rule with its complex exceptions, has been an ad-hoc and ineffective way of managing water resources. The Australian Government is addressing this holistically, in partnership with states and territories, as part of the renewal of the National Water Initiative.

Removing the water rule creates certainty for forestry to better contribute to emissions reduction through increased participation in carbon farming and investment in new timber plantations. Plantations and farm forestry plantings store carbon, enabling growers to participate in the ACCU scheme to generate carbon credits and earn additional income from selling these credits.

These credits are certified through the Clean Energy Regulator for compliance with the detailed requirements in ACCU scheme methods and rules to ensure they have integrity. Applications to register new plantations and tree planting projects in the ACCU scheme with a start date after 1 June 2024 will now be assessed without being subject to the water rule.

The government has also approved [4 additional regions](#) where tree planting projects can meet the water rule before its removal. They cover Regional Forestry Hubs in south and Central Queensland, North Queensland, the Northern Territory and Ord Valley, and southeast New South Wales.

These newly approved regions are in addition to existing regions in Western Australia, Tasmania, New South Wales, Victoria and South Australia.

To further support new carbon farming projects and Australia's forestry industry, the Government is also providing \$73.8 million in grant funding to support the establishment of new plantation forests.