



What makes a farm market ready?

Preparing your property to confidently participate in carbon & biodiversity markets

WHAT DOES MARKET READY MEAN?

Being market ready means a farm has the information, systems and evidence needed to confidently participate in carbon or biodiversity markets, either now or in the future. It does not mean committing to a project, it simply means being prepared so opportunities are not missed.

In Tasmania, there is not yet a stand-alone biodiversity market operating in the same way as carbon markets. However, national biodiversity markets are emerging, and Tasmanian farmers are eligible to participate as they develop. Being market ready now helps farmers take advantage of future opportunities, without rushing into long-term commitments.

1. Start with a Baseline: Know Your Starting Point

A credible baseline is essential for any carbon or biodiversity market. A baseline describes the current condition of the farm's natural assets and provides the reference point against which future improvements are measured.

A baseline may include soil carbon testing to recognised depths, vegetation condition mapping across native vegetation,

shelterbelts, plantations and riparian areas, assessment of pasture condition including groundcover, species mix and biomass trends, evaluation of waterways and wetlands, and identification of biodiversity features such as habitat quality, connectivity and key species. Together, this information forms the clear “before” picture required for market participation.

2. Evidence Requirements: What Needs to Be Recorded

Participation in markets requires evidence that is verifiable and auditable. Much of this information is already collected as part of normal farm management, but it needs to be organised and retained.

Soil evidence generally includes laboratory-verified soil carbon tests, along with records of sampling depth, method and GPS locations. Vegetation evidence includes maps showing native vegetation, regrowth and plantings, photographs demonstrating condition and structure, and documentation showing how areas are protected from grazing or disturbance. Farm management evidence includes grazing records, fertiliser and input use, feed and crop records, and water



management practices. Biodiversity evidence may include habitat condition observations, species sightings and records of works undertaken such as revegetation or erosion control.

Good evidence supports market integrity and makes audits and verification processes far smoother.

3. Additionality and Permanence

Two core principles that underpin carbon and biodiversity markets are additionality and permanence.

Additionality means the improvement must be above and beyond what would have happened

anyway. This is demonstrated by clearly showing the baseline condition, documenting a new practice or change such as altered grazing management, new plantings or new protection, and confirming that the activity is not already legally required or funded for the same outcome.

Permanence means improvements must be maintained over the long term. Depending on the market, this may involve commitments of multiple decades. Demonstrating permanence usually requires long-term management or grazing plans, consideration of fire, drought and other risks, and physical protection such as fencing or stock management to maintain outcomes.



Photo: Liam Honeychurch



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4. Governance and Business Readiness

Carbon and biodiversity markets require basic governance and business systems. Farms need to have an ABN, a clearly documented business structure, and a reliable system for storing records such as soil tests, maps and

management data. There also needs to be a clear understanding of risk and liability, particularly where long-term commitments apply. Communication between family members, partners or lessees is essential, as is clarity around ownership or lease arrangements relating to carbon and biodiversity rights.

Strong governance builds confidence for auditors, aggregators and buyers, and protects the farm business over the long term.



5. A Simple Market Readiness Pathway

In the short term, the focus is on becoming market ready through low-cost, low-risk actions. This includes establishing a baseline across soil, vegetation, pasture and water assets, organising existing farm records and

maps, setting up a simple record-keeping system, and clarifying governance and ownership arrangements. The outcome at this stage is a clear understanding of the farm's natural assets and the ability to demonstrate a credible starting point.

Over the longer term, the focus shifts to building value by improving the condition of the farm's natural assets and carefully exploring market options. Improving grazing management, groundcover and pasture diversity will strengthen soils, increase soil carbon, improve water infiltration and support deeper root systems and soil biology. Protecting riparian areas and key habitats, establishing shelterbelts or native plantings, improves landscape function, biodiversity and farm resilience. Together, these changes build measurable natural capital that underpins carbon sequestration and biodiversity outcomes. Farmers can then compare carbon, biodiversity or combined market options, seek independent advice, and decide whether to register a project or remain market ready and flexible.

TASMANIA: WHAT MARKETS ARE AVAILABLE?

Tasmanian farmers can already participate in, or prepare for, national and emerging natural capital markets. These include the national Australian Carbon Credit Unit market using soil carbon and vegetation-based methods, emerging carbon and biodiversity pilot programs that reward native vegetation outcomes, the new national Nature Repair



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Market for biodiversity certificates, and increasing sustainability data requirements from processors and supply chains. Being market ready allows Tasmanian farms to respond as these markets mature without being rushed into long-term commitments.

WHY MARKET READINESS MATTERS

Being market ready helps farmers respond quickly to new opportunities, meet processor and supply-chain expectations, demonstrate environmental stewardship, improve drought resilience and productivity, and increase long-term farm and natural capital value. Market readiness is simply good farm business planning.

MORE INFORMATION?

Learn more about NRM North's On-Farm Natural Capital and Market Readiness project:

bit.ly/nrmnorth-naturalcapital



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FURTHER READING

Biodiversity certificates – Clean Energy Regulator

How biodiversity certificates work and how they can be traded in the emerging Nature Repair Market.

www.cer.gov.au/markets/biodiversity-certificates

Nature Repair Market overview – DCCEEW

Government resource explaining the national biodiversity market, eligibility, and project types.

www.dcceew.gov.au/environment/environmental-markets/nature-repair-market

How to participate in the Nature Repair Market scheme – Clean Energy Regulator

Step-by-step guide on eligibility, methods, and registering a project.

www.cer.gov.au/schemes/nature-repair-market-scheme/how-to-participate-nature-repair-market-scheme

Markets overview – Clean Energy Regulator

Info on how carbon and biodiversity markets operate in Australia (including the Nature Repair Market and ACCUs)

www.cer.gov.au/markets/markets

Platform for Land and Nature Repair

Environmental account and Biodiversity Benefit Tool which calculates a Biodiversity Persistence score by using the National Biodiversity Assessment System (NBAS), GHG estimation and History of tree ground cover, Co2 sequestration potential and the cost estimator.

www.planr.gov.au