Integrating Nature into Finance

Laying the foundations to expand the Australian Sustainable Finance Taxonomy to drive positive environmental outcomes in the agriculture and land sectors

RESEARCH PAPER | 2025



Australian Sustainable Finance Institute

Acknowledgement of Country and Thanks

The Australian Sustainable Finance Institute acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to land, waters, species and culture. We acknowledge their ongoing status as the First Peoples of Australia and pay our respects to their Ancestors and Elders past and present.

ASFI values the perspectives, knowledge and experience provided by First Nations Peoples to the development of the Australian Sustainable Finance Taxonomy and the Agriculture and Land Taxonomy Expansion Pilot and sincerely thanks those who have contributed to this work.

About the Australian Sustainable Finance Institute

The Australian Sustainable Finance Institute's (ASFI) mission is to align the Australian financial system with a sustainable, resilient and inclusive Australia. ASFI's establishment followed an unprecedented collaborative effort by 140 representatives from across the Australian finance sector, civil society, academia, financial regulators and Government to create the Australian Sustainable Finance Roadmap.

Released in November 2020, the Roadmap sets out 37 recommendations to realign the Australian financial system by 2030, to support a more resilient, sustainable and prosperous future for all Australians.

ASFI was established in July 2021 to coordinate and drive Roadmap implementation, working collaboratively across the financial sector, government, regulators, civil society and academia. Our members are Australian banks, asset owners, asset managers, insurers and financial services companies who are committed to ASFI's vision and willing to contribute to sustainable and impactful solutions.

Australian Sustainable Finance Institute

Acknowledgements 4

Executive Summary 5

1. Background and Purpose 6

1.1 About the Agriculture and Land Taxonomy Expansion Pilot 7
1.2 Policy Context 8
1.3 Sector Context 8

2. Pilot Methodological Design 9

2.1 Methodology Overview 10
2.2 Activity Boundary 11
2.3 Activity Selection 12
2.4 Defining Activities, Measures and Practices 13
2.5 Alignment with Australia's International Obligations 14

3. Draft Pilot Technical Screening Criteria 15

3.1 Agriculture 16
3.2 Forestry 38
3.3 Other Land Management (Natural Ecosystems, incl. Aquatic Ecosystems) 42

4. Do No Significant Harm 45

4.1 Overview 46
4.2 Do No Significant Harm to Climate Change Mitigation 46
4.3 Application of the Australian Taxonomy DNSH Criteria to the Pilot 47

5. Minimum Social Safeguards 51

5.1 Overview and Application of the Australian Taxonomy MSS criteriato the Pilot 52

6. Appendices 53

Appendix 1: About the Australian Sustainable Finance Taxonomy 54
Appendix 2: Source List for Priority Activities and Measures 57
Appendix 3: Key Definitions – Land Conversion Requirement for the Agriculture and Land Sector 59

7. Citations 61

Acknowledgements

ASFI sincerely thanks the Agriculture and Land Taxonomy Expansion Pilot Steering Committee for its governance oversight of this work, and the Agriculture and Land Taxonomy Expansion Pilot Advisory Group and ASFI Natural Capital Advisory Group for their insights and contributions to the draft criteria.

Agriculture and Land Taxonomy Expansion Pilot Steering Committee Members

Cathryn Geiger, Assistant Secretary, Partnerships, Infrastructure and Analysis Division, Department of Climate Change, Energy, the Environment and Water (DCCEEW)

Jessica Mitchell, Assistant Secretary, Sustainability, Climate and Strategy Division, Department of Agriculture, Fisheries and Forestry

Katrina Purcell, Assistant Secretary, Nature Positive Integration Division, DCCEEW

Laura Higgins, Assistant Secretary, Nature Finance and Markets Division, DCCEEW (Chair)

Nadine Kelly, Assistant Director, Water Policy Division, DCCEEW

Penny Sirault, Assistant Secretary, Climate and Energy Division, Department of the Treasury

Sarah-Jane Hindmarsh, Director, Climate Change Policy, Adaptation and Risk Division, DCCEEW

Agriculture and Land Taxonomy Expansion Pilot Advisory Group Members

Andry Sculthorpe, Tasmanian Aboriginal Centre / Firesticks Alliance Aboriginal Corporation

Annette Cowie, New South Wales Department of Primary Industries

Benjamin Corry, Baringa

Cameron Whiteside, Westpac

Corinne Proske, Trust for Nature Victoria / Australian Land Conservation Alliance

Danny O'Brien, Integrated Futures / Farming for the Future

Emily Davies, EY

Gerry Karam, ANZ

Jo Saleeba, New Forests

Jo Sanson, Climateworks Centre

Jurre Smits, Rabobank

Larissa Taylor, Savoir Consulting

Larelle McMillan, CSIRO

Leilani Weier, Rest Super

Mark Robinson / Rosemary Bissett, NAB

Melanie Madders, Clean Energy Finance Corporation (CEFC)

Nikki Jordan, Warakirri Asset Management

Rhys Pirie, Meat & Livestock Australia

Sharelle Polack, WWF

Simon Dorries, Responsible Wood

Warwick Ragg, National Farmers Federation

Wilfred Finn, Eco-Markets Australia

ASFI Natural Capital Advisory Group

Alexandra Raikes, CBA

Allister Clarke, Rabobank Australia

Andrew Champion, QIC

Brad Chapman, NAB

Bram Mason, Bank Australia

Carmel Onions, CBA

Dahlia Darweesh, Rabobank Australia

Emma Hawkins, CEFC

Heidi Aspinall, Suncorp Bank

Josh Stevens, Bendigo & Adelaide Bank

Katharine Tapley, ANZ

Kirsten Hobday, Rest Super

Leanne Bloch-Jorgensen, NAB

Leilani Weier, Rest Super

Lili Pechey, NAB

Lisa Martens, Suncorp Bank

Lobaba Idris, CEFC

Mark Bennett, ANZ

Nancy Wang, ANZ

Nicholas Hammond, Suncorp Bank

Paul Dunne, CEFC

Pepe Morales, Rest Super

Rachel Kerlin, Westpac

Rebecca Mather, Mercer

Sam Haeney, Rabobank Australia

Sharna Bourke, CBA

Stacey Sellwood, Rest Super

Stephen Herborn, CBA

Sue Ogilvy, Farming for the Future

Executive Summary

The agriculture and land sectors present significant opportunities to advance environmental sustainability in Australia, including through nature-based solutions that address climate change and biodiversity loss. While reducing greenhouse gas emissions remains a central focus, there is a need to scale up broader sustainability practices that foster a more holistic and resilient future for Australian agriculture and other land management activities. Scaling up these practices could deliver multiple benefits, contributing to the goals of the Kunming-Montreal Global Biodiversity Framework (GBF) as well as Australia's long-term environmental and economic resilience.

Sustainable finance taxonomies—frameworks that define sustainable economic activities— make it easier for financial institutions to identify investment and lending opportunities that positively contribute to key environmental sustainability objectives; provide financial and corporate entities with greater confidence in, and assurance over, sustainability claims; support the provision of consistent and comparable information on the environmental credentials of business activities; and reduce transaction costs associated with due diligence by providing market clarity on whether a transaction is contributing to Australia's environmental goals.

Consistent with the evolution of sustainable finance taxonomies globally, Australia's taxonomy is initially focused on activities that drive climate change mitigation in line with the Paris Agreement's temperature goals. However, the Australian Government is taking a "climate first, not only" approach to sustainable finance. The Government's Sustainable Finance Roadmap recognises the importance of progressing other sustainability initiatives over time, including building out the taxonomy to cover nature-related objectives. Australia's Strategy for Nature 2024–2030, which sets out a vision to halt and reverse biodiversity loss by 2030 in line with the GBF, identifies the integration of nature-related considerations into financial decision-making as a key enabler of systemic change. Globally, momentum is growing around nature-positive investment frameworks, with early examples of expanded taxonomy criteria for nature-related objectives emerging in the European Union.

This research paper considers how the Australian taxonomy could be expanded to the following nature-related environmental management objectives for the agriculture and land sectors:

- biodiversity and ecosystem protection;
- the sustainable use and protection of water resources; and
- pollution prevention and control.

It proposes a methodology and draft technical screening criteria for agriculture, forestry and other land management practices that align with the GBF's 2030 targets by making a positive contribution to these three objectives. Finally, it explores the application of the Australian taxonomy's Do No Significant Harm and Minimum Social Safeguards frameworks in this context.

The paper has been developed by ASFI on behalf of the Department of Climate Change, Energy, the Environment and Water (DCCEEW), with expert input from ASFI's Agriculture and Land Taxonomy Expansion Pilot Advisory Group and Natural Capital Advisory Group, technical advice from the Climate Bonds Initiative, and governance oversight by a Steering Committee comprising senior Australian Government representatives from DCCEEW; the Department of the Treasury; and the Department of Agriculture, Fisheries and Forestry. More information is provided in Part 1.

Based on strong market demand and stakeholder interest, ASFI sees significant value in expanding the Australian taxonomy over time to include technical screening criteria for activities that support climate change adaptation and resilience and other nature-related objectives. Given the interconnected nature of environmental objectives, investment in one typically offers co-benefits to others; particularly in the agriculture and land sectors, where the climate-nature nexus is most relevant. Developing technical screening criteria for nature-related environmental management objectives in the agriculture and land sectors would support a more holistic approach to sustainability in these sectors and thereby deliver the greatest impact. If the draft criteria in this paper are taken forward, ASFI recommends that robust, inclusive consultation is conducted to ensure they meet the taxonomy design principles of credibility, usability, interoperability and prioritisation for impact.

Australia is well positioned to continue developing frameworks and tools that demonstrate a credible and pragmatic approach to integrating sustainability objectives into financial decision-making. A strategic, consultative expansion of the Australian sustainable finance taxonomy for agriculture and land to include nature-related objectives beyond climate change mitigation would drive greater adoption of holistic natural capital practices that mitigate climate change, protect biodiversity and ecosystems, build landscape resilience, and improve productivity and profitability.

1. Background and Purpose

1.1 About the Agriculture and Land Taxonomy Expansion Pilot

Recognising the interconnectedness of climate and nature in driving sustainable, net-zero outcomes, the Department of Climate Change, Energy, the Environment and Water (DCCEEW) engaged ASFI to conduct a pilot exploring the development of draft taxonomy criteria for activities in the agriculture and land sectors that make a substantial contribution to the following three environmental objectives in the Australian taxonomy:

- biodiversity and ecosystem protection
- sustainable use and protection of water resources; and
- pollution prevention and control.

The Australian Sustainable Finance Taxonomy Agriculture and Land Pilot (the Pilot) and this research paper, which is the output of the Pilot, are exploratory only in nature. The Pilot comprises the components outlined in Figure 1.

The draft criteria presented in this paper do not form part of the Australian sustainable finance taxonomy. See Appendix 1 for more information on the Australian sustainable finance taxonomy.

FIGURE 1
Elements in scope for Agriculture and Land Taxonomy Expansion Pilot

Description	Sector scope
Technical screening criteria for: **1. Biodiversity and ecosystem protection** **2. Sustainable use and protection of water resources** **3. Pollution prevention and control** Technical screening criteria (TSC) are applied to each activity covered in the Pilot and refer to the requirements that must be met for an activity to be assessed as making a substantial contribution to one or more of the above environmental objectives.	**Agriculture and Land**
Do No Significant Harm (DNSH)	
The DNSH criteria aim to ensure activities that meet the performance thresholds set out in the TSC for the above environmental objectives do not cause significant harm to the taxonomy's other environmental objectives (climate change mitigation and adaptation and resilience; transition to a circular economy). The Australian taxonomy DNSH framework remains applicable to the Pilot criteria, with adaptations where required.	
Minimum Social Safeguards (MSS)	
The Australian taxonomy's MSS criteria, which aim to ensure that an entity engaging in taxonomy-aligned activities adheres to key social protections and standards, remain applicable to the Pilot.	

The core design principles for the Australian taxonomy—credibility, usability, interoperability and prioritisation for impact (see Figure 1 of Appendix 1)—underpinned the Pilot's development process and the draft criteria set out in this research paper.

The Pilot was overseen by a Steering Committee, composed of senior representatives from Treasury, DCCEEW and the Department of Agriculture, Fisheries and Forestry. The Steering Committee's role was to provide governance and policy oversight of the Pilot; ensuring the Pilot aligns with the Australian taxonomy design principles and providing feedback to ASFI on the Pilot's alignment with the Australian Government's policy objectives and priorities.

A Taxonomy Advisory Group was established to provide technical input and advice on draft Pilot materials prepared by ASFI and its technical advisors, the Climate Bonds Initiative, at key points in the Pilot's development process. ASFI also sought feedback on the draft Pilot criteria from its Natural Capital Advisory Group.

Details regarding the membership of the Steering Committee, Taxonomy Advisory Group, and Natural Capital Advisory Group can be found under Acknowledgements.

1.2 Policy Context

Mobilising public and private investment towards nature-positive activities is essential to achieving Australia's commitments under the Kunming-Montreal Global Biodiversity Framework (GBF). In line with the overarching goals of the GBF, Australia's Strategy for Nature 2024–2030 outlines a national vision to halt and reverse biodiversity loss by 2030. The strategy identifies the integration of nature-related considerations into business, government and financial decision-making as a critical enabler for achieving this vision, consistent with GBF targets 14 and 15.

Several Australian Government-led initiatives are underway to enable this integration and deliver on Australia's GBF commitments. These include the release of the Nature Positive Plan and the establishment of the Nature Repair Market, which incentivises investment in land management practices that protect and enhance biodiversity.

Kunming - Montreal
GLOBAL BIODIVERSITY FRAMEWORK

Target 14
Integrate Biodiersily in Decision-Making at Every Level

Target 15
Businesses Assess, Disclose and Reduce Biodiversity-Related Risks and Negative Impacts

In 2024, the Australian Government released its Sustainable Finance Roadmap, which sets out a "climate first, not only" approach that reflects financial markets' increasing focus on responding to nature-related risks and opportunities. The roadmap recognises the important role that sustainable finance taxonomies play in directing capital towards nature-related opportunities, confirming the Government's intention to consider "building out the taxonomy to cover additional sustainability objectives over time, such as biodiversity and ecosystem protection, sustainable water use, and pollution prevention and control" (Treasury, 2024).

These efforts reflect growing policy and market momentum to embed broader environmental objectives into financial decision-making in Australia. They also lay the groundwork for considering the expansion of the Australian taxonomy beyond climate change mitigation, particularly in sectors such as agriculture, forestry and other land management where the climate-nature nexus is most relevant.

1.3 Sector Context

As a major and growing primary producer and exporter, Australia is highly dependent on nature. Given the primary sector's market significance, financial institutions that provide capital to support these industries are invested in their ongoing success and resilience. Increasing pressures from climate change, environmental degradation, and biodiversity loss are prompting primary producers—and the corporations, banks, insurers and other stakeholders who support them—to focus more intently on natural capital and sustainable land practices.

The agriculture and land sectors, often referred to as the Agriculture, Forestry, and Other Land Use (AFOLU) sector, is central to addressing some of the world's most pressing and complex environmental challenges. Globally, agriculture drives around 50 per cent of land use, 73 per cent of deforestation, 70 per cent of water consumption, and 34 per cent of greenhouse gas emissions (OECD 2023). In Australia, agriculture accounts for 55 per cent of total land use (426 million hectares, excluding timber production) and 74 per cent of water consumption (ABARES 2025). Agricultural production primarily occurs on large parcels of land with long management cycles that often intersect with native ecosystems, making the sector particularly vulnerable to the impacts of climate change.

By 2050, global food production must increase by 49 percent from 2013 production volumes to meet the demands of a growing global population (FAO, 2018). This presents a dual challenge for the agricultural sector: the need to boost food and fibre production while simultaneously reducing its environmental footprint. The sector's complexity—shaped by its interaction with natural environments, diversity of management practices, and significant regional variation—adds to the difficulty of implementing consistent and effective sustainable land management strategies. Similarly, global demand for primary processed wood products is expected to rise by 37 per cent by 2050 compared to 2020, reaching 3.1 billion m^3 in roundwood equivalents (FAO, 2022).

Despite these challenges, the agriculture and land sectors offer considerable opportunities to drive large-scale, nature-based solutions that support both climate resilience and improved productivity. For example, biodiversity can support crop yields and agricultural productivity through natural processes such as pollination, pest management, and soil regeneration (Burian et al, 2024). Between one third and one fifth of Australian farmers have already adopted sustainable practices aimed at conserving natural resources and protecting ecosystem services (KPMG & NFF, 2019; Australian Farm Institute, 2021).

The intersection between nature-related risks and opportunities in the agriculture and land sectors is accelerating demand for robust sustainable land management frameworks and standards. Industry bodies and others have responded through the development and implementation of initiatives such as the Australian Agriculture Sustainability Framework, agricultural commodity specific sustainability frameworks, and forest certification standards, among others. Establishing credible and comparable taxonomy criteria for nature-related objectives in the agriculture and land sectors could enhance these efforts by further enabling sustainable lending and investment.

2. Pilot Methodological Design

2.1 Methodology Overview

The following approach was taken to identify and assess economic activities, measures and practices in the agriculture and land sectors that substantially contribute to the Pilot's environmental objectives: biodiversity and ecosystem protection; sustainable use and protection of water resources; and pollution prevention and control.

1. A comprehensive review of Australian and international initiatives was conducted to identify economic activities in the agriculture and land sectors that could support one or more of the Pilot's environmental objectives and relevant GBF targets through the application of particular environmental measures and practices. A list of initiatives reviewed is provided in Appendix 2.

2. Based on this review, a list of environmental measures and their associated practices was compiled for economic activities in scope, focusing on those measures and practices that provide a positive contribution to the Pilot's environmental objectives. The Australian taxonomy's climate change mitigation criteria were also leveraged where applicable as part of this process.

3. Measures and their associated practices were prioritised and refined using the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) qualitative assessment of confidence model (depicted in Figure 2 (IPBES, 2016)). This required an assessment of each measure against the evidence base to determine the level of agreement or consensus within the scientific community in relation to the measure's effectiveness against one or more of the Pilot's environmental objectives (well established; established but incomplete; unresolved; and inconclusive).

4. Measures were then evaluated for their relevance to the Australian context and adjusted as necessary. A land management plan, which is required under the Pilot's TSC for all relevant measures, should incorporate more detailed spatial considerations that reflect variation in environmental value and vulnerability across locations.

FIGURE 2
IPBES Level of Confidence Model



The four-box model for the qualitative communication of confidence. Confidence increases towards the top-right corner as suggested by the increasing strength of shading.

Source: Modified from Moss and Schneider (2000).

2.2 Activity Boundary

In both the Australian taxonomy and this Pilot, the physical boundary for eligible economic activities in the agriculture and land sectors is generally "up to the gate". This covers activities occurring on farm or land assets, such as restoration, planting, harvesting or animal production. The boundary also accounts for the upstream value chain, including sourcing inputs and the impacts of land-use changes. The specific activity boundaries for each sub-sector are outlined below.

2.2.1 Agriculture

Eligible activities for the Pilot cover agricultural production practices that occur "up to the farmgate", including inputs, processes and outputs (see Figure 3) that substantially contribute to the Pilot's environmental objectives. This also includes upstream practices, such as land-use change and feed, fertiliser and pesticides.

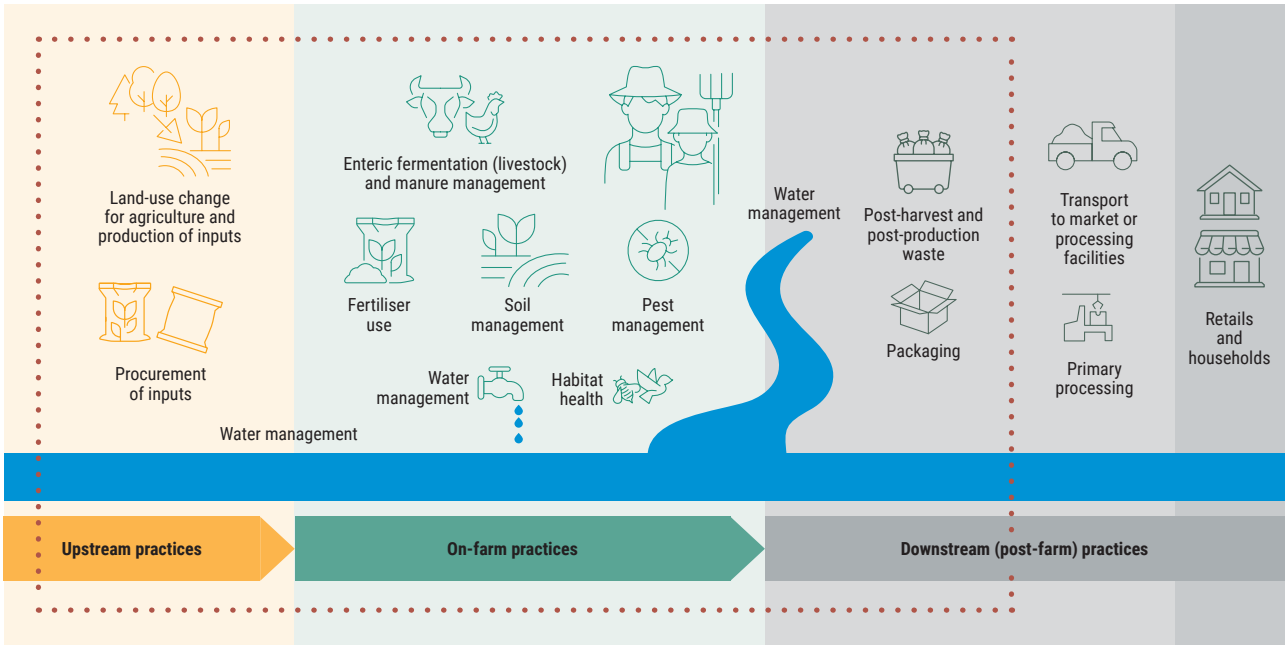
Practices beyond the farmgate are excluded. Exceptions to this exclusion include support activities such as research and development (R&D), the acquisition of monitoring and evaluation technologies, training and capacity building, and engaging relevant advisory services.

2.2.2 Forest and (Other) Natural Ecosystems

Eligible activities within the physical boundaries of a forest or natural ecosystem (including aquatic ecosystems) that substantially contribute to the Pilot's environmental objectives are also within scope for the Pilot. This includes practices such as reforestation, afforestation and ecosystem conservation and restoration efforts.

Practices beyond the boundaries of the forest or natural ecosystem are excluded. Exceptions include support services such as R&D, training and capacity building, and engaging relevant advisory services.

FIGURE 3
Boundary (red line) of activities in scope for agricultural production



2.3 Activity Selection

Economic activities in the agriculture and land sector that fall within the Pilot's physical boundaries have been grouped into three main subsectors according to their intrinsic characteristics:

- agriculture;
- forestry; and
- natural ecosystems management, including aquatic ecosystems (other).

Each subsector includes direct and supporting activities. Consistent with the Australian taxonomy, direct activities within the scope of the Pilot include cropping, animal production, forest and savannah management, and the restoration and rehabilitation of natural ecosystems. Supporting activities are those that take place outside the boundary of the activity but support its contribution to the Pilot's environmental objectives, such as R&D and engaging relevant advisory services.

Table 1 summarises activities in the agriculture, forestry, and other land management subsectors that are covered by the Pilot, as well as their alignment with the Australian taxonomy's activity coverage.

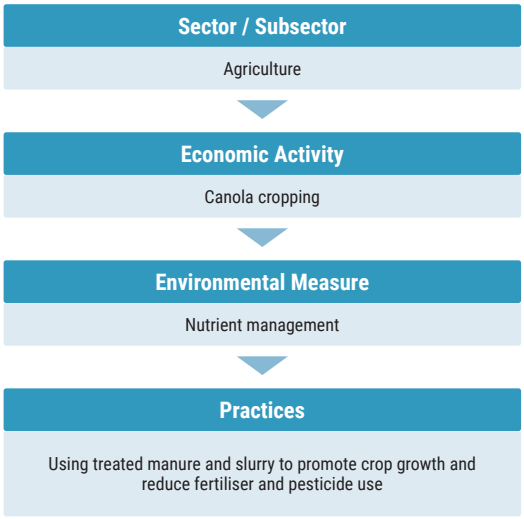
TABLE 1
List of activities covered by the Pilot and alignment with the Australian taxonomy

Sub-sector	Economic activity	Australian taxonomy aligned
Agriculture	Perennial and Non-perennial Crops (incl. Horticulture and Rice Production)	✓
	Animal Production (incl. Grazing)	✓
	Support Activities for Agriculture and Post-harvest	✓
Forestry	Afforestation, Restoration and Rehabilitation	✓
	Existing Forest Management	✓
	Conservation Forestry	✓
	Support Services for Forestry	✓
Other Land Management (Natural Ecosystems, including Aquatic Ecosystems)	Restoration and Rehabilitation of Ecosystems	✓
	Land Management Using Indigenous Cultural Practices	✓
	Conservation of Natural Ecosystems	✓
	Support Services for Natural Ecosystems	✓

NB: Other land management for aquatic ecosystems was not covered in the Australian taxonomy.

2.4 Defining Activities, Measures and Practices

An economic activity is an action involving the production, distribution, or consumption of goods or services with the aim of generating income or economic value. Examples from the agriculture and land sectors include cropping, animal production, and conservation forestry. Economic activities are typically classified by sectors and subsectors using standardised systems such as the Australian and New Zealand Standard Industrial Classification (ANSZIC). Where possible, the Australian taxonomy and this Pilot utilise the ANZSIC framework to identify and categorise relevant economic activities.



An environmental measure is defined as a process or action aimed at improving the environmental performance of a specific economic activity. Measures can be used to track and/or quantify (where applicable) the environmental outcomes of relevant practices. Measures do not encompass the whole economic activity. Examples include nutrient management, improve soil health, and water filtration and treatment.

A practice refers to a specific management practice, technique, or intervention that supports the achievement of an environmental measure. For example, enhancing soil water retention and organic matter—through managing crop residues, applying organic inputs compost, treated animal manure, and using mulches to improve soil structure—can contribute to improved soil health. Sustainable agriculture and land management practices vary by location and will continue to evolve over time in response to scientific and technological developments.

2.4.1 Out of Scope: Labelling a Whole Economic Activity as "Green" Through Baselining and Measurement

Whole economic activities can be classified as “green” when they substantially contribute to one or more of the Pilot’s environmental activities. To be classified as green, the whole activity must meet quantitative performance requirements. In the context of broader environmental objectives for the agriculture and land sector, this would require:

- clearly defined and measurable baseline(s) for at least one environmental objective; and
- evidence of substantial progress/improvement measured against the identified baseline(s) using a standardised and scientifically credible environmental accounting methodology.

Due to the complexity and nascency of practices and standards around environmental baselining and measurement in Australia and globally, as well as the early and emerging understanding of the level of improvement required, the identification of whole economic activities as “green” is deemed out of scope for this Pilot. Green activities may be considered in a future iteration, once the market and methods have further matured and the cost and complexity of deployment is not a prohibitive factor.

Whole economic activities, including enabling activities, that substantively contribute to a covered environmental objective.	• Economic activities that substantially improve or otherwise enable environmental outcomes can be classified as “green activities”. • To be labelled “green”, the whole activity must meet corresponding performance requirements, which are set out in the TSC. Performance requirements for green activities are quantitative. For example, for climate change mitigation, performance requirements are based on emissions intensity thresholds aligned with a 1.5C pathway. • Revenue derived from existing business activities that meet green criteria can be classified as aligned with the TSC. Capital expenditure (CapEx) and operational expenditure (OpEx) toward activities that meet green performance criteria can be classified as aligned with the TSC. • A “green” general purpose finance loan could be issued to a lender whose whole agricultural activity is green. • *Example of a green activity:* Green perennial cropping.

2.4.2 In Scope: Environmental Measures

Environmental measures cover eligible practices, processes, technologies, materials and services that can be used to improve the environmental performance of a covered activity. For the purposes of this Pilot, baselining and measurement against a baseline are not required for environmental measures. This is because the measures identified have been assessed using the IPBES methodology as having a substantial contribution (high confidence / high likelihood) to the relevant environmental objective(s).

Environmental measures that improve the environmental performance of an activity.	• Environmental measures cover eligible practices, processes, technologies, materials and/or services that can be used to improve the environmental performance of a covered economic activity. • Environmental measures do not make the whole activity green. • Environmental measures can be reported as taxonomy-aligned capital expenditures (CapEx) or operational expenditures (OpEx), but not as revenue. • Green "use of proceeds" loans could be offered to lenders who would be able to use the proceeds from the loan to fund one or more environmental measures. For example, a proponent who wants to purchase and install riparian fencing to control erosion could finance this through a "use of proceeds" green loan. • *Examples of environmental measures*: Improve soil health; agroforestry and agroecology.

2.5 Alignment with Australia's International Obligations

The Kunming-Montreal Global Biodiversity Framework (GBF) was adopted at the 15th Conference of the Parties to the Convention on Biological Diversity in 2022. The GBF is a multilateral agreement that aims to conserve and restore biodiversity, enhance First Nations stewardship, strengthen benefit sharing, encourage private investment in nature, and mainstream biodiversity considerations into decision-making. The GBF contains 23 targets to be achieved by 2030, including the protection and conservation of 30 per cent of land and 30 per cent of oceans by 2030 ("30 by 30") and halting the extinction of species. Australia is one of 188 countries to adopt the GBF and Australia's Strategy for Nature has been updated to guide Australia's approach to implementing the GBF (DCCEEW, 2025).

The Pilot's three environmental objectives—biodiversity and ecosystem protection; sustainable use and protection of water resources; and pollution prevention and control—and draft list of activities and measures were screened against the GBF's targets to determine which targets the Pilot could potentially contribute to or align with. The GBF targets identified for the Pilot are listed in Table 2 and have been cross-referenced in the TSC.

TABLE 2
Alignment with Kunming-Montreal Global Biodiversity Framework Targets

	Alignment to Pilot's environmental objectives		
GBF 2030 Target	**Biodiversity**	**Water**	**Pollution**
Target 1: Plan and Manage all Areas To Reduce Biodiversity Loss	✓	✓	
Target 2: Restore 30% of all Degraded Ecosystems	✓	✓	
Target 3: Conserve 30% of Land, Waters and Seas (by 2030)	✓	✓	
Target 4: Halt Species Extinction, Protect Genetic Diversity, and Manage Human-Wildlife Conflicts	✓		
Target 6: Reduce the Introduction of Invasive Alien Species by 50% and Minimize Their Impact	✓		
Target 7: Reduce Pollution to Levels That Are Not Harmful to Biodiversity	✓	✓	✓
Target 10: Enhance Biodiversity and Sustainability in Agriculture, Aquaculture, Fisheries and Forestry	✓	✓	
Target 11: Restore, Maintain and Enhance Nature's Contributions to People	✓	✓	
Target 13: Increase the Sharing of Benefits From Genetic Resources, Digital Sequence Information and Traditional Knowledge	✓	✓	
Target 22: Ensure Decision-Making and Access to Justice and Information Related to Biodiversity for All	✓	✓	

3. Draft Pilot Technical Screening Criteria

3.1 Agriculture

The environmental measures listed below are inconsistent with the Agriculture and Land Taxonomy Expansion Pilot if the underlying activities result in the conversion of natural forests and/or the draining of wetlands (see Appendix 3 for definitions).

AA1. Perennial and Non-perennial Crops (incl. Horticulture and Rice Production)

Sector	Agriculture and Land
Activity	AA1. Perennial and Non-perennial Crops (incl. Horticulture and Rice Production).
Associated ANZSIC codes	0111-12, 0114-15, 0121-23, 0131-37, 0139, 0145-46, 0149, 0151-52, 0159, 0193, 0301, 0302, 0510, 0521, 0529, 8922 Other ANZSIC codes may be considered when the activity is conducted alongside animal production, forestry, or other land management activities.
Objective(s)	The activity makes a substantial contribution to one or more of the following environmental objectives: • Biodiversity and ecosystem protection; • Sustainable use and protection of water resources; and/or • Pollution prevention and control.
	Technical screening criteria
Environmental measures	**Objectives** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **AA1.1 Improve soil health** *(also AA2.1 for animal production, AA4.1, AA5.1 and AA6.1 for forestry, and AA8.1 and AA10.1 for other land management)* Sustainable soil management practices aimed at improving and preserving soil health, including boosting soil biodiversity, enhancing water retention, reducing nutrient loss and risks, and optimising reliance on chemical inputs by improving input efficiency. **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a soil management plan tailored to the location and needs of the agricultural, forestry, or land management activity. The plan should outline: a. Strategies for improving and preserving soil health by enhancing soil biodiversity, boosting water retention, and reducing nutrient runoff and losses, while optimising input use efficiency. b. Soil type, biology, structure, and its specific nutrient, physical, and biological needs. c. Nutritional and management requirements of the crop or pasture, informed by historical and planned fertiliser use, rotation strategies, and consideration of seasonal conditions and climate forecasts. As relevant, this should include multispecies planting, cover cropping, crop-livestock integration, and fallow periods to improve soil health, enhance biodiversity, and support adaptive, climate-resilient management. d. The incorporation of one or more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the soil management plan, with verification by a qualified expert (e.g. agronomist, agricultural consultant, etc.) being a recommended approach. C. The measure must comply with the following: a. The project area where the measure is applied must have a minimum soil depth of 30 cm. b. The land on which the agricultural activity is applied must not be a natural forest or contain organosols (peat soils), as relevant. D. Where manure and slurry are applied to agricultural lands, the proponent must follow the process and requirements outlined in environmental measure *AA2.5 Manure and slurry application to agricultural lands*. **Eligible practices** Eligible practices, both new and existing, that support the measure, along with their associated costs, include: • Eligible practices under Australian taxonomy-aligned climate change mitigation decarbonisation measure *A1.2-A2.2 (crop) Nutrient management*. • Eligible practices under Australian taxonomy-aligned climate change mitigation decarbonisation measure *A1.3-A2.3 Increase soil organic carbon*. • Implementing nutrient management practices to reduce nutrient runoff and losses, improve input efficiency, and optimise fertiliser-rainfall interactions such as creating nutrient traps, using low-emission N application technologies (such as slurry injection or incorporating manure within hours of spreading), recycling organic nutrients, and adopting precision farming, alongside investments in soil sensors, erosion control measures like cover cropping or contour ploughing, and water management systems such as irrigation scheduling and buffer strips to reduce soil erosion, leaching, and nutrient pollution. • Using microorganisms, treated manure and slurry, or green manure (crops and plants, such as nitrogen-fixing legumes, grown specifically to improve soil health and fertility) to substitute for or reduce use of mineral N fertilisers or pesticides, or to promote crop growth (for use of manure/slurry, refer to environmental measure *AA2.5 Manure and slurry application to agricultural lands* for relevant eligible practices). • Enhancing soil water retention and organic matter through managing crop residues, applying organic inputs (compost, treated animal manure), and using mulches to improve soil structure and increase soil carbon sequestration, such as procurement of composting equipment, organic fertilisers, and mulching machinery.

- Minimising soil erosion and water and nutrient runoff by planting cover crops, strip cropping, contour planting, intercropping, and maintaining permanent grasslands, stubble and green cover, including obtaining cover crop seed, erosion control materials, and irrigation systems.
- Implementing sustainable land management practices aimed at reducing soil erosion, enhance water retention, and improve resilience, focusing on continuous soil cover and reduced chemical inputs, such as procurement of no-till or low-till equipment.
- Adopting integrated nutrient and water management practices including mixed cropping with cover crops, legumes, and tree/shrub species to promote soil health and optimise pesticide and fertiliser use. This includes investments in multi-crop seed, chemical application system upgrades, and soil health testing tools.
- Promoting ecological diversification by shifting from monoculture to polyculture or diversified production systems to enhance biodiversity and resilience, such as procurement of diverse seed, farm equipment for multiple crops, and polyculture management systems.
- Implementing crop rotation systems (including legumes or green manure) to break disease and weed cycles, build soil fertility, optimise pesticide use, and increase soil organic matter, including procurement of legume seed, crop rotation planning tools, and planting equipment.
- Preventing soil compaction by planning field operations to avoid working on wet soils, including investments in controlled traffic systems and minimal disturbance equipment.
- Utilising windbreaks and green walls made of climate-resilient tree species to stabilise soil, reduce wind erosion, mitigate dust storms, improve microclimates, and enhance biodiversity, including planting locally appropriate, biodiverse, and climate-resilient tree species, windbreak establishment, and maintenance.
- Restoring degraded soils and remediating contaminated sites through sustainable practices to increase soil health and improve water infiltration, such as procurement of soil remediation tools, bio-remediation agents, and deep soil cultivation equipment.
- Managing dryland salinity and promoting biocontrol measures to enhance soil health and fertility and mitigate the impacts of desertification. Where appropriate, this may include investments in salinity management tools, salt-tolerant crops, biocontrol agents, and the management of acid sulphate soils (such as through the removal of tidal barriers to restore tidal flushing), provided land conditions support continued production without worsening salinity, soil degradation, or water quality impacts.
- Where appropriate for the soil type, structure, slope, and broader landscape context, establishing contour banks or swales to slow surface water flow, enhance water infiltration, prevent erosion, and reduce nutrient and chemical runoff, thereby supporting soil health, biodiversity, and improved water quality. Eligible investments may include design and planning services, earthworks equipment or contractors for bank or swale construction, vegetation to stabilise banks, and monitoring tools to assess effectiveness and minimise unintended impacts.
- Promoting set-aside land in erosion-prone areas to enhance biodiversity, improve water quality, and contribute to ecosystem restoration, including investments in land management strategies and purchasing equipment for land rehabilitation such as hydroseeding or tree planting machinery.
- Preventing harvest losses and mycotoxin contamination by maintaining optimal growing conditions to protect soil health, minimise input-related pollution, and reduce food waste. This may involve investments in climate control technology, pest management systems, and improved storage solutions that support environmental sustainability alongside productivity.
- Utilising resilient and climate-resistant crop varieties and animal breeds, including locally adapted and traditional varieties, to reduce vulnerability to climate change, temperature-related diseases, pests, water regimes, and extreme events such as drought, flooding, and frost. This includes selecting varieties tailored to local conditions and farm types, focusing on resource-efficient varieties with higher yields, enhanced resilience, and adaptability.
- Establishing deep-rooted perennial species to maintain continuous ground cover, improve soil structure, enhance water infiltration, and increase nutrient cycling, contributing to erosion control and greater system resilience. Eligible investments may include procurement of perennial seed or planting material, equipment for perennial establishment and maintenance, and advisory services for perennial system design and integration.
- Integrating livestock into cropping or pasture systems, where appropriate to the landscape, soil, and climatic conditions, to enhance soil health, biodiversity, and nutrient cycling through managed grazing, multispecies cover cropping, and crop-livestock rotations. This may include investments in portable fencing, water infrastructure, mobile shade structures, manure spreading equipment, and tools for monitoring soil condition and pasture performance, while avoiding overgrazing, compaction, and erosion risks.

Refer to the following criteria for complementary eligible practices:

- *AA1.2 Agroforestry and agroecology*
- *AA1.3 Sustainable land-based water management*
- *AA1.5 Efficient water management through infrastructure improvements*
- *AA1.7 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)*
- *AA2.3 Herd management*
- *AA2.5 Manure and slurry application to agricultural lands*

Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or support measures (outlined in section *AA3. Support Activities for Agriculture and Post-harvest, AA7. Support Services for Forestry, and AA11. Support Services for Natural Ecosystems)*.

*Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.

Alignment to GBF targets* *Depending on final purpose and characteristics of the measure	T2: Supports restoration of degraded ecosystems* T3: Supports conservation of land and water* T4: Supports maintaining genetic diversity* T7: Supports reduction of pollution harmful to biodiversity* T10: Enhances sustainability in agriculture T11: Supports restoration, maintenance and enhancement of nature's contribution to people
Environmental measures	**Objective** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). **Potential co-benefits** • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **AA1.2 Agroforestry and agroecology** *(also AA2.2 for animal production, AA4.2, AA5.2 and AA6.2 for forestry, and AA8.2 and AA10.2 for other land management)* Adopt or maintain agroforestry and/or agroecology practices to enhance biodiversity, improve soil health, and support resilient, sustainable production systems in line with the Agriculture and Land Taxonomy Expansion Pilot objectives. • Agroforestry integrates woody perennials, such as trees and shrubs, into agricultural systems to deliver both ecological and economic benefits. • Agroecology applies ecological principles to agriculture, fostering diverse, low-input systems that align with natural processes and local landscapes. **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a farm or land management plan tailored to the location and needs of the agricultural, forestry, or land management. The plan should outline: a. Strategies for improving environmental outcomes in line with the Agriculture and Land Taxonomy Expansion Pilot objectives, including enhancing biodiversity, improving water management, and optimising input efficiency to minimise pollution. b. How the agricultural, forestry, or land management activity considers its interactions with woody perennials and the broader landscape, including factors such as soil condition, climate, and water availability. c. Where clearing of grasslands or trees is proposed, such as in limited cases for agroforestry tree harvest or site preparation, the management plan must clearly describe the practice and demonstrate that it poses no risk of unintended conversion of native or significant vegetation. This must be supported by a comprehensive assessment of the ecological significance of the affected areas, a clear justification for the proposed clearing, and documentation of all relevant permits or approvals. These measures are intended to prevent impacts on protected or native grasslands, as well as significant old remnant or paddock trees, which may be protected under state or federal environmental legislation, local council regulations, heritage protection laws, or specific tree protection orders. d. The incorporation of one or more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the farm or land management plan, with verification by a qualified expert (e.g. agronomist, ecologist, agricultural consultant, etc.) being a recommended approach. C. The measure must comply with the following criteria: a. The agricultural activity must include a planned and managed integration of woody perennials alongside agricultural production to deliver both economic and ecological benefits. b. Utilise the same land for various agricultural purposes. c. Planted trees for this measure must have the potential to grow to a minimum height of 2 metres and achieve a canopy cover of at least 20 percent* of the planted area. *Tree height and canopy cover thresholds align with the definition of "forest" adopted by the Australian taxonomy for climate change mitigation, which uses the Accountability Framework initiative's (AFi) definition of "forest" with the Australian quantitative forest thresholds used in Australia's National Greenhouse Gas Inventory (see **Appendix 3** for more information). **Eligible practices** Eligible practices, both new and existing, that support the measure, along with their associated costs, include: • Eligible practices under Australian taxonomy-aligned climate change mitigation decarbonisation measure *A1.6-A2.6 Agroforestry*. • Retaining and conserving remnant vegetation such as native grasslands, scattered paddock trees, and other native plant areas to preserve habitats and support biodiversity. This may include investments in fencing to exclude livestock, invasive species control, fire management, ecological monitoring, or legal protection measures (e.g. conservation covenants) to ensure the ongoing protection and ecological function of these areas. • Implementing revegetation and habitat restoration by planting native species, creating corridors, and enhancing connectivity to restore ecosystems and provide habitats for less mobile species. This includes converting low-productivity land (e.g. field edges, riparian margins) into high-diversity landscape features, and utilising multi-functional field margins, semi-natural vegetation, and pollinator strips to improve soil health, promote biodiversity, enhance water quality, combat desertification, and support ecosystem services.

	• Implementing alley cropping by planting rows of trees or shrubs alongside crops, including vegetated inter-rows within a horticulture orchard, creating space for cultivation between the trees. This helps reduce soil erosion, improve water retention, enhance biodiversity, and provide additional farm products, while maintaining productive land use. • Proactively managing and restoring ecosystems alongside the agricultural production, such as mangroves, forests, woodlands, peatlands, and wetlands to protect against climate impacts, increase biodiversity, and improve water retention. This may also involve introducing native species, replanting, re-establishing tidal connectivity to support mangrove and wetland recovery, and implementing water-conserving landscaping methods like keyline design. • Establishing conservation areas such as riparian buffer zones or cropland set asides, ensuring their functional role in agricultural systems, such as supporting pollinators or flood control. • Maintaining mixed-species grasslands for biodiversity, providing habitat for pollinators, birds, and other wildlife. • Mulching pruning residues and old trees in orchards to recycle nutrients and improve soil health. Refer to the following criteria for complementary eligible practices: • *AA1.7 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)* • *AA1.9 Sustainable land management practices for wildlife conservation and habitat health* • *AA2.3 Herd management* • *AA2.6 Fire management using Indigenous cultural burning and fire management practices* Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures** and/or support measures (outlined in sections *AA3. Support Activities for Agriculture and Post-harvest, AA7. Support Services for Forestry, and AA11. Support Services for Natural Ecosystems)*. **Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.
Alignment to GBF targets *Depending on final purpose and characteristics of the measure	T2: Supports restoration of degraded ecosystems* T3: Supports conservation of land and water* T4: Supports halting of species extinction, protection of genetic diversity and management of human-wildlife conflicts* T6: Supports reducing the introduction of invasive alien species* T7: Supports reduction of pollution harmful to biodiversity* T10: Enhances sustainability in agriculture T11: Supports restoration, maintenance and enhancement of nature's contribution to people
Environmental measures	**Objective** • Sustainable use and protection of water resources. **Potential co-benefits** • Pollution prevention and control (tailored for objective and depending on final purpose). • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). **AA1.3 Sustainable land-based water management** *(also AA2.7 for animal production, and AA4.3, AA5.3 and AA6.3 for forestry)* Optimisation of agricultural, forestry, or land management system's water use to improve water efficiency, availability, and resilience. **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a water management plan tailored to the location and needs of the agricultural, forestry, or land management activity. The plan must outline: a. How the activity has optimised its management practices with the objectives of improving water use efficiency, availability and resilience. b. How the activity considers its interactions with the broader landscape, both within and beyond property boundaries, including factors such as soil condition, climate, and water availability, as well as, where relevant, engagement with regional expert groups (e.g. NRM Regions Australia organisations) or other stakeholders. This should include consideration of the soil's water holding capacity, informed where possible by recognised assessment techniques (e.g. bulk density, infiltration rate testing), or, where such testing is not feasible, by indicators like soil texture and groundcover. c. The incorporation of one of more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the water management plan, with verification by a qualified expert (e.g. agronomist, agricultural water specialist, irrigation specialist, hydrologist, etc.) being a recommended approach. **Eligible practices** Eligible practices, both existing and new, that support the measure, along with their associated costs, include: • Optimising agricultural, forestry, or land management system's water management practices by selecting resilient crop, tree or vegetation varieties and animal breeds that require less water, adjusting planting dates, and implementing optimised irrigation schedules based on water availability, and adopting water-efficient grazing and watering systems for livestock to improve water use efficiency and ensure sustainable water management.

	• Developing natural defences against floods and droughts, along with stormwater management systems, to reduce water loss, improve water retention in the landscape, and enhance resilience to extreme weather events. This includes investments in earthworks such as levees and embankments for flood control, swales and contour bunds for water capture and soil erosion control, terracing to manage runoff and prevent soil degradation, stormwater retention ponds, infiltration basins to enhance water absorption and reduce flooding risk, and maintaining vegetation (trees, shrubs and grasses) along riparian zones to reduce bank erosion. • Improving land drainage and groundwater infiltration by adjusting the slope, re-grading the land, optimising field layout, and establishing grassed waterways to enhance natural water flow, reduce waterlogging, and prevent surface runoff by maintaining ground cover and soil structure. • Maintaining optimal water table levels during the winter season, as recommended for the region and specific agricultural needs, to support plant health and proper soil moisture levels, while promoting overall ecosystem balance. This includes investments in cover crops to improve soil structure and water retention, wetland restoration to regulate water flow, agroforestry systems to improve water infiltration, and soil conservation practices to manage moisture levels. • Designating floodplain areas as set-aside for natural vegetation or non-intensive use to reduce flood risks, promote water retention, and support natural flood control and water storage systems. This includes floodplain restoration efforts and establishing monitoring programs to ensure the long-term effectiveness of natural flood management. • Slowing the flow of water in creeks and rivers, where appropriate to the landscape and hydrological context, to restore water tables, improve soil moisture retention, reduce erosion, and support downstream water availability. This includes the installation of leaky weirs, low-tech flow attenuation structures, and permeable barriers that mimic natural hydrological processes, as well as associated earthworks, native vegetation planting, and monitoring systems to ensure ecological integrity and prevent adverse impacts such as unintended flooding or habitat disruption. • Installing windbreaks and shading systems around agricultural water storage reservoirs to reduce evaporative water loss, improve water use efficiency, and enhance microclimate regulation. Eligible investments may include the planting of climate-resilient trees or shrubs, installation of artificial shade structures (e.g. shade cloths or floating covers), fencing to protect planted windbreaks, and advisory services for siting, design, and maintenance. • In rice cultivation, adopting improved techniques such as alternate wet and dry practices, shallow flooding, mid-season drying events, and off-season straw management to improve water efficiency (refer to Australian taxonomy-aligned climate change mitigation decarbonisation measure *A1.4 Improved rice management* criteria for additional relevant eligible practices). Refer to the following criteria for complementary eligible practices: • *AA1.1 Improve soil health* • *AA1.2 Agroforestry and agroecology* • *AA1.4 Water catchment, gully, and ecosystem restoration and conservation for sustainable water management* • *AA1.5 Efficient water management through infrastructure improvements* • *AA1.6 Water filtering and treatment* Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or support measures (outlined in section *AA3. Support Activities for Agriculture and Post-harvest, and AA7. Support Services for Forestry)*. *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.
Alignment to GBF targets *Depending on final purpose and characteristics of the measure	T3: Supports conservation of water* T10: Enhances sustainability in agriculture
Environmental measures	**Objective** • Sustainable use and protection of water resources. **Potential co-benefits** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **AA1.4 Water catchment, gully, and ecosystem restoration and conservation for sustainable water management** *(also AA2.8 for animal production, AA4.4, AA5.4 and AA6.4 for forestry, and AA8.3 and AA10.3 for other land management)* Ecological restoration and protection of water catchments, wetlands, gullies, and waterways to enhance water quality, reduce freshwater withdrawal, and protect biodiversity. **Process and requirement** The measure must comprise all of the following: A. Develop, implement and maintain a farm or land management plan tailored to the location and needs of the agricultural, forestry, or land management activity. The plan should outline: a. Restoration and conservation strategies, along with their expected outcomes, aligned with the Agriculture and Land Taxonomy Expansion Pilot objectives, this includes improving water efficiency, availability, and resilience, enhancing biodiversity, and optimising input efficiency to reduce pollution, where applicable.

b. How the agricultural, forestry, or land management activity considers its interactions with the relevant ecosystem.
c. A comprehensive assessment of the potential impacts of the proposed practices on the interactions between agricultural, forestry, or land management activities and the ecosystem being restored or conserved, this to avoid unintended consequences.
d. The incorporation of one of more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the farm or land management plan, with verification by a qualified expert (e.g. agronomist, ecologist, agricultural water specialist, hydrologist, water conservation specialist, etc.) being a recommended approach.

Eligible practices

Eligible practices, both existing and new, that support the measure, along with their associated costs, include:

- Implementing ecological restoration and protection for water catchment management, including measures to reduce freshwater withdrawal and enhance the overall health and resilience of water ecosystems, such as riparian buffer restoration, vegetation planting along waterways, and implementing water management infrastructure to reduce water demand and improve ecosystem function.
- Restoring and managing wetlands and enhancing farm dams to improve water filtration, biodiversity, and water quality, while mitigating the effects of flooding and erosion, including restoration projects, habitat restoration efforts, construction of sediment traps and biofilters, and implementing monitoring systems to track water quality and biodiversity improvements.
- Restoring catchments through on-ground interventions, aiming to enhance water quality by improving soil structure, preventing erosion, and promoting natural filtration processes, such as implementing cover crops, agroforestry, terracing, water retention ponds, and catchment management programs that support soil health and water quality monitoring.
- Protecting and conserving waterways, ensuring sustainable management practices are in place to safeguard riverbeds, streambanks, and aquatic ecosystems from contamination, erosion, and habitat destruction, including erosion control measures like riparian fencing, bank stabilisation, in-stream habitat restoration, and pollution control through improved land use and waste management practices.
- Limiting the drainage of wetlands, peatlands, and organic soils, while restoring and managing them to mitigate climate change impacts, improve water retention and quality and protect biodiversity. This includes installing water control structures, rewetting drained wetlands and peatlands, replanting wetland vegetation, implementing paludiculture practices, creating water storage with hollows, constructing sediment traps, installing carp exclusion screens and investing in monitoring systems to manage hydrology, reduce nutrient leaching, enhance water supply, improve water quality, and support ecosystem restoration and biodiversity enhancement.
- Gully rehabilitation interventions to reduce sediment loss from gully erosion, including engineered control structures, soil stabilisation, gully reshaping, drainage diversion, revegetation, and targeted grazing management practices such as fencing, limiting or excluding livestock, or providing alternative watering points, and other site-specific actions.
- Restoring coastal wetlands through the re-establishment of tidal connectivity to enhance biodiversity, improve water quality, and support climate resilience. This involves removing or modifying tidal barriers (such as levees, bunds, or culverts) to restore natural tidal flows to previously drained coastal lands, including agricultural areas. Eligible investments may include hydrological infrastructure, site preparation, vegetation re-establishment, salinity and sediment management, and monitoring systems to support ecosystem recovery while enabling sustainable land use where appropriate.
- Excluding livestock access to sensitive water bodies to reduce erosion, nutrient loading, and habitat degradation. This includes the installation of riparian fencing, provision of off-stream watering points, revegetation of streambanks and riparian zones, and implementation of monitoring systems, while ensuring the intervention is appropriate to the landscape and does not compromise animal welfare or water access needs.

Refer to the following criteria for complementary eligible practices:

- *AA1.1 Improve soil health*
- *AA1.2 Agroforestry and agroecology*
- *AA1.6 Water filtering and treatment*
- *AA1.7 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)*
- *AA2.3 Herd management*

Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or support measures (outlined in sections *AA3. Support Activities for Agriculture and Post-harvest, AA7. Support Services for Forestry,* and *AA11. Support Services for Natural Ecosystems)*.

*Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single farm management plan.

Alignment to GBF targets *Depending on final purpose and characteristics of the measure	T2: Supports restoration of degraded ecosystems T3: Supports conservation of water T6: Supports reducing the introduction of invasive alien species by offering genetic resilience* T10: Enhances sustainability in agriculture T11: Supports restoration, maintenance and enhancement of nature's contribution to people

Environmental measures	**Objective** • Sustainable use and protection of water resources. **AA1.5 Efficient water management through infrastructure improvements** *(also AA2.9 for animal production)* Efficient water management practices through infrastructure improvements aimed at reducing water wastage, ensure sustainable use, and enhance water availability across farm operations. **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a water management plan tailored to the location and needs of the agricultural activity. The plan must outline: a. How the agricultural activity has optimised its water use efficiency, with the objectives of improving water availability and resilience. b. The incorporation of one of more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the water management plan, with verification by a qualified expert (e.g. agronomist, agricultural water specialist, irrigation specialist, hydrologist, etc.) being a recommended approach. **Eligible practices** Eligible practices, both existing and new, that support the measure, along with their associated costs, include: • Optimising farm irrigation and drainage systems to enhance water efficiency and reduce waste, including the implementation of controlled or variable speed irrigation systems, planting systems, and conversion to bankless channels, where appropriate, to enhance water distribution while reducing runoff. • Capturing irrigation runoff using collection systems to treat and recycle water for future irrigation cycles, reducing water wastage and enabling more sustainable use of available water resources. • Implementing micro-irrigation systems like drip or sprinkler irrigation to improve water use efficiency and minimise water loss, such as utilising smart irrigation technology to ensure precise water delivery. • Enhancing on-farm water extraction and distribution systems, including upgrading pumps, valves, and pipes, to improve efficiency and reduce waste during irrigation processes. • Establishing on-farm water storage and harvesting systems, such as small-scale dams, water retention ponds, lined ponds, rainwater tanks, turkey nests, and runoff capture systems, to collect and store water for future use, thus reducing dependency on external water sources. • Constructing or upgrading larger-scale farm or regional water storage infrastructure, where appropriate to the landscape and ecological context, to support climate-resilient water supply and reduce pressure on groundwater and river systems. This includes investments in dam construction, hydrological planning, spillway safety infrastructure, and integration with sustainable irrigation and ecosystem management practices, subject to regulatory and environmental approvals. • Implementing water usage monitoring technologies, including soil moisture sensors, water table gauges, and real-time water usage tracking systems, to identify areas for improvement and ensure responsible water management practices. • Purchasing water-efficient equipment like low-flow irrigation systems, water-saving pumps, and precision agriculture tools such as soil moisture sensors and data analysis systems to reduce water consumption and enhance the farm's sustainability. • Designing closed-loop water systems in controlled environments like greenhouses, where water is continually recycled with minimal discharge, utilising filtration systems and water recovery tanks. • Using greywater for irrigation, by recycling non-potable water (e.g. from washing irrigation equipment, animal cleaning and watering systems, sinks, showers, or laundries in farmhouses and staff facilities), after proper filtration and treatment to remove harmful substances, to reduce the need for fresh water and lower operational costs. • Implementing groundwater recharge projects to restore aquifer levels and ensure sustainable water supplies, with investments in infiltration basins, recharging ponds, constructed wetlands, and water diversion systems that direct excess surface water to recharge zones. This may also involve monitoring infrastructure, such as groundwater level sensors and water quality testing systems, to assess recharge effectiveness and support long-term water management. • Promoting water recycling and reuse by filtering and treating used water, such as irrigation runoff or wastewater, for safe reintegration into the farm system, reducing the need for freshwater (refer to environmental measure *AA1.6 Water filtering and treatment* criteria for relevant eligible practices). Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures*, agriculture support measures (outlined in section *AA3. Support Activities for Agriculture and Post-harvest),* and/or Australian taxonomy-aligned climate change mitigation decarbonisation measures *A1.7-A2.10 Renewable energy* and *A1.8-A2.11 Electric, energy-efficient, and renewable energy-compatible vehicles and equipment for on-site use*. *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single farm management plan.
Alignment to GBF targets *Depending on final purpose and characteristics of the measure	T3: Supports conservation of water* T10: Enhances sustainability in agriculture

Environmental measures	**Objectives** • Sustainable use and protection of water resources. • Pollution prevention and control. **Potential co-benefits** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). **AA1.6 Water filtering and treatment** *(also AA2.10 for animal production, AA4.5, AA5.5 and AA6.5 for forestry, and AA8.5 for other land management)* Filtering and treating used water, such as irrigation runoff or wastewater, before returning it to natural water bodies or recycling it for safe reuse within the farm system, reducing the need for fresh water and minimising pollutant discharge. **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a water management plan tailored to the location and needs of the agricultural, forestry, or land management activity. The plan should outline: a. Strategies for water filtration and treatment, specifying the expected post-treatment water quality. b. Describe how the water will either be returned to natural water bodies or utilised in agricultural, forestry, or land management activities. c. The incorporation of one of more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the water management plan, with verification by a qualified expert (e.g. agricultural water specialist, water quality specialist, hydrologist, etc.) being a recommended approach. **Eligible practices** Eligible practices, both existing and new, that support the measure, along with their associated costs, include: • Filtering and treating irrigation water and wastewater by using filtration methods to remove pollutants and recycling the treated water back into the system, reducing freshwater consumption, including investing in reverse osmosis systems, membrane filtration units, UV disinfection systems, biological treatment systems, chemical treatment, physical treatment systems, and biofiltration systems to treat and recirculate water, enabling its safe recycling and reuse within the farm system while minimising the need for fresh water. • Establishing natural filtration systems such as constructed wetlands, reed beds, vegetated buffer strips, and riparian zones to filter nutrients, organic matter, suspended solids, and contaminants from agricultural wastewater or runoff before it enters natural water bodies, especially in sensitive regions like the Great Barrier Reef catchment. This includes utilising constructed wetland systems, reed bed filtration units, biofilters, forestry and vegetation planting and restoration, erosion control measures, and soil conservation practices to reduce nutrient pollution, improve water quality, and prevent soil erosion. • Installing bioreactors or nutrient recovery systems that use microorganisms or filtration methods to break down nitrogen and other pollutants, capture excess nutrients like nitrogen and phosphorus, and repurpose or safely remove them, including investments in denitrifying bioreactors, phosphorus recovery systems, and bioremediation technologies. • Creating sedimentation ponds or settling basins to allow water to sit and let solid particles and sediments settle out before reusing or releasing the water into the environment, including sedimentation pond infrastructure, settling basins, and water clarifiers for solid removal and water reuse. • Practicing phytoremediation by using plants to absorb or filter out contaminants from agricultural wastewater or runoff, cleaning polluted water through plant absorption, including phytoremediation plants, wetland plant systems, and plant-based filtration systems. • Using natural filtration techniques like sand, gravel, or biofiltration/bioremediation systems to pass agricultural wastewater or runoff through layers of material that remove particles, organic matter, and chemicals before reaching water bodies, including sand filtration systems, gravel biofilters, and bioremediation systems. • Installing aeration systems to introduce oxygen into water, promoting microbial degradation of contaminants and reducing the Biochemical Oxygen Demand (BOD) in agricultural water systems, such as aeration equipment, air diffuser systems, and bubble diffusers to improve water quality in ponds and treatment systems. • Adopting zero discharge systems to treat and reuse water within the farm system, minimising the release of agricultural wastewater or runoff into the environment and reducing the impact of runoff and the need of freshwater consumption, including closed-loop water recycling systems, zero-discharge wastewater treatment plants, and water reclamation systems to maximise water reuse and minimise environmental impact. Refer to the following criteria for complementary eligible practices: • *AA1.1 Improve soil health* • *AA1.2 Agroforestry and agroecology* • *AA1.4 Water catchment, gully, and ecosystem restoration for sustainable water management* Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures*, support measures (outlined in section *AA3. Support Activities for Agriculture and Post-harvest, AA7. Support Services for Forestry, and AA11. Support Services for Natural Ecosystems),* and/or Australian taxonomy-aligned climate change mitigation decarbonisation measures *A1.7-A2.10 Renewable energy* and *A1.8-A2.11 Electric, energy-efficient, and renewable energy-compatible vehicles and equipment for on-site use.* *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.
Alignment to GBF targets	T3: Supports conservation of water T7: Supports reduction of pollution harmful to biodiversity T10: Enhances sustainability in agriculture

Environmental measures

Objective

- Pollution prevention and control.

Potential co-benefits

- Sustainable use and protection of water resources (tailored for objective and depending on final purpose).
- Biodiversity and ecosystem protection (tailored for objective and depending on final purpose).

AA1.7 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use) *(also AA2.11 for animal production, AA4.6, AA5.6, and AA6.6. for forestry, and AA8.6 and AA10.5 for other land management)*

Optimising chemical input use in agricultural, forestry, or land management systems through sustainable pest and weed management strategies that enhance efficiency, reduce environmental pollution, and support the long-term health of ecosystems.

Process and requirements

The measure must comprise all of the following:

A. Develop, implement and maintain a farm or land management plan tailored to the location and needs of the agricultural, forestry, or land management activity. The plan should outline:
   a. Strategies to minimise chemical runoff and pollution while optimising the efficiency of chemical inputs.
   b. Soil type, biology, structure, and its specific needs as relevant to the sustainable management of pests and weeds. Where there is a known risk of contamination, monitoring or testing for specific soil contaminants should be considered.
   c. Target pests and/or weeds being managed.
   d. A record of historical pesticide use relevant to the activity and location (where available).
   e. Safe practices for the handling, storage, and application of chemical inputs, in line with industry standards and regulatory requirements.
   f. Consideration of landscape-scale impacts, recognising that management of pests and weeds may require coordination beyond individual farms/assets. The plan should outline how the activity will align with broader land management efforts to avoid negative impacts on surrounding ecosystems, including, where relevant, engagement with regional expert groups (e.g. NRM Regions Australia organisations) or other stakeholders.
   g. For agricultural, forestry, or land management systems that promote natural predator activity (such as beneficial invertebrates), evidence of compliance with relevant federal, state, and territory regulations. This should include any necessary approvals and a comprehensive risk assessment of the potential impacts of the proposed practice on the agricultural, forestry, or land management activity, and the surrounding ecosystem.
   h. The incorporation of one or more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the farm or land management plan, with verification by a qualified expert (e.g. agriculture specialist, pest management expert, etc.) being a recommended approach.

Eligible practices

Eligible practices, both existing and new, that support the measure, along with their associated costs, include:

- Implementing Integrated Pest Management (IPM) to optimise the use of chemical pesticides, herbicides, fungicides, and fertilisers by incorporating biological, mechanical, and cultural control methods. Eligible investments may include pest monitoring systems, biological control agents, trap cropping infrastructure, precision application tools, and training programs to support optimised chemical use, minimise runoff, and improve long-term pest resilience.
- Optimising the use of chemical inputs by adopting low input farming practices that optimise reliance on inorganic fertilisers, pesticides, herbicides, fungicides, and rodenticides. Eligible investments may include precision application equipment, alternative nutrient sources (such as compost or biological fertilisers), pest monitoring systems, and habitat enhancements (e.g. shelterbelts or insectaries) that protect native plant species and wildlife, including insects, birds, and aquatic species, and promote healthier, more resilient ecosystems.
- Practicing sustainable weeding techniques such as inter-row or between-row soil coverage, mulching, and growing green manure crops to conserve moisture, reduce soil disturbance, and improve soil fertility, considering local climatic conditions. Eligible investments may include cover crop seed, organic mulch materials, precision inter-row cultivation equipment, and equipment or services for green manure crop management.
- Utilising mechanical weed control to manage weed growth while optimising reliance on herbicides, aiming to disrupt weed growth while maintaining soil structure and reducing the environmental impact of chemical treatments. Eligible investments may include precision mechanical weeding technologies such as laser weeding systems, rotary hoes, weed harrows, or inter-row cultivators, as well as modifications to existing machinery or contracting specialised services.
- Allowing land to lie fallow for pest management while maintaining ground cover to protect soil and promote ecological health, promoting natural pest control processes, reducing reliance on chemical interventions, and enhancing biodiversity. Eligible investments may include planning and advisory services, temporary fencing, vegetation management to support habitat recovery, or income diversification measures (where aligned with the taxonomy) to enable fallowing without productivity loss.
- Enhancing chemical management to reduce pollution, protect water quality, and support biodiversity through measures that exceed standard compliance requirements. Eligible investments may include bunded chemical storage facilities, precision application technologies, runoff containment systems, or accredited training to ensure safe handling, storage, and targeted application of agrochemicals, thereby reducing risks to non-target species and ecosystems.
- Pest and weed management by cultivating diverse flowering plants to support beneficial insects, pollinators, and predator populations, which helps reduce pest pressure and promotes a healthy ecosystem.

	• Encouraging natural predators (invertebrates) to support pest control, optimise reliance on chemical inputs, and enhance biodiversity by managing pest populations in ways that protect and sustain predator habitats. Eligible investments may include habitat plantings (e.g. shelterbelts, flowering strips), cover crops, vegetation corridors, and expert advisory services. This approach must comply with relevant federal, state, and territory regulations to minimise any potential adverse impacts on ecosystems. • Increasing the use of resilient, pest- and disease-resistant crop and pasture varieties to optimise the need for chemical treatments, improve crop yield stability, and support sustainable agricultural practices. Eligible investments may include the purchase of improved seed or planting material, trial and demonstration plantings, and access to technical advice or varietal selection services. • Utilising physical barriers to manage invertebrate pests by preventing pest access to crops, storage areas, and other vulnerable infrastructure, thereby reducing reliance on chemical treatments and supporting integrated pest management practices. Eligible investments may include insect exclusion netting, crop covers, tree bands, trunk collars, greenhouse screens, sealed storage structures, pest-proofing materials for buildings, and sticky traps, as well as advisory services to support effective design, placement, and maintenance of physical pest exclusion systems. • Enhancing soil biological health to naturally increase plant resilience to pests and diseases by improving soil structure, microbial activity, and nutrient cycling. Healthier plants with higher Brix levels are less attractive to pests and more resistant to disease. Eligible investments may include compost application systems, microbial inoculants, soil biological amendments, on-farm composting infrastructure, and soil biology testing services (refer to environmental measure *AA1.1 Improve soil health* for relevant eligible practices). • Establishing and maintaining ground cover to outcompete invasive species, protect soil structure, and support microbial and nutrient cycling processes that support soil health and ecosystem resilience. Eligible investments may include native or climate-resilient ground cover seed, planning and advisory services for ground cover selection and establishment, erosion control materials, and vegetation management tools to suppress or remove invasive species and enable successful ground cover establishment (refer to environmental measure *AA1.1 Improve soil health* for relevant eligible practices). • Supporting pollinator services to enhance natural pest control and crop productivity, while optimising reliance on chemical inputs and protecting biodiversity. Eligible investments may include establishing pollinator-friendly habitats (e.g. flowering strips, hedgerows, native vegetation corridors), installing bee hotels or nesting sites, modifying chemical application timing to avoid pollinator activity, and undertaking training or advisory services on pollinator-safe farming practices (refer to environmental measure *AA1.2 Agroforestry and agroecology* and *AA1.9 Sustainable land management practices for wildlife conservation and habitat health* criteria for relevant eligible practices). Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or support measures (outlined in sections AA*3. Support Activities for Agriculture and Post-harvest, AA7. Support Services for Forestry,* and *AA11. Support Services for Natural Ecosystems)*. *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.
Alignment to GBF targets	T7: Supports reduction of pollution harmful to biodiversity T10: Enhances sustainability in agriculture
Environmental measures	**Objective** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **Potential co-benefits** **AA1.8 Sustainable management of invasive vertebrate species** *(also AA2.12 for animal production, AA4.7, AA5.7 and AA6.7 for forestry, and AA8.7 and AA10.6 for other land management)* Use of practices that minimise the impact of invasive vertebrate species on agricultural, forestry or other land management systems using sustainable methods that protect biodiversity and ensure the welfare of the target animals. **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a farm or land management plan tailored to the location and needs of the agricultural, forestry, or land management activity. The plan should outline: a. Detailed information on the target species to be managed. b. Identification of any threatened species present, along with key habitat features such as wildlife corridors, and the measures that will be implemented to ensure their protection. c. Previous and planned physical and chemical control methods used for managing invasive vertebrate species. d. Consideration of landscape-scale impacts, recognising that management of invasive species may require coordination beyond individual farms/assets. The plan should outline how the activity will align with broader land management efforts to avoid negative impacts on surrounding ecosystems. e. Adherence to a recognised best practice standard, guideline, and/or code of practice for the humane management of invasive vertebrate species, such as the National Codes of Practice and Standard Operating Procedures for the humane capture, handling, or destruction of invasive vertebrate species in Australia. f. The incorporation of one or more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the farm or land management plan, with verification by a qualified expert (e.g. ecologist, wildlife expert, invasive species specialist, etc.) being a recommended approach.

	Eligible practices Eligible practices, both existing and new, that support the measure, along with their associated costs, include: • Excluding invasive vertebrate species from storage, infrastructure, and cultivated or grazed areas by implementing barriers or controlled access points to protect sensitive agricultural assets and reduce environmental harm. Eligible investments may include, sealed or elevated storage systems, reinforced entry points, remote monitoring devices, and advisory services to support design and implementation. • Preventing invasive vertebrate species intrusion through targeted habitat modification to protect both farm or land assets and native biodiversity: a. Installing pest-proof fencing (e.g. electric or buried fencing) to deter invasive vertebrate species from crops, grazing areas, and habitat edges. b. Using exclusion devices such as mesh wire, rodent-proof barriers around crops, storage facilities, and buildings. c. Removing food sources and shelter by clearing debris, fallen fruit, and excess vegetation near crops and infrastructure. d. Modifying surrounding landscapes, such as removing hedgerows or planting crops that are less attractive to invasive vertebrate species to reduce their presence. e. Installing carp exclusion screens at wetland inlets to prevent entry of adult carp. • Utilising approved biological control methods to manage invasive vertebrate populations in ways that reduce their impact on native biodiversity and agricultural systems. • Monitoring and assessing invasive vertebrate activity: a. Setting up wildlife cameras, trackers, or logs to track invasive vertebrate animal activity, species identification, and areas of high activity. b. Regularly conducting impact assessments to evaluate the damage caused by invasive vertebrate species, prioritising actions and measuring the effectiveness of management strategies. • Implementing targeted and minimal chemical use for invasive vertebrate species control through investments in approved toxins delivered via species-specific baits, delivery systems (e.g. bait stations), repellents, and monitoring equipment. All must be used as per the label's requirements, only when necessary, and follow integrated pest management principles to reduce environmental impact and prevent non-target species harm (refer to environmental measure *AA1.7 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)* criteria for relevant eligible practices). Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or support measures (outlined in sections AA*3. Support Activities for Agriculture and Post-harvest, AA7.Support Services for Forestry,* and *AA11. Support Services for Natural Ecosystems)*. *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.
Alignment to GBF targets *Depending on final purpose and characteristics of the measure	T4: Supports halting of species extinction and management of human-wildlife conflicts T6: Supports reducing the introduction of invasive alien species by offering genetic resilience* T7: Supports reduction of pollution harmful to biodiversity T10: Enhances sustainability in agriculture

Environmental measures

Objective

- Biodiversity and ecosystem protection.

Potential co-benefits

- Sustainable use and protection of water resources (tailored for objective and depending on final purpose).
- Pollution prevention and control (tailored for objective and depending on final purpose).

AA1.9 Sustainable land management practices for wildlife conservation and habitat health *(also AA2.13 for animal production, AA4.8, AA5.8 and AA6.8 for forestry, and AA8.8 and AA10.7 for other land management)*

Sustainable agricultural methods that support wildlife conservation, habitat restoration, and biodiversity enhancement.

Process and requirements

The measure must comprise all of the following:

A. Develop, implement and maintain a farm or land management plan tailored to the location and needs to the agricultural, forestry, or land management activity. The plan should outline:
   a. Strategies for conserving wildlife and the enhancement or maintenance of habitat health.
   b. Information on current wildlife species present and key habitat characteristics.
   c. Identification of any threatened species within the area.
   d. Consideration of the interactions between agricultural, forestry, or land management activities, local wildlife, and the surrounding habitat.
   e. The incorporation of one or more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the farm or land management plan, with verification by a qualified expert (e.g. ecologist, wildlife expert, etc.) being a recommended approach.

Eligible practices

Eligible practices, both existing and new, that support the measure, along with their associated costs, include:

- Installing wildlife-friendly fencing that facilitates the free movement of wildlife across agricultural landscapes, helps manage livestock, and reduces conflicts between farming and wildlife, especially for migratory species, through the installation of wildlife corridors, wildlife-proof fencing and netting, or livestock barriers to reduce animal-road collisions and support wildlife movement. Wildlife-friendly fencing should align with recognised national or global best practice standards and guidelines, and comply with all relevant regulatory requirements.
- Creating, restoring, rehabilitating, and maintaining wildlife habitats by installing nest boxes, bat houses, insect hotels, and developing features such as ponds, enhanced farm dams, wetlands, and hedgerows, alongside rehabilitating degraded areas through vegetation planting, erosion control, and reforestation efforts, to provide shelter, nesting sites, and feeding opportunities for wildlife, while enhancing biodiversity and supporting ecosystem health (refer to environmental measure *AA1.2 Agroforestry and agroecology* criteria for relevant eligible practices).
- Integrating agroecology and agroforestry practices into farming systems by combining sustainable agriculture with biodiversity conservation, including planting trees, creating wildlife corridors, and implementing habitat connectivity projects, tree planting initiatives and corridor fencing, to promote ecosystem health, support species migration, foraging, and breeding, and enhance genetic diversity and ecosystem stability (refer to environmental measure *AA1.2 Agroforestry and agroecology* criteria for relevant eligible practices).
- Protecting wild relatives of crops and livestock by preserving them in their natural ecosystems to maintain genetic diversity, support ecosystem health, and enhance resilience to environmental changes, such as genetic conservation programs, seed banks, or habitat restoration initiatives.
- Supporting pollinators by planting pollinator-friendly plants (i.e. those that attract pollinators by offering vital resources such as nectar, pollen, and shelter), reducing pesticide use, and incorporating diverse habitats to provide essential spaces for pollinators like bees and butterflies, including wildflower planting, native plant nursery development, or the installation of beehives and pollinator habitats across agricultural landscapes (refer to environmental measure *AA1.2 Agroforestry and agroecology* criteria for relevant eligible practices).
- Implementing soil conservation practices such as cover cropping, crop rotation, and reduced tillage to maintain soil health and support the organisms that contribute to ecosystem function and wildlife habitat (refer to environmental measure *AA1.1 Improve soil health* criteria for relevant eligible practices).
- Supporting native wildlife through actions that minimise habitat disruption, optimise pesticide and chemical use and exposure, and create safe environments that allow native species to thrive alongside agricultural activities. Eligible investments include the establishment of buffer zones or wildlife corridors, vegetation planting for habitat enhancement, adoption of low-chemical pest control systems, and upgrades to storage or spraying equipment to reduce off-target impacts (refer to environmental measures *AA1.2 Agroforestry and agroecology* and *AA1.7 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)* criteria for relevant eligible practices).
- Adopting sustainable water management practices that conserve water, reduce pollution, and ensure the availability of clean water for both agricultural production and wildlife habitats (refer to environmental measure *AA1.3-AA2.7 Sustainable land-based water management* and *AA1.4 Water catchment, gully, and ecosystem restoration and conservation for sustainable water management* criteria for relevant eligible practices).

Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or support measures (outlined in section *AA3. Support Activities for Agriculture and Post-harvest, AA7. Support Services for Forestry, and AA11. Support Services for Natural Ecosystems)*.

*Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.

Alignment to GBF targets* *Depending on final purpose and characteristics of the measure	T2: Supports restoration of degraded ecosystems T3: Supports conservation of water* T4: Supports halting of species extinction, protection of genetic diversity and management of human-wildlife conflicts T10: Enhances sustainability in agriculture
Environmental measures	**Objectives** • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **Potential co-benefits** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). **AA1.10 Protected and controlled environment agriculture (cropping and greenhousing)** The development, acquisition, expansion, or ongoing management of protected and/or controlled environment agriculture systems for cropping and greenhouse production, designed to optimise resource efficiency, enhance sustainable production, and minimise environmental impact. These systems should aim to support biodiversity by preventing land clearing and enabling production in smaller footprints; improve water use efficiency through closed-loop irrigation and nutrient recycling; and minimise pollution by isolating production from external ecosystems, reducing chemical runoff and waste. **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a farm management plan tailored to the location and needs to the cropping and/or greenhousing activity. The plan should outline: a. Strategies for improving environmental outcomes in line with the Agriculture and Land Taxonomy Expansion Pilot objectives, including enhancing biodiversity, improving water management, and optimising input efficiency to minimise pollution. b. How the cropping and/or greenhousing activity considers its interactions with the broader landscape, including factors such as resource use efficiency, waste management, soil health, and pest and disease management. c. For agricultural activities in controlled environments that require significant temperature regulation, the approach to optimise energy use and efficiency, with the aim of minimising greenhouse gas (GHG) emissions and avoid adverse impacts on the climate change mitigation environmental objective of the taxonomy. This can be supported by incorporating Australian taxonomy-aligned climate change mitigation decarbonisation measures *A1.7 Renewable energy*, *A1.8 Electric, energy-efficient, and renewable energy-compatible vehicles and equipment for on-site use*, and *A1.9 Low emissions cold storage*. d. The incorporation of one or more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the farm management plan, with verification by a qualified expert (e.g. controlled agriculture expert, agricultural advisor, etc.) being a recommended approach. **Eligible practices** Eligible practices, both new and existing, that support the measure, along with their associated costs, include: • Establishing, managing, expanding, or upgrading protected and controlled environment agriculture systems for cropping and greenhousing, including hydroponic, vertical, and aquaponic farms that demonstrably contribute to environmental outcomes. This includes horticultural greenhouses, shade houses (e.g. PVC film or glass structures), and advanced systems for climate control, such as air and light regulation, pest management (insect protection), and methods for system closure or isolation. Refer to Australian taxonomy-aligned climate change mitigation decarbonisation measures *A1.7 Renewable energy*, *A1.8 Electric, energy-efficient, and renewable energy-compatible vehicles and equipment for on-site use*, and *A1.9 Low emissions cold storage* criteria for relevant complementary eligible practices. • Incorporating precision agriculture techniques into the agricultural production system, including the use of precision fertiliser application, non-soil substrates, and integrated systems for plant nutrition and pest management (refer to agriculture support measure *AA3.2 Precision agriculture support measures* criteria for relevant eligible practices). Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or agriculture support measures (outlined in section *AA3. Support Activities for Agriculture and Post-harvest)*. *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single farm management plan.
Alignment to GBF targets* *Depending on final purpose and characteristics of the measure	T3: Supports conservation of water* T6: Supports reducing the introduction of invasive alien species by offering genetic resilience* T7: Supports reduction of pollution harmful to biodiversity by reducing need of chemicals* T10: Enhances sustainability in agriculture

Environmental measures	**Objectives** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). **AA1.11 Indigenous Land Management practices (Caring for Country)** *(also AA2.14 for animal production, AA4.9, AA5.9 and AA6.9 for forestry, and AA8.9, AA9.2 and AA10.8 for other land management)* Indigenous Land Management (ILM) practices that have significant environmental potential to drive improvements in biodiversity and ecosystem protection; sustainable use and protection of water resources; and/or pollution prevention and control. This measure excludes Indigenous cultural burning and fire management practices (refer to *AA2.9 Fire management using Indigenous cultural burning and fire management practices*). **Process and requirements** For an ILM practice to be classified as an Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measure, it must meet all of the following requirements: A. The ILM practice(s) is organised, managed and/or carried out by an Indigenous Land Council, Native Title Representative Body, or other recognised First Nations representative organisation that manages the land on which the ILM practice(s) will occur on behalf of its community. B. Benefit sharing agreement(s) related to ILM practice(s) are based on Free, Prior and Informed Consent and established on mutually agreed terms. C. A land management plan (or equivalent) is established, implemented and maintained that, at a minimum: a. Is written and/or endorsed by the Indigenous Land Council, Native Title Representative Body or equivalent organisation overseeing its implementation. b. Acknowledges Country and its Traditional Custodians. c. Outlines Indigenous governance and/or co-governance arrangements. d. Identifies the Land and/or Sea Country on which the ILM practice(s) will occur. e. Includes at least one of the eligible ILM practices listed below, and outlines the expected outcomes of the practice(s) and the Agriculture and Land Taxonomy Expansion Pilot objective environmental objective(s) it seeks to contribute to (e.g. biodiversity protection; ecosystem restoration; pollution reduction). f. Outlines indicators of success against the objective(s) and an approach for ongoing monitoring and evaluation. D. The benefit-sharing agreement(s) continues to be based on Free, Prior and Informed Consent and the ILM practice(s) is implemented in accordance with the land management plan (or equivalent). **Eligible practices** Eligible practices, both new and existing, that support the measure, along with their associated costs, include: • Protection and management of cultural heritage places. • Weed control and monitoring. • Invasive species control and monitoring. • Monitoring and management of threatened species and ecological communities. • Conservation of natural water bodies and riparian zones. • Soil erosion control and soil rehabilitation. • Native nursery, seed collection and planting. • Monitoring threats to biosecurity. Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or support measures (outlined in section *AA3. Support Activities for Agriculture and Post-harvest, AA7. Support Services for Forestry, and AA11. Support Services for Natural Ecosystems)*. *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.
Notes	Indigenous Land Management (ILM) can be defined as a set of practices that protect, preserve, and promote Australia's natural ecosystems and cultural values for a healthy Country (Binthi, 2023). These practices have their origins in the holistic relationships between traditional First Nations societies and their customary land and sea estates that have evolved over at least 50,000 years (CSIRO, Landcare and DAFF, 2013).
Alignment to GBF targets* *Depending on final purpose and characteristics of the measure	T1: Plan and manage all areas to reduce biodiversity loss* T2: Restore 30% of all degraded ecosystems* T3: Conserve 30% of land, waters and sea* T4: Halt species extinction, protect genetic diversity, and manage human-wildlife conflicts* T6: Reduce the introduction of invasive alien species by 50% and minimize their impact* T7: Reduce pollution to levels that are not harmful to biodiversity* T8: Minimise the impacts of climate change on biodiversity and build resilience* T13: Supports the sharing of benefits from Traditional Knowledge T22: Ensure participation in decision-making and access to justice and information related to biodiversity for all

Environmental measures	**Objectives** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **AA1.12 Management practices for generation of biodiversity certificates or credits** *(also AA2.15 for animal production, AA4.10, AA5.10 and AA6.10 for forestry, and AA8.10, AA9.3 and AA10.9 for other land management)* Implementation of management practices and establishment expenditures required to participate in government and/or publicly funded schemes for the generation of biodiversity certificates, credits, and/or co-benefits delivered through carbon credits that align with the environmental objectives outlined in the Agriculture and Land Taxonomy Expansion Pilot. Government and/or publicly funded schemes include: • The Australian Government's Nature Repair Market. • Queensland Government's Reef Credit Scheme. • Queensland Government's Land Restoration Fund (LRF). **Exclusions and restrictions** Methods must not be expired at time of financing commencement. **Eligible practices** Eligible practices, both new and existing, that support the measure, along with their associated costs, include: • Site development: Expenses associated with preparing the site for the undertaking project within the relevant scheme. • Initial investment: Upfront financial commitments required for the successful establishment and implementation of the project. • Planning and assessment: Costs related to project planning, environmental assessments and feasibility studies. • Application and registration: Fees for applying to and registering in the relevant scheme. • Audit, certification and reporting: Expenses incurred for compliance audits, ongoing certification, and meeting reporting requirements, including obtaining Accounting for Nature certification. Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or support measures (outlined in section *AA3. Support Activities for Agriculture and Post-harvest, AA7. Support Services for Forestry, and AA11. Support Services for Natural Ecosystems*). *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.
Alignment to GBF targets* *Depending on final purpose and characteristics of the measure	T2: Supports restoration of degraded ecosystems* T3: Supports conservation of land and water* T7: Supports reduction of pollution harmful to biodiversity* T10: Enhances sustainability in agriculture T11: Supports restoration, maintenance and enhancement of nature's contribution to People T13: Supports the sharing of benefits from Traditional Knowledge*

Environmental measures	**Objective** • Pollution prevention and control. **Potential co-benefits** • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). **AA1.13 Sustainable on-farm packaging** *(also AA2.16 for animal production)* Use of packaging materials and practices on the farm that prioritise environmental sustainability with the aim of minimising the ecological footprint of on-farm packaging and promoting the use of recyclable, biodegradable, or reusable materials. **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a resource management plan tailored to the needs to the agricultural activity. The plan must outline that: a. The packaging or packaging components are made from safe, non-toxic materials that meet the food packaging requirements outlined in Food Standards Australia New Zealand's Food Standards Code. b. The use of recyclable, biodegradable, and/or reusable materials is occurring at the optimal level of the waste hierarchy based on available systems for reuse, recycling, composting and recovery. c. The incorporation of one or more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the resource management plan. **Eligible practices** Eligible practices, both new and existing, that support the measure, along with their associated costs, include: • Implementing biodegradable or compostable materials for the distribution, handling, or storage of farm products to minimise waste/pollution, and reduce environmental impact. Materials must be certified to Australian Standard (AS) 4736-2006, AS 5810-2010, or an equivalent standard for collection and processing in industrial or home composting conditions) and composting must be proven to work in practice and at scale. • Implementing recyclable materials for the distribution, handling, or storage of farm products to minimise waste/pollution and reduce environmental impacts. For recyclable materials, materials must be compatible with at least 80 percent of the target population's existing recycling system(s). • Implementing reusable packaging for the distribution, handling or storage of farm products to minimise waste/pollution, and reduce environmental impact. For reusable packaging, packaging must be classified as reusable under ISO 18601:2013. Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or agriculture support measures (outlined in section *AA3. Support Activities for Agriculture and Post-harvest)*. * Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single farm management plan.
Alignment to GBF targets* *Depending on final purpose and characteristics of the measure	T7: Supports reduction of pollution harmful to biodiversity by reducing need of chemicals* T10: Enhances sustainability in agriculture

AA2. Animal Production (incl. Grazing)

Sector	Agriculture and Land
Activity	AA2. Animal Production (inc. Grazing)
Associated ANZSIC codes	0141-45, 0160, 0171-72, 0180, 0191-93, 0199, 0301, 0302, 0510, 0529, 7713, 8922 Other ANZSIC codes may be considered when the activity is conducted alongside cropping, forestry, or other land management activities.
Objective(s)	The activity makes a substantial contribution to one or more of the following environmental objectives: • Biodiversity and ecosystem protection; • Sustainable use and protection of water resources; and/or • Pollution prevention and control.
	Technical screening criteria
Environmental measures	**AA2.1 Improve soil health** Eligible practices under AA1.1.
Environmental measures	**AA2.2 Agroforestry and agroecology** Eligible practices under AA1.2.
Environmental measures	**Objectives** • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **Potential co-benefits** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). **AA2.3 Herd management** Implement or maintain sustainable herd management practices aimed at enhancing environmental sustainability, health and productivity of livestock production systems. **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a farm management plan tailored to the location and needs to the livestock activity. The plan should outline: a. Strategies for improving environmental outcomes in line with the Agriculture and Land Taxonomy Expansion Pilot objectives, including enhancing biodiversity, improving water management, and optimising input efficiency to minimise pollution. b. Specific requirements for livestock and pasture. c. A grazing sub-management plan that supports long-term land and animal health. d. How the livestock activities considers its interactions with the broader landscape, including resource use efficiency, waste management, and soil health. This should include matching stocking rates to available feed to avoid overgrazing, while maintaining adequate pasture leaf area to support photosynthesis, carbon sequestration, and the biological processes necessary for long-term soil function. e. The incorporation of one or more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the farm management plan, with verification by a qualified expert (e.g. livestock consultant, livestock nutritionist, agronomist, ecologist, etc.) being a recommended approach. C. Livestock operations must meet feed predominantly through grazing or forage. **Eligible practices** Eligible practices, both new and existing, that support the measure, along with their associated costs, include: • Eligible practices under Australian taxonomy-aligned climate change mitigation support measure *A2.4 Herd management*. • Implementing holistic grazing and grassland and pasture management techniques to optimise pasture growth, quality, and utilisation by livestock, while supporting biodiversity, improving water use efficiency, and reducing pollution risks. Practices may include adjusting grazing schedules based on local conditions, pasture renovation and monitoring, maintaining ground cover ahead of high-intensity rainfall, and, in cases where ecologically appropriate, rotational or strip grazing and transhumance. These approaches should be tailored to avoid overgrazing, protect soil structure, reduce sediment runoff, improve water use efficiency, and enhance vegetation recovery. • Adopting precision and multi-phase feeding techniques to target the specific nutrient needs of animals, reducing nitrogen excretion and N_2O emissions while improving feed efficiency. This includes regular animal monitoring, automated feeding systems, and separating animals by growth status. • Improving livestock feed regimes to reduce environmental impact while maintaining animal health and productivity. This includes considering feed and water suitability, conducting quality analyses (e.g. mycotoxins), and optimising feeding strategies that minimise nutrient waste, prevent nutrient runoff into waterways, and avoid overgrazing pressures on surrounding vegetation.

	• Adjusting stocking density based on soil conditions, particularly on wet soils, to prevent compaction and utilising controlled traffic planning to protect soil health. • Integrating grazing animals into crop rotations and orchard management to enhance soil health, improve nutrient cycling, and reduce the need for external inputs. • Optimising the use of antibiotics to prevent overuse and ensure their responsible application, minimising environmental impacts. This includes implementing strategies such as improved herd health management, regular monitoring, and targeted treatment protocols to reduce reliance on broad-spectrum antibiotics, along with utilising veterinary diagnostic tools, as well as providing training for farm staff. • Optimising herd and flock management to improve resource efficiency, such as adjusting culling age, enhancing animal health to increase longevity, improve fertility rates, and extend the lifespan of dairy cows through better management practices. This approach reduces frequent restocking, manure production, and nutrient runoff, while increasing animal productivity over their lifespan, reducing replacements and waste, and lowering environmental impact. This includes investing in veterinary care and improving breeding strategies to enhance fertility rates. • Utilising resilient and climate-resistant animal breeds, including locally adapted and traditional varieties, to reduce vulnerability to temperature-related diseases, pests, and changing water regimes. This includes selecting breeds suited to local conditions and farm types, supporting biodiversity by preserving genetic diversity, improving water efficiency through lower water requirements, and reducing pollution risks by minimising inputs such as veterinary chemicals and feed supplements. Eligible investments may include breed selection advisory services, genetic testing, infrastructure upgrades to support breed-specific needs (e.g. shade, water access), or the acquisition of suitable livestock. • Adjusting livestock diets to decrease nitrogen excretion. This includes using high-sugar grasses or maize silage, implementing phase feeding, feeding low-protein feeds like low-dry-matter alfalfa silage, and formulating N-balanced diets based on energy needs and digestible amino acids for different production periods. Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or agriculture support measures (outlined in section *AA3. Support Activities for Agriculture and Post-harvest)*. *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single farm management plan.
Alignment to GBF targets* *Depending on final purpose and characteristics of the measure	T2: Supports restoration of degraded ecosystems* T3: Supports conservation of land and water* T7: Supports reduction of pollution harmful to biodiversity* T10: Enhances sustainability in agriculture T11: Supports restoration, maintenance and enhancement of nature's contribution to people* T13: Supports the sharing of benefits from genetic resources and digital sequence information*
Environmental measures	**Objective** • Pollution prevention and control. **Potential co-benefits** • Climate change mitigation. • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). **AA2.4 Manure and slurry handling and management** Appropriate solid manure and slurry handling, storage, and processing to reduce run-offs and gaseous emissions, including ammonia (NH_3), methane (CH_4), and nitrous oxide (N_2O). **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a farm management plan tailored to the location and needs of the agricultural activity. The plan should outline: a. Strategies to minimise manure and slurry runoff and losses, aiming to reduce the risk of nutrient leaching/runoff, water pollution, and eutrophication. b. Adherence to a recognised best practice standard, guideline, and/or code of practice for manure and slurry management, such as relevant state and territory guidelines, regulations, and industry best management practices. c. The incorporation of one or more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the farm management plan, with verification by a qualified expert (e.g. agricultural waste management expert, manure management consultant, etc.) being a recommended approach. C. The measure must comply with the following criteria: a. The agricultural activity must comply with all relevant federal, state, and territory regulations regarding farm waste management, specifically manure and slurry, to minimise nutrient leaching/runoff, water pollution, and air contamination. **Exclusions and restrictions** Projects that discharge treated or untreated effluent directly or indirectly to watercourses. This includes projects that are consented to discharge treated effluent to a watercourse.

	Eligible practices Eligible practices, both new and existing, that support the measure, along with their associated costs, include: • Implementing and/or enhancing sustainable manure/slurry handling and storage practices, including: — Shifting to aerobic storage methods, such as utilising an aerobic composting system, to reduce emissions and improve the nutrient value of manure/slurry for future soil application. — Cooling slurry or liquid manure by storing it at lower temperatures (e.g. in animal houses with external manure pits), including implementing ventilation systems or refrigeration units, which reduces ammonia volatilisation and improves the nutrient value of manure/slurry for future soil application. — Minimising slurry agitation, including procurement of automated slurry handling systems, such as mechanical agitators, to reduce emissions, improve air quality, and enhance nutrient recovery efficiency. — Implementing slurry acidification systems to adjust the pH to 4.5-6.8, either in the livestock house, storage tank, or prior to field application, which helps reduce ammonia emissions and decrease odour. — Ensuring sufficient slurry storage capacity via slurry tanks and acid-resistant spreading equipment, to prevent leaks, overflow, and pollution. — Strengthening safety measures and monitoring systems to minimise the risk of accidents and spillage, including implementing safety infrastructure such as spill containment systems, leak detection sensors, and emergency shut-off valves. — Minimising the emitting surface area of manure heaps and slurry storage systems by utilising covered storage solutions like slurry lagoons with floating covers, enclosing manure heaps with barriers, and covering manure/slurry heaps with appropriate materials (e.g. plastic film or rigid covers). These act as physical barriers, reducing ammonia volatilisation, odours, and nutrient loss during spreading, while improving air quality, increasing ammonium concentration, and enhancing the nutrient value of the manure/slurry. — Relocating manure and slurry storage away from watercourses to prevent nutrient runoff and contamination of nearby water bodies, including cost associated with land modification and drainage control systems to minimise nutrient leaching into water systems. This must comply with relevant federal, state, and territory regulations to safeguard water quality and prevent pollution. — Collecting and redirecting potential runoff from manure heaps into on-site liquid slurry systems or back into the heap, including through the installation of runoff collection systems, to minimise nutrient losses and prevent pollution of surrounding areas. — Applying additives to manure or slurry to mitigate gaseous emissions, including the procurement of additives and application systems. • Treating slurries and manures in on-farm facilities, such as: — Separating solids from slurry prior to storage and application through mechanical or chemical methods. This process separates nitrogen-rich liquid and phosphorus-rich solids, helping to address phosphorus over-application in areas with high livestock density. Including solid-liquid separation systems, such as centrifuges, screw presses, or flotation systems. — Incorporating on-farm treatment facilities to enhance nutrient recycling, reduce emissions, and improve waste management efficiency. This includes on-farm anaerobic digestion units, such as biogas production systems, which convert manure into renewable energy and produce digestate that can be used as high-quality fertiliser (refer to Australian taxonomy-aligned climate change mitigation decarbonisation measure *A2.8 Manure management* criteria for relevant eligible practices). • Acquiring, maintaining, and upgrading infrastructure and technology for sustainable slurry and manure management, including storage solutions, on-farm treatment facilities, and improvements to Farm Dairy Effluent (FDE) systems, to ensure efficient, low-emission manure handling and processing. Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures*, agriculture support measures (outlined in section AA*3. Support Activities for Agriculture and Post-harvest),* and/or Australian taxonomy-aligned climate change mitigation decarbonisation measures *A1.7-A2.10 Renewable energy, A1.8-A2.11 Electric, energy-efficient, and renewable energy-compatible vehicles and equipment for on-site use,* and *A1.9 Low emissions cold storage.* *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single farm management plan.
Alignment to GBF targets	T7: Supports reduction of pollution harmful to biodiversity T10: Enhances sustainability in agriculture

Environmental measures	**Objectives** • Pollution prevention and control. • Biodiversity and ecosystem protection. **Potential co-benefits** • Sustainable use and protection of water resources. **AA2.5 Manure and slurry application to agricultural lands** Recycle and reuse animal waste through applying compost, manure, and/or slurry to agricultural soils to enhance soil fertility and improve long-term soil health while minimising environmental impacts. **Process and requirements** The measure must comprise all of the following: A. Develop, implement and maintain a farm management plan tailored to the location and needs of the agricultural activity. The plan should outline: a. Strategies to minimise manure and slurry runoff and losses, reducing the risk of nutrient leaching/runoff, water pollution, and eutrophication. b. Soil type, biology, structure, and its specific nutrient, physical, and biological needs. c. Nutritional and management requirements of the crop or pasture, as relevant. d. Evaluation of the suitability of the manure or slurry for the intended use. e. Details on historical and planned nutrient applications (including manure and slurry), along with associated crop or pasture rotations, to support optimal nutrient uptake, soil health, and biodiversity. As relevant, this should include application methods, rates, and timing, as well as consideration of multispecies planting, cover cropping, crop-livestock integration, fallow periods, and rotation strategies. f. Adherence to a recognised best practice standard, guideline, and/or code of practice for manure and slurry management and fertiliser use, such as relevant state and territory guidelines, regulations, and industry best management practices. g. Consideration of seasonal conditions and climate forecasts to inform manure and slurry application decisions. h. The incorporation of one or more of the eligible practices listed below. B. Demonstrate that the measure has been implemented in accordance with the farm management plan, with verification by a qualified expert (e.g. agronomist, agricultural waste management expert, manure management consultant, etc.) being a recommended approach. C. The measure must comply with the following criteria: a. The agricultural activity must comply with all applicable federal, state, and territory regulations concerning the use of manure and slurry as fertiliser, ensuring compliance with food safety, soil health, and environmental protection standards, including those outlined in the Australian New Zealand Food Standards Code. b. The agricultural activity must comply with all relevant federal, state, and territory regulations regarding farm waste management, specifically manure and slurry, to minimise nutrient runoff, water pollution, and air contamination. **Exclusions and restrictions** Projects that discharge treated or untreated effluent directly or indirectly to watercourses. This includes projects that are consented to discharge treated effluent to a watercourse. **Eligible practices** Eligible practices, both new and existing, that support the measure, along with their associated costs, include: • Engaging and/or conducting agronomic services and soil testing to determine the appropriate manure/slurry application rate and timing, ensuring proper application and preventing over-application. • Recycling organic waste into renewable fertilisers to improve nutrient efficiency, reduce reliance on synthetic fertilisers, minimise environmental impacts, and promote sustainable farming practices. This includes on-farm composting systems or anaerobic digestion units, such as biogas production systems, which convert manure into renewable energy and produce digestate that can be used as high-quality fertiliser (refer to Australian taxonomy-aligned climate change mitigation decarbonisation measure *A2.8 Manure management* criteria for relevant eligible practices). • Adopting or improving low-emission manure and slurry application techniques for precise nutrient management, including the use of precision slurry spraying equipment, slurry injection systems for subsurface application, band spreading, and the immediate incorporation of solid manure into arable soils using manure spreaders with incorporation systems. These methods help reduce ammonia emissions and minimise surface spreading. • Implementing low-emission and pollution manure/slurry storage and management practices, including sustainable manure/slurry handling and storage methods, and treatment processes (refer to environmental measure *AA2.4 Manure and slurry handling and management* criteria for relevant eligible practices). Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or agriculture support measures (outlined in section AA*3. Support Activities for Agriculture and Post-harvest)*. *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single farm management plan.
Alignment to GBF targets	T7: Supports reduction of pollution harmful to biodiversity T10: Enhances sustainability in agriculture T11: Supports restoration, maintenance and enhancement of nature's contribution to people

Environmental measures	**Objectives** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). **AA2.6 Fire management using Indigenous cultural burning and fire management practices** *(also AA9.1 for other land management)* Reintroducing controlled burning through Indigenous cultural burning (also known as cool burning) and fire management practices during the early dry season to mitigate the frequency and severity of fires in the late dry season. **Process and requirements** The measure must comprise all the following: A. Develop, implement, and maintain an agreed-upon fire management plan that outlines planned burns, tailored to the local landscape and prevailing weather conditions. The plan must include the eligible practice listed below and be regularly updated to accurately reflect conditions at the time of the planned controlled burning. B. Demonstrate that the measure has been implemented in accordance with the fire management plan and is conducted in a respectful and culturally sensitive manner, with participation or verification by a qualified expert (e.g. Indigenous fire practitioners and rangers, Traditional Owners, etc.) being a recommended approach. C. To meet the requirements of this measure, the land where the controlled burning will take place must comply with the following eligibility criteria: a. Land must be within the high or low rainfall zones of northern Australia that support savanna vegetation types; or b. Land must be within the Northern Arid Zone under lower (<600-350mm mean rain-year rainfall) and more annually variable rainfall conditions that support predominantly shrubby spinifex hummock grasslands. Where appropriate, early dry season fire management may be complemented by late dry season fire management activities, such as constructing fire breaks. **Eligible practices** Eligible practice, both existing and new, along with its associated costs*: • Igniting strategic and planned fires: — From aircrafts. — From vehicles. — By walking across the land with handheld drip torches. *Associated costs include operational expenses such as aerial ignition hire, necessary gear and equipment, ranger wages, monitoring and evaluation, and consultant services. Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures** and/or agriculture support measures (outlined in sections *AA3. Support Activities for Agriculture and Post-harvest,* and *AA11. Support Services for Natural Ecosystems)*. **Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.
Alignment to GBF targets *Depending on final purpose and characteristics of the measure	T2: Supports restoration of degraded ecosystems T3: Supports conservation of land and water* T6: Supports reducing the introduction of invasive alien species T7: Supports reduction of pollution harmful to biodiversity T10: Enhances sustainability in agriculture T13: Supports the sharing of benefits from Traditional Knowledge
Environmental measures	**AA2.7 Sustainable land-based water management** Eligible practices under AA1.3.
Environmental measures	**AA2.8 Water catchment, gully, and ecosystem restoration and conservation for sustainable water management** Eligible practices under AA1.4.
Environmental measures	**AA2.9 Efficient water management through infrastructure improvements** Eligible practices under AA1.5.
Environmental measures	**AA2.10 Water filtering and treatment** Eligible practices under AA1.6.
Environmental measures	**AA2.11 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)** Eligible practices under AA1.7.
Environmental measures	**AA2.12 Sustainable management of invasive vertebrate species** Eligible practices under AA1.8.

Environmental measures	**AA2.13 Sustainable land management practices for wildlife conservation and habitat health** Eligible practices under AA1.9.
Environmental measures	**AA2.14 Indigenous Land Management practices (Caring for Country)** Eligible practices under AA1.11.
Environmental measures	**AA2.15 Management practices for generation of biodiversity certificates or credits** Eligible practices under AA1.12.
Environmental measures	**AA2.16 Sustainable on-farm packaging** Eligible practices under AA1.13.

AA3. Support Activities for Agriculture and Post-harvest

Support measures	**Objectives** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **AA3.1 Agriculture support measures** **Eligible practices** Eligible practices, both new and existing, that support the measure, along with their associated costs, include: • Eligible practices under Australian taxonomy-aligned climate change mitigation support measure *A3.1 Agriculture support measures*. • Engaging advisory services to assist in adopting and implementing sustainable farming practices that align with the environmental objectives in scope outlined in the Agriculture and Land Taxonomy Expansion Pilot. • Acquiring or operating facilities such as storage or drying units to reduce waste and improve resource efficiency and that align with the environmental objectives in scope outlined in the Agriculture and Land Taxonomy Expansion Pilot. • Acquiring sustainable inputs that support the implementation of environmental measures criteria, in accordance with the environmental objectives outlined in the Agriculture and Land Taxonomy Expansion Pilot. • Engaging with or implementing services, along with supporting monitoring and measurement infrastructure and the involvement of experts to assist in the creation of Natural Capital Accounting and Environmental Accounts. • Implementing and engaging auditing and certification services of Natural Capital Accounting and Environmental Accounts, such as Accounting for Nature. • Acquiring or operating vehicles and equipment on a production unit that support the implementation of activities and measures aligning with the environmental objectives in scope outlined in the Agriculture and Land Taxonomy Expansion Pilot. These vehicles and equipment must meet the Australian taxonomy-aligned climate change mitigation and decarbonisation criteria specified in *A1.8 Electric, energy-efficient, and renewable energy-compatible vehicles and equipment for on-site use*.
Alignment to GBF targets* *Depending on final purpose and characteristics of the measure	T4: Supports halting of species extinction, protection of genetic diversity and management of human-wildlife conflicts* T10: Enhances sustainability in agriculture T13: Supports the sharing of benefits from genetic resources and digital sequence information*
Support measures	**Objectives** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **AA3.2 Precision agriculture support measures** Eligible precision agriculture practices, both new and existing, that support the measure, along with their associated costs, include: • Eligible practices under Australian taxonomy-aligned climate change mitigation support measure *A3.2 Precision agriculture support measures*. • Applying Controlled Traffic Farming (CTF) and precision farm layout planning to minimise soil compaction by limiting machinery movement to designated lanes, optimising field operations, and protecting soil structure. Eligible investments may include Global Positioning System (GPS)-guided equipment, CTF-compatible machinery, farm layout planning software, route optimisation tools, and advisory services to support implementation.
Alignment to GBF targets* *Depending on final purpose and characteristics of the measure	T3: Supports conservation of water* T7: Supports reduction of pollution harmful to biodiversity* T10: Enhances sustainability in agriculture

3.2 Forestry

AA4. Afforestation, Restoration and Rehabilitation

Sector	Agriculture and Land
Activity	AA4. Afforestation, Reforestation and Rehabilitation
Associated ANZSIC codes	0301 Forestry 0302 Logging 0510 Forestry Support Services 6240 Financial Asset Investing 6419 Other Auxiliary Finance and Investment Services Other ANZSIC codes may be considered when the activity is conducted alongside primary production or other land management activities.
Objective(s)	The activity makes a substantial contribution to one or more of the following environmental objectives: • Biodiversity and ecosystem protection; • Sustainable use and protection of water resources; and/or • Pollution prevention and control.
	Technical screening criteria
Environmental measures	**AA4.1 Improve soil health** Eligible practices under AA1.1.
Environmental measures	**AA4.2 Agroforestry and agroecology** Eligible practices under AA1.2.
Environmental measures	**AA4.3 Sustainable land-based water management** Eligible practices under AA1.3.
Environmental measures	**AA4.4. Water catchment, gully, and ecosystem restoration and conservation for sustainable water management** Eligible practices under AA1.4.
Environmental measures	**AA4.5 Water filtering and treatment** Eligible practices under AA1.6.
Environmental measures	**AA4.6 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)** Eligible practices under AA1.7.
Environmental measures	**AA4.7 Sustainable management of invasive vertebrate species** Eligible practices under AA1.8.
Environmental measures	**AA4.8 Sustainable land management practices for wildlife conservation and habitat health** Eligible practices under AA1.9.
Environmental measures	**AA4.9 Indigenous Land Management practices (Caring for Country)** Eligible practices under AA1.11.
Environmental measures	**AA4.10 Management practices for generation of biodiversity certificates or credits** Eligible practices under AA1.12.

AA5. Existing Forest Management

Sector	Agriculture and Land
Activity	AA5. Existing Forest Management
Associated ANZSIC codes	0301 Forestry 0302 Logging 0510 Forestry Support Services 6240 Financial Asset Investing 6419 Other Auxiliary Finance and Investment Services Other ANZSIC codes may be considered when the activity is conducted alongside primary production or other land management activities.
Objective(s)	The activity makes a substantial contribution to one or more of the following environmental objectives: • Biodiversity and ecosystem protection; • Sustainable use and protection of water resources; and/or • Pollution prevention and control.
	Technical screening criteria
Environmental measures	**AA5.1 Improve soil health** Eligible practices under AA1.1.
Environmental Measures	**AA5.2 Agroforestry and agroecology** Eligible practices under AA1.2.
Environmental measures	**AA5.3 Sustainable land-based water management** Eligible practices under AA1.3.
Environmental measures	**AA5.4. Water catchment, gully, and ecosystem restoration and conservation for sustainable water management** Eligible practices under AA1.4.
Environmental measures	**AA5.5 Water filtering and treatment** Eligible practices under AA1.6.
Environmental measures	**AA5.6 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)** Eligible practices under AA1.7.
Environmental measures	**AA5.7 Sustainable management of invasive vertebrate species** Eligible practices under AA1.8.
Environmental measures	**AA5.8 Sustainable land management practices for wildlife conservation and habitat health** Eligible practices under AA1.9.
Environmental measures	**AA5.9 Indigenous Land Management practices (Caring for Country)** Eligible practices under AA1.11.
Environmental measures	**AA5.10 Management practices for generation of biodiversity certificates or credits** Eligible practices under AA1.12.

AA6. Conservation Forestry

Sector	Agriculture and Land
Activity	AA6. Conservation Forestry
Associated ANZSIC codes	0301 Forestry 0510 Forestry Support Services 6240 Financial Asset Investing 6419 Other Auxiliary Finance and Investment Services Other ANZSIC codes may be considered when the activity is conducted alongside primary production or other land management activities.
Objective(s)	The activity makes a substantial contribution to one or more of the following environmental objectives: • Biodiversity and ecosystem protection; • Sustainable use and protection of water resources; and/or • Pollution prevention and control.
	Technical screening criteria
Environmental measures	**AA6.1 Improve soil health** Eligible practices under AA1.1.
Environmental Measures	**AA6.2 Agroforestry and agroecology** Eligible practices under AA1.2.
Environmental measures	**AA6.3 Sustainable land-based water management** Eligible practices under AA1.3.
Environmental measures	**AA6.4. Water catchment, gully, and ecosystem restoration and conservation for sustainable water management** Eligible practices under AA1.4.
Environmental measures	**AA6.5 Water filtering and treatment** Eligible practices under AA1.6.
Environmental measures	**AA6.6 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)** Eligible practices under AA1.7.
Environmental measures	**AA6.7 Sustainable management of invasive vertebrate species** Eligible practices under AA1.8.
Environmental measures	**AA6.8 Sustainable land management practices for wildlife conservation and habitat health** Eligible practices under AA1.9.
Environmental measures	**AA6.9 Indigenous Land Management practices (Caring for Country)** Eligible practices under AA1.11.
Environmental measures	**AA6.10 Management practices for generation of biodiversity certificates or credits** Eligible practices under AA1.12.

AA7. Support Services for Forestry

Support measures	**Objectives** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **AA7.1 Forestry support measures** **Eligible practices** Eligible practices, both existing and new, that support the measure, along with their associated costs, include: • Eligible practices under Australian taxonomy-aligned climate change mitigation support measure *A7.1 Forestry support measures*. • Engaging advisory services to assist in adopting and implementing sustainable land management practices that align with the environmental objectives in scope outlined in the Agriculture and Land Taxonomy Expansion Pilot. • Engaging with or implementing services, along with supporting monitoring and measurement infrastructure and the involvement of experts, to assist in the creation of Natural Capital Accounting and Environmental Accounts. • Implementing and engaging auditing and certification services of Natural Capital Accounting and Environmental Accounts, such as Accounting for Nature. • Collecting and propagating native or locally appropriate seed to support land restoration, enhance biodiversity, and promote sustainable land management practices aligned with the environmental objectives of the Agriculture and Land Taxonomy Expansion Pilot. Investable activities may include the establishment or expansion of seed banks, supply chain partnerships with First Nations seed collectors and nurseries, the creation of propagation facilities, and the acquisition of specialised equipment for seed collection, processing, storage, and propagation to enable large-scale revegetation and reforestation efforts. • Eligible practices under *AA3. Support Activities for Agriculture and Post-harvest* under measure *AA3.2 Precision agriculture support measures*. • Acquiring or operating vehicles and equipment on a production unit that support the implementation of activities and measures aligning with the environmental objectives in scope outlined in the Agriculture and Land Taxonomy Expansion Pilot. These vehicles and equipment must meet the Australian taxonomy-aligned climate change mitigation and decarbonisation criteria specified in *A1.8 Electric, energy-efficient, and renewable energy-compatible vehicles and equipment for on-site use*.
Alignment to GBF targets* *Depending on final purpose and characteristics of the measure	T2: Supports restoration of degraded ecosystems* T3: Supports conservation of land and water* T7: Supports reduction of pollution harmful to biodiversity* T11: Supports restoration, maintenance and enhancement of nature's contribution to people*

3.3 Other Land Management (Natural Ecosystems, incl. Aquatic Ecosystems)

AA8. Restoration and Rehabilitation of Ecosystems

Sector	Agriculture and Land
Activity	AA8. Restoration and Rehabilitation of Ecosystems
Associated ANZSIC codes	0510 Forestry Support Services 8922 Nature Reserves and Conservation Parks Operation Other ANZSIC codes may be considered when the activity is conducted alongside primary production or forestry activities.
Objective(s)	The activity makes a substantial contribution to one or more of the following environmental objectives: • Biodiversity and ecosystem protection; • Sustainable use and protection of water resources; and/or • Pollution prevention and control.
	Technical screening criteria
Environmental measures	**AA8.1 Improve soil health** Eligible practices under AA1.1.
Environmental Measures	**AA8.2 Agroforestry and agroecology** Eligible practices under AA1.2.
Environmental measures	**AA8.3 Water catchment, gully, and ecosystem restoration and conservation for sustainable water management** Eligible practices under AA1.4.
Environmental measures	**Objective** • Pollution prevention and control (tailored for objective and depending on final purpose). **Potential co-benefits** • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). **AA8.4 Pollution control in aquatic ecosystems, riparian and coastal zones** **Process and requirements** A. Establish a project plan (or equivalent) that describes the project's waste collection and/or recycling activities based on the below eligible practice. At a minimum, the plan must: a. Identify the project location and applicable collection and/or recycling methodologies. b. Outline a monitoring system that describes the data and information related to the monitoring of waste collection and/or recycling. B. Periodically monitor and report on waste collection and/or recycling activities. Reporting should occur annually at a minimum, and monitoring periods should be contiguous with no time gaps between them. **Eligible practice** Eligible practices, both existing and new, that support the measure, along with their associated costs, include: • Stewardship activities to increase waste collection and/or recycling from aquatic environments and riparian and coastal zones. Proponents can enhance this measure by integrating additional Agriculture and Land Taxonomy Expansion Pilot-aligned environmental measures* and/or support measures (outlined in section *AA11. Support Services for Natural Ecosystems*). *Any relevant process requirements outlined in the environmental measures (e.g. management plans) can be incorporated into a single management plan.
Alignment to GBF targets	T1: Plan and manage all areas to reduce biodiversity loss T2: Restore 30% of all degraded ecosystems T4: Halt species extinction, protect genetic diversity, and manage human-wildlife conflicts T7: Reduce pollution to levels that are not harmful to biodiversity
Environmental measures	**AA8.5 Water filtering and treatment** Eligible practices under AA1.6.
Environmental measures	**AA8.6 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)** Eligible practices under AA1.7.
Environmental measures	**AA8.7 Sustainable management of invasive vertebrate species** Eligible practices under AA1.8.
Environmental measures	**AA8.8 Sustainable land management practices for wildlife conservation and habitat health** Eligible practices under AA1.9
Environmental measures	**AA8.9 Indigenous Land Management practices (Caring for Country)** Eligible practices under AA1.11.
Environmental measures	**AA8.10 Management practices for generation of biodiversity certificates or credits** Eligible practices under AA1.12.

AA9. Land Management Using Indigenous Cultural Practices

Sector	Agriculture and Land
Activity	AA9. Land Management Using Indigenous Cultural Practices
Associated ANZSIC codes	0510 Forestry Support Services 8922 Nature Reserves and Conservation Parks Operation 7713 Fire Protection and Other Emergency Services Other ANZSIC codes may be considered when the activity is conducted alongside primary production or forestry activities.
Objective(s)	The activity makes a substantial contribution to one or more of the following environmental objectives: • Biodiversity and ecosystem protection; • Sustainable use and protection of water resources; and/or • Pollution prevention and control.
	Technical screening criteria
Environmental measures	**AA9.1 Fire management using Indigenous cultural burning and fire management practices** Eligible practices under AA2.6.
Environmental measures	**AA9.2 Indigenous Land Management practices (Caring for Country)** Eligible practices under AA1.11.
Environmental measures	**AA9.3 Management practices for generation of biodiversity certificates or credits** Eligible practices under AA1.12.

AA10. Conservation of Natural Ecosystems

Sector	Agriculture and Land
Activity	AA10. Conservation of Natural Ecosystems
Associated ANZSIC codes	0510 Forestry Support Services 8922 Nature Reserves and Conservation Parks Operation Other ANZSIC codes may be considered when the activity is conducted alongside primary production or forestry activities.
Objective(s)	The activity makes a substantial contribution to one or more of the following environmental objectives: • Biodiversity and ecosystem protection; • Sustainable use and protection of water resources; and/or • Pollution prevention and control.
	Technical screening criteria
Environmental measures	**AA10.1 Improve soil health** Eligible practices under AA1.1.
Environmental Measures	**AA10.2 Agroforestry and agroecology** Eligible practices under AA1.2.
Environmental measures	**AA10.3 Water catchment, gully, and ecosystem restoration and conservation for sustainable water management** Eligible practices under AA1.4.
Environmental measures	**AA10.4 Pollution control in aquatic ecosystems, riparian and coastal zones** Eligible practices under AA8.4.
Environmental measures	**AA10.5 Sustainable management of pests (e.g. invertebrates) and weeds through integrated pest management (including optimised chemical use)** Eligible practices under AA1.7.
Environmental measures	**AA10.6 Sustainable management of invasive vertebrate species** Eligible practices under AA1.8.
Environmental measures	**AA10.7 Sustainable land management practices for wildlife conservation and habitat health** Eligible practices under AA1.9.
Environmental measures	**AA10.8 Indigenous Land Management practices (Caring for Country)** Eligible practices under AA1.11.
Environmental measures	**AA10.9 Management practices for generation of biodiversity certificates or credits** Eligible practices under AA1.12.

AA11. Support Services for Natural Ecosystems

Support measures	**Objectives** • Biodiversity and ecosystem protection (tailored for objective and depending on final purpose). • Sustainable use and protection of water resources (tailored for objective and depending on final purpose). • Pollution prevention and control (tailored for objective and depending on final purpose). **AA11.1 Other land management (natural ecosystems, incl. aquatic ecosystems) support measures** **Eligible practices** Eligible practices, both new and existing, that support the measure, along with their associated costs, include • Eligible practices under Australian taxonomy-aligned climate change mitigation support measure *A11.1 Other land management (natural ecosystems) support measures*. • Engaging advisory services to assist in adopting and implementing sustainable land management practices that align with the environmental objectives in scope outlined in the Agriculture and Land Taxonomy Expansion Pilot. • Engaging with or implementing services, along with supporting monitoring and measurement infrastructure and the involvement of experts, to assist in the creation of Natural Capital Accounting and Environmental Accounts. • Implementing and engaging auditing and certification services of Natural Capital Accounting and Environmental Accounts, such as Accounting for Nature. • Collecting and propagating native or locally appropriate seed to support land restoration, enhance biodiversity, and promote sustainable land management practices aligned with the environmental objectives of the Agriculture and Land Taxonomy Expansion Pilot. Investable activities may include the establishment or expansion of seed banks, supply chain partnerships with seed collectors and nurseries, the creation of propagation facilities, and the acquisition of specialised equipment for seed collection, processing, storage, and propagation to enable large-scale revegetation and reforestation efforts. • Eligible practices under *AA3. Support Activities for Agriculture and Post-harvest* under measure *AA3.2 Precision agriculture support measures*. • Acquiring or operating vehicles and equipment on a production unit that support the implementation of activities and measures aligning with the environmental objectives in scope outlined in the Agriculture and Land Taxonomy Expansion Pilot. These vehicles and equipment must meet the Australian taxonomy-aligned climate change mitigation and decarbonisation criteria specified in *A1.8 Electric, energy-efficient, and renewable energy-compatible vehicles and equipment for on-site use*.
Alignment to GBF targets *Depending on final purpose and characteristics of the measure	T2: Supports restoration of degraded ecosystems* T3: Supports conservation of land and water* T7: Supports reduction of pollution harmful to biodiversity* T11: Supports restoration, maintenance and enhancement of nature's contribution to people*

4. Do No Significant Harm

4.1 Overview

Do No Significant Harm (DNSH) criteria are designed to ensure an economic activity that makes a substantial contribution to one or more of the Pilot's environmental objectives does not cause significant harm to the Pilot's other environmental objectives. The six environmental objectives are:

- climate change mitigation
- climate change adaptation and resilience;
- biodiversity and ecosystem protection;
- sustainable use and protection of water resources;
- pollution prevention and control; and
- transition to a circular economy.

DNSH criteria are applied at an activity level and consider significant impacts (potential and actual) throughout the lifecycle of an asset, activity or project.

The Australian taxonomy's DNSH framework consists of generic and specific criteria. Generic criteria are general, principles-based requirements that apply to each environmental objective. For example, conducting a physical climate risk assessment is a requirement under the generic DNSH criteria for climate change adaptation and resilience. Specific DNSH criteria are more detailed requirements tailored to particular sectors or activities. They address real or potential material impacts not covered by the generic criteria, such as requirements for managing particular pollutants. Whether generic and/or specific criteria apply depends on the activity.

The agriculture and land sector activities covered by this Pilot correspond to those in the Australian taxonomy (see Table 1). Measures under each activity in the Pilot were assessed against the Australian taxonomy's DNSH criteria. It was determined that the DNSH criteria from the Australian taxonomy would remain applicable where relevant, with the potential addition of criteria for climate change mitigation.

4.2 Do No Significant Harm to Climate Change Mitigation

The initial Australian taxonomy's DNSH framework does not include criteria for climate change mitigation, as this was the primary environmental objective for which the TSC were developed. As climate change mitigation is not a primary environmental objective of this Pilot—that is, activities do not need to make a substantial contribution to climate change mitigation to meet the Pilot's proposed TSC—DNSH criteria must be considered.

The development of generic DNSH criteria for climate change mitigation is outside the scope of this Pilot, as it would need to be broadly applicable across all sectors in the Australian taxonomy. Generic DNSH criteria for climate change mitigation may be considered in a future iteration of the Australian taxonomy, should it be expanded to cover environmental objectives beyond climate change mitigation, including the incorporation of this Pilot's draft criteria.

Accordingly, for the purposes of this Pilot, the overarching principle used to define DNSH for climate change mitigation is: "*...the activity, on a lifecycle basis, does not lead to a significant increase in greenhouse gas (GHG) emissions*". This is consistent with the approach taken by the EU Taxonomy for their expanded criteria that make a substantial contribution to environmental objectives beyond climate change mitigation.

Using the overarching principle identified above and consistent with the approach taken by the EU, the activities and measures in the Pilot were assessed to determine whether they could lead to a significant increase in greenhouse gas emissions. If so, specific DNSH criteria would be developed.

The largest sources of GHG emissions in the agriculture and land sectors are associated with land conversion, livestock production, and manure management, with fertiliser use being the fourth largest contributor (Meyer et al, 2019). The risk of a significant increase in GHG emissions from these four sources was assessed and determined to be managed directly through the Pilot's draft TSC, as outlined in Table 3. Consequently, specific DNSH criteria for climate change mitigation are not applicable to the activities and measures covered by the Pilot.

TABLE 3

Greenhouse Gas Emissions Sources in the Agriculture and Land Sectors

Source of emissions	Covered by TSC	Explanation
Land conversion	✓	Covered by the existing conversion requirement. ("The activity will be inconsistent if it results in the conversion of natural forests and/or draining of natural wetlands").
Livestock production	✓	Covered by practices outlined under AA2.4 Herd Management.
Manure and fertiliser management	✓	Covered by the new measures for manure and slurry application to agricultural lands and handling and management; and under AA1.1./AA2.2. (Improve Soil Health).

4.3 Application of the Australian Taxonomy DNSH Criteria to the Pilot

The proposed application of the Australian taxonomy's generic and specific DNSH criteria to the Pilot is set out under each activity below.

AA1. Perennial and Non-perennial Crops (incl. Horticulture and Rice Production)

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	Apply Australian taxonomy generic DNSH criteria.
Biodiversity and ecosystem protection	N/A where the measure makes a substantial contribution to biodiversity and ecosystem protection, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A1).
Sustainable use and protection of water resources	N/A where the measure makes a substantial contribution to the sustainable use and protection of water resources, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A1).
Pollution prevention and control	N/A where the measure makes a substantial contribution to pollution prevention and control, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A1).
Transition to a circular economy	Apply Australian taxonomy generic DNSH criteria.

AA2. Animal Production (incl. Grazing)

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	Apply Australian taxonomy generic DNSH criteria.
Biodiversity and ecosystem protection	N/A where the measure makes a substantial contribution to biodiversity and ecosystem protection, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A2).
Sustainable use and protection of water resources	N/A where the measure makes a substantial contribution to the sustainable use and protection of water resources, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A2).
Pollution prevention and control	N/A where the measure makes a substantial contribution to pollution prevention and control, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A2).
Transition to a circular economy	Apply generic criteria.
Animal welfare	Apply Australian taxonomy specific DNSH criteria for this objective (A2).

AA3. Support Activities for Agriculture and Post-harvest

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	N/A
Biodiversity and ecosystem protection	N/A
Sustainable use and protection of water resources	N/A
Pollution prevention and control	N/A
Transition to a circular economy	N/A

AA4. Afforestation, Restoration and Rehabilitation

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	Apply Australian taxonomy generic DNSH criteria.
Biodiversity and ecosystem protection	N/A where the measure makes a substantial contribution to biodiversity and ecosystem protection, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A4).
Sustainable use and protection of water resources	N/A where the measure makes a substantial contribution to the sustainable use and protection of water resources, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A4).
Pollution prevention and control	N/A where the measure makes a substantial contribution to pollution prevention and control, as identified in the TSC. Otherwise, apply Australian taxonomy generic DNSH criteria.
Transition to a circular economy	Apply generic criteria.

AA5. Existing Forest Management

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	Apply Australian taxonomy generic DNSH criteria.
Biodiversity and ecosystem protection	N/A where the measure makes a substantial contribution to biodiversity and ecosystem protection, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A5).
Sustainable use and protection of water resources	N/A where the measure makes a substantial contribution to the sustainable use and protection of water resources, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A5).
Pollution prevention and control	N/A where the measure makes a substantial contribution to pollution prevention and control, as identified in the TSC. Otherwise, apply Australian taxonomy generic DNSH criteria.
Transition to a circular economy	Apply Australian taxonomy generic DNSH criteria.

AA6. Conservation Forestry

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	Apply Australian taxonomy generic DNSH criteria.
Biodiversity and ecosystem protection	N/A where the measure makes a substantial contribution to biodiversity and ecosystem protection, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A6).
Sustainable use and protection of water resources	N/A where the measure makes a substantial contribution to the sustainable use and protection of water resources, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A6).
Pollution prevention and control	N/A where the measure makes a substantial contribution to pollution prevention and control, as identified in the TSC. Otherwise, apply Australian taxonomy generic DNSH criteria.
Transition to a circular economy	Apply Australian taxonomy generic DNSH criteria.

AA7. Support Services for Forestry

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	N/A
Biodiversity and ecosystem protection	N/A
Sustainable use and protection of water resources	N/A
Pollution prevention and control	N/A
Transition to a circular economy	N/A

AA8. Restoration and Rehabilitation of Ecosystems

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	Apply Australian taxonomy generic DNSH criteria.
Biodiversity and ecosystem protection	N/A where the measure makes a substantial contribution to biodiversity and ecosystem protection, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A8).
Sustainable use and protection of water resources	N/A where the measure makes a substantial contribution to the sustainable use and protection of water resources, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A8).
Pollution prevention and control	N/A where the measure makes a substantial contribution to pollution prevention and control, as identified in the TSC. Otherwise, apply Australian taxonomy generic DNSH criteria.
Transition to a circular economy	N/A

AA9. Land Management Using Indigenous Cultural Practices

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	Apply Australian taxonomy generic DNSH criteria.
Biodiversity and ecosystem protection	Apply Australian taxonomy generic DNSH criteria.
Sustainable use and protection of water resources	N/A
Pollution prevention and control	N/A
Transition to a circular economy	N/A

AA10. Conservation of Natural Ecosystems

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	Apply Australian taxonomy generic DNSH criteria.
Biodiversity and ecosystem protection	N/A where the measure makes a substantial contribution to biodiversity and ecosystem protection, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A10).
Sustainable use and protection of water resources	N/A where the measure makes a substantial contribution to the sustainable use and protection of water resources, as identified in the TSC. Otherwise, apply Australian taxonomy generic and specific DNSH criteria (A10).
Pollution prevention and control	N/A where the measure makes a substantial contribution to pollution prevention and control, as identified in the TSC. Otherwise, apply Australian taxonomy generic DNSH criteria.
Transition to a circular economy	N/A

AA11. Support Services for Natural Ecosystems

OBJECTIVE	CRITERIA
Climate change mitigation	N/A
Climate change adaptation and resilience	N/A
Biodiversity and ecosystem protection	N/A
Sustainable use and protection of water resources	N/A
Pollution prevention and control	N/A
Transition to a circular economy	N/A

5. Minimum Social Safeguards

5.1 Overview and Application of the Australian Taxonomy MSS criteria to the Pilot

Minimum Social Safeguards (MSS) are designed to ensure that an entity seeking to demonstrate that its activities are taxonomy-aligned meets minimum corporate governance standards and adheres to a defined set of social norms in relation to human rights (including labour rights) and First Nations peoples.

Compliance with MSS is determined through an assessment of performance criteria against the taxonomy's core social pillars (corporate governance; human rights; and First Nations rights and cultural heritage). MSS criteria are principles-based and, in contrast to the TSC and DNSH criteria, defined at an entity level due to the significant usability challenges associated with activity-level disclosure.

For the Pilot's MSS requirements, refer to the Australian taxonomy's MSS criteria and guidance. No additional or changed requirements would apply.

6. Appendices

Appendix 1: About the Australian Sustainable Finance Taxonomy

The Australian sustainable finance taxonomy (Australian taxonomy) is a framework that classifies economic activities based on their positive contribution to sustainability objectives. The Australian taxonomy provides a common standard for green and transition finance in Australia, helping to accelerate the allocation of capital towards activities that enable Australia's sustainability ambitions.

The Australian taxonomy's development phase ran from July 2023 to February 2025. It was a joint industry-government initiative, led by ASFI in partnership with the Australian Department of the Treasury (Treasury), to develop an initial sustainable finance taxonomy for climate change mitigation. Figure 1 summarises the design principles that guided the Australian taxonomy's development.

FIGURE 1
The Australian taxonomy's design principles

Credibility: The taxonomy should be science-aligned, evidence-based, and informed by up-to-date information and best practice.

Usability: The taxonomy should be designed in a manner that is clear, efficient, and understandable for taxonomy users, including financial and non-financial corporate entities, and government entities.

Interoperability: The taxonomy should be broadly comparable with international standards and taxonomies, while still tailored to the Australian context in which it will operate.

Prioritisation for impact: The taxonomy should be tailored to Australian priorities, including public policy objectives.

The Australian Council of Financial Regulators' Climate Working Group—comprising representatives from Treasury, the Reserve Bank of Australia, the Australian Prudential Regulation Authority, and the Australian Securities and Investments Commission—provided governance oversight for the Australian taxonomy's initial development. A Taxonomy Technical Expert Group (TTEG) provided strategic direction over, input into, and endorsement of the Australian taxonomy. Sector- and subject-specific advisory groups provided technical input and feedback over the course of the Australian taxonomy's development. There were also two rounds of comprehensive public consultation on draft criteria.

The Australian taxonomy six environmental objectives are outlined in Table 1. These were selected and defined based on Australia's environmental priorities and commitments, and interoperability with international taxonomies.

Performance criteria for climate change mitigation was prioritised in the Australian taxonomy's initial development phase, reflecting the urgent market need for credible and usable guidance on activities that substantially contribute to achieving net-zero emissions, and supporting interoperability with other taxonomies and consistency with sustainability-related disclosure frameworks. Recognising the importance of broader environmental objectives to Australia's long-term sustainability, the Australian taxonomy has been designed to ensure it can expand in the future to include performance criteria for economic activities that make a substantial contribution to the other environmental objectives.

TABLE 1
Australian taxonomy environmental objectives

Climate change mitigation
Achieve net zero greenhouse gas emissions (GHG) in Australia by no later than 2050 to contribute to the Paris Agreement goal of keeping global temperature increases well below 2°C and seeking to limit temperature increases to 1.5°C based on credible, science-aligned scenarios. To support the achievement of this ambition, rapid and sustained GHG emissions reductions consistent with Paris-aligned, quantitative interim targets informed by the best available science and based on Australia's remaining carbon budget are required to avoid further accumulation of greenhouse gases in the atmosphere and reduce adverse climate impacts. This includes the ongoing transformation of the energy sector to net zero emissions sources.
Climate change adaptation and resilience
Businesses, civil society, communities, landscapes and ecosystems in Australia have the capacity to resist, absorb, adapt to, and transform and recover from the current and projected impacts of climate change, both direct and indirect, in a timely and effective manner by 2050. To support the achievement of this ambition, immediate actions and investments are required that anticipate, prepare for, and respond to climate-related risks to reduce the costs and impacts associated with response and recovery.
Biodiversity and ecosystem protection
Australia's biodiversity loss is halted and reversed and all ecosystems are conserved, restored and sustainably used by 2050 in line with the goals and targets of the Kunming-Montreal Global Biodiversity Framework. The impacts of climate change, invasive species and human pressures are minimised to enable a continued flow of ecosystem services within the limits of planetary boundaries and based on the principle of equitable outcomes for diverse societal needs. Elevating and integrating First Nations-led traditional practices is critical to the achievement of this ambition. Adverse environmental impacts are avoided or minimised while efforts to protect, conserve and restore the environment are scaled up. By 2030, at least 30 per cent of Australia's areas of degraded terrestrial, inland water, and marine and coastal areas are under effective restoration; and at least 30 per cent of terrestrial and inland water, marine and coastal areas, especially areas of particular importance for biodiversity and its ecosystem functions and services, are effectively conserved and managed. Human-induced extinction is halted and extinction risk is minimised to maintain and restore genetic diversity within and between species; and agriculture, aquaculture, fisheries and forestry are managed sustainably.
Sustainable use and protection of water resources
Aquatic ecosystems are conserved and restored at a catchment level by 2050 in Australia in line with the goals and targets of the Kunming-Montreal Global Biodiversity Framework to enhance their ecological integrity and connectivity, genetic diversity and enable a continued flow of ecosystem services within the limits of planetary boundaries and based on the principle of equitable outcomes for diverse societal needs. Elevating and integrating First Nations-led traditional practices is critical to the achievement of this ambition. Freshwater withdrawals from surface water bodies and groundwater are effectively managed so that deterioration in water quality and the biodiversity of aquatic ecosystems is halted. By 2030, at least 30 per cent of areas of degraded inland water, marine and coastal ecosystems are restored; and at least 30 per cent of inland, marine and coastal areas are effectively conserved and managed.
Pollution prevention and control
Pollution risks and the adverse impacts of pollution from all sources are eliminated where possible or reduced to levels that are not harmful to people, biodiversity or ecosystem functions and services in Australia by 2030. To support the achievement of this ambition, pollution sources, sinks and pathways are identified and risk-based measures are applied to avoid, reduce and safely remediate pollution from identified contamination sources, including air toxins, international convention chemicals such as Persistent Organic Pollutants, and other chemicals and minerals of concern. The risks associated with hazardous waste are effectively managed and circular economy-aligned approaches are identified and implemented to prevent, minimise, recycle and eliminate other categories of waste.
Transition to a circular economy
Achieve sustainable design, production and consumption in Australia by transitioning from the current linear "take-make-waste" economic system to a more circular economy by 2030 that supports resource use within planetary boundaries. To support the achievement of this ambition, increase Australia's circularity rate by focusing on designing out waste and pollution; shift to renewable and long-lived materials; implement more materials-efficient production processes and circular business models; circulate materials and products as long as possible (at their highest value); and regenerate nature.

The initial Australian taxonomy comprises the components outlined in Figure 2.

FIGURE 2
Elements in scope for the initial Australian taxonomy

Description	Sector scope
Technical screening criteria for climate change mitigation Technical screening criteria (TSC) are applied to each activity covered in the taxonomy and refer to the requirements – often constituted as quantitative performance thresholds – that must be met for an activity to be assessed as making a substantial contribution to climate change mitigation.	**Agriculture and Land** **Minerals, Mining and Metals** **Manufacturing and Industry** **Electricity Generation and Supply** **Construction and Buildings** **Transport**
Do No Significant Harm (DNSH)	
The DNSH criteria aim to ensure activities that meet the performance thresholds set out in the TSC for climate change mitigation do not cause significant harm to the taxonomy's other environmental objectives (climate change adaptation and resilience; biodiversity and ecosystem protection; sustainable use and protection of water resources; pollution prevention control; and transition to a circular economy).	
Minimum Social Safeguards (MSS)	
The MSS criteria aim to ensure that an entity engaging in taxonomy-aligned activities adheres to key social protections and standards with respect to corporate governance, human rights, and First Nations rights and cultural heritage.	

The initial Australian taxonomy will be released in mid-2025. You can access more information about the Australian taxonomy's initial development phase at http://www.asfi.org.au/about-taxonomy.

Appendix 2: Source List for Priority Activities and Measures

Australian initiatives and resources

INITIATIVE	SUMMARY
Australian sustainable finance taxonomy (climate change mitigation)	Some criteria included to address climate mitigation also addresses other environmental objectives.
Nature Repair Market methods	Methods that align with environmental objectives (including criteria, baselines, monitoring and assessment processes). E.g., Replanting Native Forest and Woodland Ecosystems.
Australian Carbon Credit Unit Scheme methods (co-benefits)	Methods that have co-benefits aligned with environmental objectives, particularly for agriculture and vegetation.
Reef Credit Scheme (QLD)	Methods that align with environmental objectives, particularly for aquatic ecosystems management.
Land Restoration Fund (co-benefits) (QLD)	Methods eligible for co-benefits that align with environmental objectives.
GreenCollar's NaturePlus	Biodiversity credit scheme. Methods and design elements can be leveraged when developing the criteria.
Accounting for Nature	Environmental accounting framework to inform investment, policy and management decisions in natural capital.
Clean Energy Finance Corporation's (CEFC) Measuring What Matters Report	Guide to assessing agriculture and forestry investment for natural capital investors.
CEFC's Pathfinder	Serves as a guide to implement on-farm activities that support reductions in greenhouse gas emissions. However, many of these activities align with other environmental objectives.
Reef 2050 Water Quality Improvement Plan	Joint commitment of the Australian and Queensland governments that seeks to improve the quality of water flowing from Reef catchments to the Great Barrier Reef.
Australian research: • **La Trobe's Biodiversity Indicators** • **Farming for the Future** • **Climateworks' Land Use Trade-offs model** • **CSIRO**	Scientific knowledge aligned with the environmental objectives and that is fit-for-purpose for Australia.
Australian Water Partnership	Insights on water use efficiency in irrigated agriculture.
National Soil Strategy and Action Plan	Set out a strategy and priority actions for prioritising soil health; improving soil innovation and stewardship; and strengthening soil knowledge and capability.

Global initiatives

INITIATIVE	SUMMARY
Climate Bonds Initiative's agriculture and forestry criteria	Agriculture and Forestry criteria for the Climate Bonds Standard and Certification Scheme.
Draft EU Taxonomy	Draft TSC covering agriculture, forestry, and environmental protection and restoration activities.
New Zealand Sustainable Agriculture Finance Initiative (crops and animal production)	Provides a voluntary, open-source definition and classification system for lending and investment in the primary sector.
Science-Based Targets for Nature (SBTN)	Relevant targets: Freshwater; Land; Ocean; Biodiversity. Methods are underpinned by the IPBES assessment process. Considerations aligned with the environmental objectives are integrated throughout their technical guidance.
Green Finance Institute's (GFI) initiatives	Work on defining environmentally sustainable land use and nature-related economic activities for a UK Green Taxonomy, such as the recommendations by the Land, Nature and Adapted Systems Advisory Group (LNAS).
International Union for Conservation of Nature (IUCN): Nature-based Solutions	IUCN provides a framework for nature-based solutions focused on protecting and restoring biodiversity and ecosystems.
GRI13 - Sector Standard for Agriculture, Aquaculture, and Fishing	Describes 26 topics identified as likely material for all organisations around the world involved in crop cultivation, animal production, aquaculture and fishing. First international sustainability-related standard for the sector to incorporate all principles of the Accountability Framework.
Food and Agriculture Organization's (FAO) initiatives	The FAO provides insights into sustainable land management aligned to the environmental objectives, primarily through the following publications: • Biodiversity for Food and Agriculture • Guidelines on "Good Agricultural Practices" • The International Code of Conduct on Pesticide Management
Regen10	A global multistakeholder initiative working to support an inclusive, regenerative and equitable food systems transition.
Global Water Partnership (GWP) – Integrated Water Resources Management (IWRM)	The IWRM focuses on sustainable water management practices and have published multiple related resources.
Alliance for Water Stewardship (AWS)	The AWS International Water Stewardship Standard's indicators and design elements can be leveraged to develop criteria.
The Nature Conservancy (TNC)	TNC works on multiple projects aligned with the environmental objectives, such as water funds and conservation strategies.
REDD++	While focusing primarily on reducing emissions from deforestation and forest degradation, REDD++ also covers the role of conservation and sustainable management, aligned with the environmental objectives.
EU Biodiversity Strategy for 2030	The strategy focuses on protecting nature and reversing the degradation of ecosystems.
EU Soil Strategy for 2030	The strategy focuses on addressing pollution through sustainable soil management practices.
EU Zero Pollution Action Plan	The plan offers various resources and has a zero-pollution ambition for air, water and soil.
Californian initiatives: • **Fox Canyon Groundwater Market** • **Nature-Based Solutions Climate Targets**	Both initiatives include resources to incentivise the sustainable management of resources, particularly through water conservation and restoration activities.
Global Farm Metric	Framework defines on-farm sustainability and supports farmers to understand, measure and monitor the state of their farming system in a consistent way.
World Resources Institute (WRI)	The WRI offers some resources related to sustainable land management, particularly relevant to preventing pollution.
IPCC's Special Report: Special Report on Climate Change and Land	Promotes sustainable land management practices that integrate environmental conservation with climate mitigation and adaptation, including those related to water resource management, ecosystem protection, and pollution control.
World Bank	Provides material on sustainable land management that integrates land, water, biodiversity, and environmental management.

Appendix 3: Key Definitions – Land Conversion Requirement for the Agriculture and Land Sector

The Australian taxonomy and this Pilot use the Accountability Framework initiative 'AFi' definitions of "forest", "natural forest", and "agricultural use", with Australian quantitative forest thresholds used in Australia's National Greenhouse Gas Inventory. These definitions are set out below. If there are updates to the AFi definitions, the updated definitions in the AFi will prevail.

Agriculture/Agricultural use

The use of land primarily for any one or more of the following:

1. Cultivation of temporary or annual crops that have a growing cycle of one year or less.
2. Cultivation of permanent or perennial crops that have a growing cycle of more than one year, including tree crops.
3. Cultivation of permanent or temporary meadows or pastures, for example, by planting of non-native grasses and/or by agricultural management practices such as irrigation or fertilisation.
4. Raising of livestock on land characterised by severe and sustained degradation.
5. Buildings, animal feeding operations and other farm infrastructure.
6. Temporarily fallow land.

Forest

Land spanning more than 0.5 hectares with trees higher than two metres and a canopy cover of more than 20 per cent*, or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or other land use. Forest includes natural forests and tree plantations.

*Tree height and canopy cover quantitative thresholds correspond to those used in Australia's National Greenhouse Gas Inventory. The AFi states that quantitative thresholds (e.g. for tree height or canopy cover) established in legitimate national or sub-national forest definitions may take precedence over the generic thresholds in their definition.

Natural Forest

A forest that is a natural ecosystem. Natural forests possess many or most of the characteristics of a forest native to the given site, including species composition, structure, and ecological function. Natural forests include:

1. Primary forests that have not been subject to major human impacts in recent history.
2. Regenerated (second-growth) forests that were subject to major impacts in the past (for instance, by agriculture, livestock raising, tree plantations, or intensive logging) but where attained much of the species composition, structure, and ecological function of prior or other contemporary natural ecosystems.
3. Managed natural forests where much of the ecosystem's composition, structure, and ecological function exist in the presence of activities such as:
   a. Harvesting of timber or other forest products, including management to promote high-value species.
   b. Low intensity, small-scale cultivation within the forest, such as less-intensive forms of swidden agriculture in a forest mosaic.
4. Forests that have been partially degraded by anthropogenic or natural causes (e.g. harvesting, fire, climate change, invasive species, or others) but where the land has not been converted to another use and where degradation does not result in the sustained reduction of tree cover below the thresholds that define a forest or sustained loss of other main elements of ecosystem composition, structure, and ecological function.

Wetland

As defined by Australia's Carbon Credits (Carbon Farming Initiative) Rule 2025, wetlands are areas of marsh, fen, peatland, or water that are either temporary or permanent and which have water that can be static or flowing, fresh, brackish, or salty, and includes areas of marine water the depth of which at low tide is not more than six metres.

Tree plantation

The forest predominantly composed of trees established through planting and/or deliberate seeding that lacks key elements of a natural forest native to the area, such as species composition and structural diversity.

Tree plantations generally have one or a few tree species and tend to include one or more of the following characteristics:

1. Planted on cleared land.
2. Harvested regularly.
3. Trees are of even ages.
4. Products from the plantation are managed and processed for commercial production.

Tree plantations can consist of trees planted for timber, pulp, non-timber forest products (e.g. rubber latex), or ecosystem services (e.g. soil stabilisation). Plantations dominated by agricultural species (e.g. fruits or oil palm) are considered agriculture, not tree plantations.

7. Citations

Australian Bureau of Agricultural and Resource Economics and Sciences 2025, Snapshot of Australian Agriculture. Available from: https://daff.ent.sirsidynix.net.au/client/en_AU/search/asset/1036762/0.

Australian Farm Institute 2022, Is Australian agriculture ready to be sustainable? Available from https://www.farminstitute.org.au/is-australian-agriculture-ready-to-be-sustainable/.

Burian et. al. 2024, Biodiversity–production feedback effects lead to intensification traps in agricultural landscapes, *Nature Ecology & Evolution 8* (752-760). Available from: https://www.nature.com/articles/s41559-024-02349-0.

Department of Climate Change, Energy, the Environment and Water 2025, Australia's National Biodiversity Strategy and Action Plan. Available at: https://www.dcceew.gov.au/environment/biodiversity/conservation/strategy.

Department of the Treasury 2024, Sustainable Finance Roadmap: https://treasury.gov.au/publication/p2024-536290.

Food and Agriculture Organisation of the United Nations (FAO) 2018, The Future of Food and Agriculture – Alternative Pathways to 2050. Available from: https://www.fao.org/global-perspectives-studies/resources/detail/en/c/1157074/.

FAO 2022, Global Forest Sector Outlook 2050: Assessing Future Demand and Sources of Timber for a Sustainable Economy. Available from: https://openknowledge.fao.org/server/api/core/bitstreams/9f646b14-28d2-496e9728-0b1c281339b5/content.

Intergovernmental Platform on Biodiversity and Ecosystem Services 2016, IPBES Webinar Series – Webinar 1: The IPBES Assessment Process. Available from: https://files.ipbes.net/ipbes-web-prod-public-files/IPBES_Webinar_Series_Webinar_1-The_IPBES_Assessment_Process_.pdf.

KPMG, National Farmers Federation 2019, A Return on Nature: Enabling the market for sustainable finance and ecosystem services. Available from: https://aasf.org.au/wp-content/uploads/2024/03/kpmg-nff-return-on-nature-report.pdf.

Meyer, R, Doran-Browne, N, Dooley, K, Eckard, R, Achieving net negative emissions in a productive agricultural sector, Energy Transition Hub, 2019. Available from: https://www.energy-transition-hub.org.

Organisation for Economic Co-operation and Development 2023, Agricultural Policy Monitoring and Evaluation 2023: https://www.oecd.org/en/publications/2023/10/agricultural-policy-monitoring-and-evaluation-2023_7cc05c6a.html.


Australian Sustainable
Finance Institute