



JAN - 21

Protected Habitat Farmers Mutual

Overview

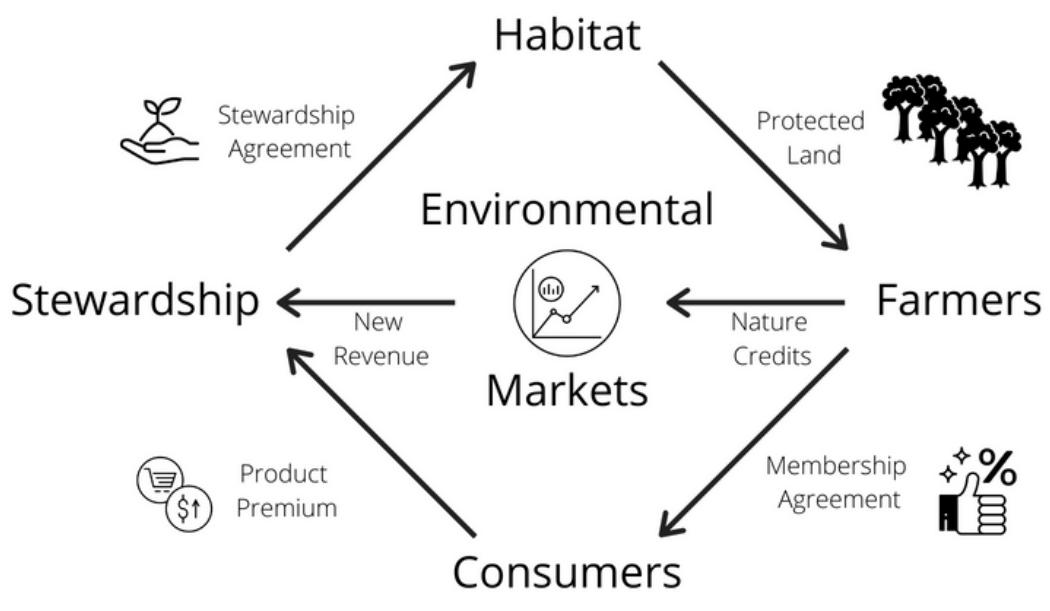
Rewarding farmers for land stewardship

You have the opportunity to join a farmer mutual that will deliver:

- Simpler access to environmental markets
- Higher returns from your land stewardship
- High profile environmental branding
- Education and support for your stewardship practices
- Control over your data

If you're interested in understanding how the farmer mutual will work, you can simply register your interest at <https://ethicalfields.com/protected-habitat/> or call your Local Landcare Co-ordinator.

Protected Habitat Farmers Mutual How it works



The Mutual

A mutual is a way for farmers to aggregate market power in environmental markets, which in turn can deliver better outcomes for farmers. As a business that is owned by its customers, its mission is to reduce the complexity and cost of accessing environmental markets for each farmer member. It can also deliver benefits in terms of branding, education and support, and crucially can protect and maximise the value of farmer data. At its simplest, its purpose is to put more money from Environmental Goods and Services in the pockets of farmers.

Environmental Goods and Services

In addition to carbon markets, farmers can also be paid for biodiversity, habitat conservation and regeneration. These goods and services can be produced by farmers according to their unique environment and practices.

The Market

The markets for Environmental Goods and Services usually require individual farmers to aggregate in order to reach a sufficient transaction size. The mutual is a practical way of achieving that aggregation without compromising individual farmer ownership while minimising transaction costs.

How it Works

There are two key ways that the mutual works to help farmers.

Membership Agreement

When a farmer joins the mutual, they are agreeing to abide by the Membership Agreement. This specifies practices that all members must follow and covers processes like co-operation across members, accessing support and education, farm planning & branding. The Membership Agreement enables the mutual to create a valuable brand and platform for farmers to use.

Stewardship Agreement

Once a member, you will need to enter into a Stewardship Agreement in order to be paid for environmental goods and services. For example:

- An agreement for carbon
- An agreement for biodiversity
- An agreement to protect a specific species or habitat

These agreements stipulate the actions that qualify for payment.

Aggregations across farmers are sometimes required to create sufficient scale. This usually occurs where farmers are co-located, or operating their enterprise according to a specific shared practice. Farmers can leverage the mutual's infrastructure to minimise transaction costs and manage ongoing commitments.

Payments to farmers will be priced according to the specific transaction, and then shared by farmers in an aggregation according to their contribution.

Stewardship

On-farm practices in respect to fauna, flora, soils, water and the broader environment determines the collective ability of our nation to mitigate climate risk, protect native species and habitat, and increase resilience to drought, flood and fire. In order for farmers to be financially rewarded for their stewardship they must enter into agreements that set out specific practices.

How we're building the mutual

Ethical Fields is catalysing this mutual with farmers, customers, government and a wide range of stakeholders. We're working with Landcare Networks, the peak body for Co-operatives and Mutuals (BCCM), the Australian Land Conservation Alliance and its members, in addition to a variety of farming organisations.

There will be an opportunity in February - March 2021 for you to attend a Landcare Network information session to find out more.

Next steps

To find out more, you can:

- Contact your local Landcare co-ordinator
- Go to <https://ethicalfields.com/protected-habitat/>
- Or call Andrew Ward from Ethical Fields (0417446658).