

Make A Dollar Selling "Hot Air"

Carbon could be the product that makes Mallee tree cropping profitable in WA By Professor Syd Shea

It is not surprising that many farmers are sceptical about being paid to plant trees for "carbon sequestration", "carbon trading" and "carbon sinks".

I was a sceptic too. Now I believe there is a better than even chance that governments and private companies will sponsor massive tree planting programs. The stakes are too high to ignore the risk of global warming caused by the "greenhouse effect".

Plant Trees & Make A Difference



All energy comes from the sun and is trapped on earth by plants during a chemical reaction called photosynthesis. This process sucks carbon dioxide into the leaf, converts the carbon into compounds (which eventually becomes wood, leaves etc) and returns the oxygen part of the carbon dioxide molecule to the atmosphere. The more trees and the faster they grow the more carbon dioxide is sucked from the atmosphere.

Of course, when the tree eventually dies or is cut down the carbon dioxide is released back into the atmosphere. The longer the tree lives the better, but even if the carbon dioxide is withdrawn from the atmosphere, for a period of time, it contributes to reducing the effect of increased carbon dioxide in the atmosphere.

The Carbon Cycle



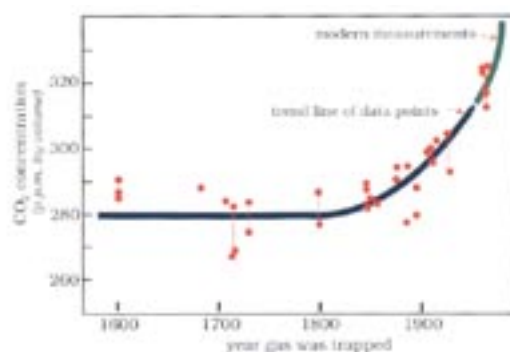
What is the Green House Effect?

Everything on earth, except radiant energy, is cycled. This includes carbon.

The problem is that we have been using excessive amounts of carbon in fossil fuels, and clearing and burning carbon stored in vegetation and soils. Consequently the cycle has been disturbed and there is an excess of carbon dioxide accumulating in the atmosphere.

Many scientists believe that the increase in carbon dioxide levels in the atmosphere will result in the heating of the atmosphere because more radiant energy will be reflected back to earth.

CARBON DIOXIDE OVER THE PAST FIVE CENTURIES



The Carbon Credit Market

There is no official market for carbon dioxide but there are a number of informal markets. Whilst nobody can predict the price that will be paid for sequestering a carbon dioxide ton, in recent times the informal market price has ranged from \$A5 - \$A20 per carbon dioxide ton.

“Mallee trees can lock up to 20 tons of carbon dioxide per annum”

A number of companies have initiated planting programs around the world in anticipation of ratification. The Oil Mallee Company has recently completed a 1000 hectare program in Western Australia on behalf of the Kansai Power Corporation of Japan. Kansai paid all costs including leasing of the land. They are also investing in research programs with the Oil Mallee Company.

“I have no doubt that if Australia ratifies the Kyoto protocol a number of Japanese Companies will make large investments in tree planting programs in Western Australia”

Kyoto Protocol Is Now Law

The Kyoto Protocol (the name of the international meeting where a majority of the world's nation set down some broad rules aimed at reducing the greenhouse effect) required that all developed nations reduce their 1990 emissions on average by 5% (although Australia was allowed to increase its 1990 levels by 8%).

Japan has ratified the protocol (which was unexpected) and now that Russia has ratified, the protocol is law. Russia's incentive was to access a large quantity of “carbon credits” which are available because of the closure and economic collapse of many carbon dioxide producing factories and power stations in Russia after 1990. This means Russia could earn billions of dollars from the protocol.

Australia and the U.S.A have not ratified and claim they won't. I have no doubt that if the protocol is ratified and Australia does not sign we will be subject to “ecological tariffs” which could seriously affect many of our exports.

I recently spent six days in Japan and have no doubt that that if Australia ratifies the Kyoto protocol a number of Japanese Companies will make large investments in tree planting programs in Western Australia.

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