

From the Soil Up

Insight for Rural Producers

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Regional Australia Bank Ltd. ABN 21 087 650 360. AFSL & ACL 241167.

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Foreword

Farming and regional businesses face a unique mix of challenges and opportunities. From fluctuating commodity markets and climate variability to evolving regulations and economic conditions, there is a great deal to navigate.

At Regional Australia Bank, we work alongside local producers and businesses every day. As a regional bank embedded in the communities we serve, we understand the realities of operating an agricultural enterprise in regional Australia because these are our communities too.

This report has been developed to provide practical, relevant insights to support informed decision-making. Whether you are considering market trends, financial outlooks, or emerging opportunities such as carbon farming, our aim is to help you plan with confidence and position your business for sustainable growth.

We are proud to support the people and industries that drive regional Australia. Through tailored banking solutions, local expertise, and trusted advice, we remain committed to helping our customers achieve their goals.

If you would like to discuss any of the topics covered in this report, or explore opportunities specific to your business, please do not hesitate to get in touch with our team.

Kind regards,

Sheree Barbat
Head of Business Banking
Regional Australia Bank



Global Trade

War, Wheat and Weather

The 2 biggest market drivers that we are watching is war and the weather.

Conflicts in the Middle East and Ukraine are showing no signs of slowing down and highlights Australia's reliance on other countries for key agricultural inputs and how susceptible the agriculture industry is to geopolitical tensions. Roughly 25 per cent of the world's urea moves through the Strait of Hormuz and globally the price of urea is close to levels before the war started.

However, in Australia we are still 30 to 40pc higher because we are managing urea through inventory, by buying it in the world market at a certain point in time and then the prices drop whilst the fertiliser is on the water. This is making it very difficult for agricultural import companies and input suppliers to manage. Prices have also impacted on Starter and SSP fertilisers as the phosphate and sulphur prices look to remain very high until the Strait of Hormuz opens. The outlook is that Australia will continue to get the volumes it needs but will have to pay the high prices for it.

Unfortunately fuel falls into the same category, given that more than 80pc of our diesel is imported and Australia imports from Korea, Singapore, Malaysia of which these countries have massive refineries - much bigger than any of the ones we have ever had here. As a result, we have paid substantially higher prices than any of the other big grain and beef producing nations in the world compared to all other competitor countries be it the United States, Brazil, and Europe who has better fuel security.

On the weather side, a typically dry weather bearing El Nino has been declared. Adverse weather conditions have been impacting crops across the world, with heatwave conditions in Europe reducing some of its wheat and corn crops and dry conditions slightly reducing the crop in the Midwest of the United States.

The biggest concern for grain prices is the escalation of the war between Ukraine and Russia, countries which export 95pc of their grain by ship. Russia is a massive exporter of grain, especially wheat, in the world market exporting between 60 and 70pc more than we do in Australia. Although Ukraine has attacked a few ports in Russia, Russia has attacked the only operational port in Ukraine, which has blocked the flow of grain onto the world market which has lifted the grain prices.

Although Russia has plenty of wheat stored, getting it onto ships is the predominant factor.



Grain Markets

The international grain market is currently in a mixed but increasingly risk-sensitive phase. The big picture is that global grain supplies are still relatively comfortable, but the cushion is narrowing, while weather, Black Sea disruption, freight and geopolitics are creating more price volatility.



Global Wheat Supply

Global wheat supply has been relatively comfortable because of strong production in major exporters, particularly the Black Sea region. The OECD-FAO notes that abundant export supplies from the Black Sea and good harvests helped keep wheat prices under pressure through early 2026.

However, the market has become much more nervous recently:

- **Russia and Ukraine** remain major wheat exporters.
- **Black Sea shipping** is increasingly exposed to military disruption with recent attacks and disruption around the Sea of Azov/Kerch Strait and Russian export infrastructure restricting shipments and has become more important than the size of the Russian crop.
- **Wheat prices** have been supported by concerns about Black Sea exports. Russia has plenty of wheat but getting in onto ships is becoming more difficult.
- **Northern Hemisphere harvest results and weather** are now becoming the dominant market drivers. SovEcon's latest July estimate put wheat at 88.3 Mt, down from 88.9 Mt previously with the main reasons being: reduced wheat area; lower spring-wheat plantings; weaker production prospects in southern Russia; some yield problems, although early harvesting in several southern regions has produced good yields.



Australian Barley

Barley looks more positive.

China remains an important buyer, and strong export demand has supported Australian barley. Cargill has also identified barley as one of the stronger-performing Australian grains.

That makes barley particularly interesting for Australian growers because it has a different demand structure from wheat.

Sources:

Cereals: OECD-FAO Agricultural Outlook 2026-2035, 29 July 2026 – www.oecd.org

Russia wheat acreage hits decade low as Sovecon cuts 2026 crop forecast, 24 June 2026 – croppgt.ai



Australian Canola

Canola has a different set of fundamentals because it is tied closely to the global oilseed and vegetable-oil markets.

ABARES expects Australian canola production to decline in 2026–27, while global oilseed prices are expected to rise over the medium term.



Global Wheat

The global wheat situation is becoming more bullish.

The global wheat market is entering 2026/27 with a much smaller margin for error. Reuters reported in July that USDA's outlook has global wheat production below consumption, with wheat production projected to fall short of demand by about 0.8%.

It doesn't mean the world is running out of wheat rather there is less room for a production surprise.

If Russia produces another 90 Mt wheat crop and exports aggressively, prices can remain contained. But if Russia, the US, Europe or Australia has another production problem, the market has much less buffer.



El Niño

The developing El Niño is a major risk

This is potentially the biggest variable for the next 6–12 months. Reuters reported this week that a strong El Niño is developing and could become one of the strongest on record, with increasing dryness risks for parts of Australia.

That doesn't automatically mean an Australian wheat disaster, but the timing is important.

Australia's crop is already forecast at only 26.7 Mt and if the weather deteriorates during grain filling, this could move to somewhere around the 23–25 Mt actual production.

That would materially change the price equation.

Sources:

Agricultural Commodities Report, March 2026 – www.agriculture.gov.au

Russian Wheat Exports Brace for Decade Low in August Amid Black Sea Attacks, 11 August 2026 – www.themoscowtimes.com

Overall

Factor	Impact
Smaller Australian crop	Very bullish
Global production/consumption balance	Bullish
Large Russian crop/exports	Bearish
Black Sea disruption	Strongly bullish if it persists
US production risk	Bullish
European crop problems	Bullish
El Niño	Potentially very bullish
AUD	Major variable
Chinese demand	Neutral–bullish



Grain Markets Cont.



Global Corn

The most interesting grain market

Corn has a different dynamic.

Global corn supplies have also been relatively comfortable, but the balance sheet is becoming tighter.

Demand from:

- Livestock feeding
- Ethanol
- China
- Other Asian importers
- Continues to absorb large quantities

The important issue is that 2026/27 production is becoming more dependent on good crops in the US, South America and Europe.

The August USDA report is therefore a major market event. Traders are particularly focused on US yield estimates and acreage. This means corn has more upside risk than wheat if weather deteriorates.



Global Soybeans

Demand is strong, but trade policy matters

Soybeans are being influenced by a combination of:

- Chinese demand
- US production
- South American production
- Vegetable oil prices
- Biofuel demand
- US/China trade policy

The soybean market is therefore less about an immediate shortage and more about where China buys its soybeans. A shift in Chinese purchasing toward Brazil or Argentina rather than the US can have a significant effect on US prices and therefore the Chicago futures market.

Sources:

Will the USDA WASDE Report Shake Corn and Soybean Prices?, 10 August 2026 – www.agrolatam.com



An Australian Farmer's Perspective

Looking at it specifically from an Australian farmer's perspective, the next 6–12 months could be quite different from the very bearish grain environment we have seen in some recent years.



Wheat

Moderately bullish but volatile



Barley

Bullish/firm



Canola

Moderately bullish



Sorghum

Firm, but more dependent on northern Australian conditions and feed demand

The important point is that Australian prices don't simply follow Chicago. The AUD, Australian production, export demand and local basis can be just as important.

Beef Market

Australia's beef industry is currently in a high-production, strong-export-demand phase, but the outlook is becoming more mixed as the national cattle herd begins to contract and seasonal conditions become more important.

The most important feature of the Australian beef economy in 2025–26 is very high cattle throughput.

MLA forecasts that:

- The cattle herd was around 31.1 million head in 2025 and is forecast to fall to about 30.8 million in 2026.
- Cattle slaughter is forecast at about 9.45 million head in 2026.
- Beef production is forecast at a record 2.91 million tonnes in 2026.
- Beef exports are forecast at approximately 2.30 million tonnes carcase weight.
- Live cattle exports are forecast at about 705,000 head.

This means the industry is producing a very large volume of beef even though the herd is starting to decline.

The latest ABS data also confirms strong production momentum: in the March 2026 quarter, about 2.41 million cattle were slaughtered, producing approximately 749,000 tonnes of beef, with the gross value of cattle and calves slaughtered reaching about \$6.0 billion for the quarter.

Sources:
Industry projections 2026 – Australian cattle, 2026 – www.mla.com.au
Livestock products, March 2026 – www.abs.gov.au

The Cattle Cycle is Turning

This is probably the most important economic issue for Australian beef producers.

The industry has moved through:



MLA forecasts cattle numbers to decline from approximately 31.1 million in 2025 to 28.9 million by 2028. At the same time, slaughter is forecast to fall from 9.69 million head in 2025 to about 8.50 million by 2028.

That is significant because declining cattle numbers eventually mean less beef supply.

Normally, this provides support for cattle prices, and the outlook is relatively positive about the medium-term cattle price outlook, despite the softer near-term outlook.

The potential cycle is:

2025–2026	2027–2028
Very high supply	Smaller herd
High slaughter	Fewer cattle available
Strong beef exports	Lower slaughter
Downward pressure on cattle prices	Tighter beef supply
	Potential improvement in cattle prices

Export Markets Are the Engine of the Industry

Australia is fundamentally an export-oriented beef economy.

MLA forecasts beef exports of approximately 2.30 million tonnes carcase weight in 2026, compared with only about 605,000 tonnes of domestic utilisation. That means international markets have an enormous influence on Australian cattle prices.

Australia benefits when global beef supply is tight. That is particularly important because the US cattle herd has also been under pressure, which can support international beef prices.

The major economic drivers are:

- United States beef supply
- Importers; Japan, South Korea, China, Indonesia, Middle East and new smaller markets such as UK and Canada
- Global food inflation and the need for high protein diets to support the global beauty and diet industry (Ozempic)
- Australian dollar AUD
- Freight and fuel costs
- Tariffs and trade agreements
- Competing beef production from Brazil

Sources: Industry projections 2026 - Australian cattle, 2026 – www.mla.com.au

Beef Market Cont.

Beef Prices

The Interesting Part

The price outlook is more complicated than simply saying “beef prices are strong.”

ABARES forecast the cattle saleyard indicator price to fall approximately 9% to 705 cents/kg in 2026–27. It also forecasts the gross value of cattle slaughter and live exports to decline by 14% to \$19.6 billion.

The important distinction is between beef prices and cattle prices.

A strong export market does not automatically mean strong producer margins if cattle purchase prices rise faster than the value of the finished animal.

The near-term economic picture is:

Factor	Impact
Cattle supply	High
Beef production	Very high
Export demand	Strong
Cattle prices	Under pressure near term
Herd numbers	Declining
Beef prices	Supported by global demand
Producer margins	Highly dependent on purchase price
Medium-term cattle prices	More positive

Sources:
Agricultural Commodities Report, March 2026 – www.agriculture.gov.au



Seasonal Conditions Are Becoming the Major Risk

ABARES' Commodity Report June 2026 outlook is particularly relevant.

It expects the value of livestock and livestock products to fall by 2% to \$47 billion in 2026–27, with domestic cattle and lamb prices expected to decline. It also warns that slower global growth and higher inflation could reduce international demand.

For cattle producers, rainfall is probably the single biggest domestic variable.

Good Rainfall

↑ Pasture > ↑ Weight gain > ↑ Holding capacity > ↓ Selling pressure

Poor Rainfall

↓ Pasture > ↑ Feed costs > ↓ Weight gain > ↑ Selling pressure > ↓ Cattle prices

Overall

Short term **Neutral to moderately positive**

Production is extremely strong, but high cattle availability is limiting price growth. ABARES expects cattle prices to soften in 2026–27.

Medium term **Positive**

The cattle herd is contracting. If this continues, lower cattle supply should eventually support prices.

Long term **Positive, but more competitive**

Global demand for protein and premium beef remains attractive, but Australian producers will need to become increasingly efficient.

Sources:

Agricultural Commodities Report, June 2026 – www.agriculture.gov.au

Lamb Market

The Australian lamb industry is in an unusually strong but late-cycle position. Prices are high because supply has tightened sharply, while productivity and export demand are keeping the market supported. The main risk is that lamb has become expensive relative to competing proteins, which eventually puts pressure on export demand and processor margins.

The Key Story: Tight Supply

Australia's sheep flock has been reduced by several years of high turn-off and difficult seasonal conditions.

This is important economically: the number of lambs is falling faster than production, because Australian producers are producing heavier lambs.

MLA forecasts for 2026:

- **National sheep flock:** about 67.1 million head, down 2.7%.
- **Lamb slaughter:** 21.86 million, down 11%.
- **Lamb production:** about 537,000 tonnes, down 10%.
- **Average lamb carcass weight** is expected to rise to around 24.6 kg, helping offset some of the decline in numbers.

Prices: Still Historically Strong

ABARES expects the National Trade Lamb Indicator to average approximately 1,040¢/kg cwt in 2026–27, about 5% below 2025–26.

So, the outlook is not for a collapse; rather, a correction from exceptionally high prices.

MLA's July 2026 market analysis is particularly interesting. Trade lamb supply has been very tight, with average weekly trade lamb throughput around 55,000 head versus a five-year average of 65,000. Heavy lamb supply, however, has been stronger, around 50,000 head versus a five-year average of 45,000.

That has created an unusually large premium for trade lambs over heavy lambs.



Sources:

Tighter supply expected as national sheep flock set to decline in 2026: MLA Sheep Industry Projections 2026, 27 March 2026 – www.mla.com.au
ABARES outlook shows livestock values easing, 20 March 2026 – www.mla.com.au

Export Demand is the Biggest Question

Australia has a very export-dependent lamb industry. The fundamentals are favourable because global sheepmeat supply is relatively tight, particularly with New Zealand's flock constrained. This creates opportunities for Australian exporters.

In June 2026:

- Australian lamb exports were down about 10% year-on-year.
- Exports to the Middle East and North Africa were down about 35%.
- Higher lamb prices and freight/logistics costs are making buyers more price-sensitive.
- This is probably the most important bearish factor for Australian lamb prices over the next 6–12 months.

What this Means for Australian Farmers

Currently the Lamb economy is:

Factor	Outlook	Impact
Lamb supply	Tight	Positive
Sheep flock	Low	Positive
Lamb weights	Increasing	Positive
Producer prices	Very high	Positive
Global sheepmeat supply	Tight	Positive
China demand	Important	Watch
Middle East demand	Softer	Negative
Freight costs	Elevated	Negative
Processor margins	Under pressure	Negative
AUD	Higher AUD is a risk	Negative
Feed/season	Highly regional	Important
Restocker demand	Strong where seasons allow	Positive

Lamb Market Cont.

The Major Economic Cycle

Dry seasons > heavy ewe/lamb liquidation > smaller flock > tight supply > high lamb prices

stronger incentive to retain ewes > flock rebuilding > eventually more lamb supply > price normalisation

Australia is currently somewhere around the high-price/tight-supply part of that cycle.

The interesting part is that producers are now being paid enough to justify investing in better genetics, higher lambing percentages, supplementary feeding, and heavier finishing systems.

MLA estimates average lamb carcase weights have risen from roughly 20 kg in the early 2000s to around 25 kg today, demonstrating how much productivity has changed the economics of the industry.

Overall, the 6–12 month view:

BULL CASE	If Australia gets good spring/summer seasons while global sheepmeat supply remains tight: • Producers retain more ewes • Lamb weights increase • Restocker demand remains strong • Export demand improves • Processors compete aggressively for lamb • Prices remain around historically high levels Result: lamb prices could remain above long-term averages despite increased production.
BASE CASE	Prices to ease but remain historically strong. The reason is simple: • Supply is tightening, but the very high price of Australian lamb is starting to restrict demand ABARES' forecast of around 1,040¢/kg cwt for the Trade Lamb Indicator in 2026–27 is consistent with this view.
BEAR CASE	The biggest risk is: • Good Australian seasons + rapid flock rebuilding + weaker export demand + high AUD That combination could produce substantially more lamb supply at exactly the time international buyers become unwilling to pay today's prices.

Sources:

Sheep and lamb production poised for growth, 2 October 2025 – www.mla.com.au



What has happened to the New Zealand lamb industry?

The decline of the New Zealand sheep/lamb industry has become a meaningful structural advantage for Australia, particularly over the last 10–15 years. But it is important to distinguish between NZ losing sheep numbers and NZ losing export volume—the latter has happened much more slowly because NZ farmers have become more productive.

The biggest story is the long-term contraction of the NZ sheep flock.

New Zealand's sheep numbers have fallen from about 39.3 million in 2003 to 23.4 million in 2025—roughly a 40% decline. The breeding ewe flock has also continued to fall, reaching about 14.3 million in 2025.

There are several structural reasons why:



Dairy expansion

Some traditional sheep country has moved into dairy production because dairy offered higher and more reliable returns. MLA found that between 2007 and 2014, NZ lamb slaughter declined about 25% while the dairy cattle herd increased 27%.



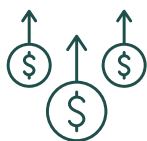
Alternative land uses

Farmers have increasingly had other choices. Some sheep country has moved into horticulture and forestry, including land associated with carbon farming.



Poor wool economics

The collapse in the economic value of wool has made traditional dual-purpose sheep systems less attractive. NZ's wool industry has suffered particularly badly from competition from synthetic fibres.



High production costs

NZ sheep farmers face high labour, fertiliser, transport and compliance costs, while returns from commodity lamb have not always kept pace.

Sources:

Industry projections 2026 - Australian sheep, March 2026 – www.mla.com.au

Lamb Market Cont.

New Zealand lost sheep much faster than it lost lamb production

This is where the story becomes particularly important for Australia.

NZ's flock has fallen dramatically, but productivity per ewe and per animal has improved.

Carcase weights have increased and lambing performance has improved. Consequently, NZ was able to maintain relatively high sheepmeat exports for many years despite having far fewer sheep.

For example, NZ exported around 414,900 tonnes cwe of sheepmeat in 2023–24, despite having only around 24 million sheep.

But that productivity improvement has a limit.

You can increase; lambing percentage, survival, growth rates, carcase weight, pasture utilisation, but eventually you need breeding ewes to produce lambs.

That is why the continued decline in the breeding flock is particularly important. MLA's 2026 projections put the NZ flock at 23.4 million sheep in 2025, down another 1%, with ewe numbers down 2%. MLA describes the outlook as one of structurally constrained supply rather than meaningful expansion.

Arguably the most important part of the story is Australia has moved in the opposite direction

While NZ's sheep industry has contracted, Australia has substantially increased lamb productivity and production capability.

Australian lamb carcase weights have risen about 19% over the past 20 years.

And Australian lamb production has reached extraordinary levels.

<i>Australia 2024</i>	<i>Compare that with NZ</i>
• 26.4 million lambs slaughtered • 629,385 tonnes of lamb produced • Both were records	• NZ sheep/lamb slaughter has been trending lower • NZ's flock is around 23.4 million • NZ lamb production is constrained by its shrinking breeding base

Australia has therefore gone from being the smaller lamb producer to being the dominant growth producer.

Market Space

Australia is effectively taking NZ’s traditional market space, and this is the biggest benefit to Australia.

Australia and NZ together account for more than 80% of global sheepmeat exports.

So, when NZ reduces production, there are only a handful of countries capable of replacing that supply at scale - Australia is the obvious one.

The opportunity is particularly strong because Australian production is becoming better suited to some of the markets traditionally dominated by NZ and this diversification is very important.

Australian lamb exports exceeded A\$4 billion over the June 2024–May 2025 period, up 14% year-on-year, while export volume was 363,109 tonnes swt.

New Zealand Traditionally Strong In	Australia Increasingly Strong In
• UK • Europe • China • Chilled lamb • Lighter lamb carcasses • Premium grass-fed lamb	• United States • China • Middle East • Southeast Asia • UK • Premium chilled markets • Heavier lamb • Foodservice • Grain-finished lamb



Sources:
New Zealand flock decline an opportunity for Australian sheep producers?, 22 March 2025 – www.mla.com.au

Lamb Market Cont.

The US is particularly important

This is one area where Australia has developed an advantage over NZ.

The US market tends to favour larger lamb carcasses, and Australia has been producing progressively heavier lambs.

MLA notes that Australian lamb carcass weights have increased substantially faster than NZ's, partly because of demand from the US for carcasses around 30kg and above.

That creates an interesting feedback loop and a very powerful structural advantage for Australia:



**NZ sheep
numbers decline**



**NZ export supply
becomes tighter**



**Australian exporters gain
market opportunity**



**Australian processors
develop new markets**



**Australian producers
receive stronger signals
for heavier lambs**



**Genetics + grain feeding
+ better finishing**



***Australia produces more kilograms of lamb
from fewer sheep.***

Australia isn't simply producing more lambs. It is producing more kilograms of saleable lamb per ewe and per hectare.

The Australian advantage is now bigger than just sheep numbers

Australia has developed a very different production system.

<i>Factor</i>	<i>New Zealand</i>	<i>Australia</i>
Sheep flock	~23.4m	~74m
Direction of flock	Declining	Rebuilding potential
Lamb carcase weight	Lower	Higher
Feedlot/finishing	Less significant	Increasing
US market	Smaller opportunity historically	Major opportunity
UK market	Traditionally very strong	Growing opportunity
China	Very important	Very important
Land competition	Dairy/forestry/carbon	Cropping/cattle/sheep
Global sheepmeat position	Major exporter	World-leading exporter
Long-term supply	Constrained	More capacity to expand

Australia's national sheep flock was about 74.2 million in June 2025, despite falling 6.2% during the preceding period. Lamb production remained around 610,000 tonnes, demonstrating how much productivity has improved.

Carbon Farming

Opportunities and Risks for Land Values

Carbon farming is emerging as an important consideration in rural property markets, creating both opportunities and challenges for landowners, purchasers, and lenders. As carbon markets mature, the ability of a property to generate Australian Carbon Credit Units (ACCUs) is increasingly being factored into land values.

The key opportunity lies in the potential for an additional income stream that is independent of commodity prices and seasonal conditions. Carbon projects can diversify farm income, improve financial resilience, and in some cases support investment in productivity improvements such as fencing, water infrastructure, and pasture management. Well-managed soil carbon and integrated land management projects may also enhance soil health and carrying capacity while maintaining agricultural production.

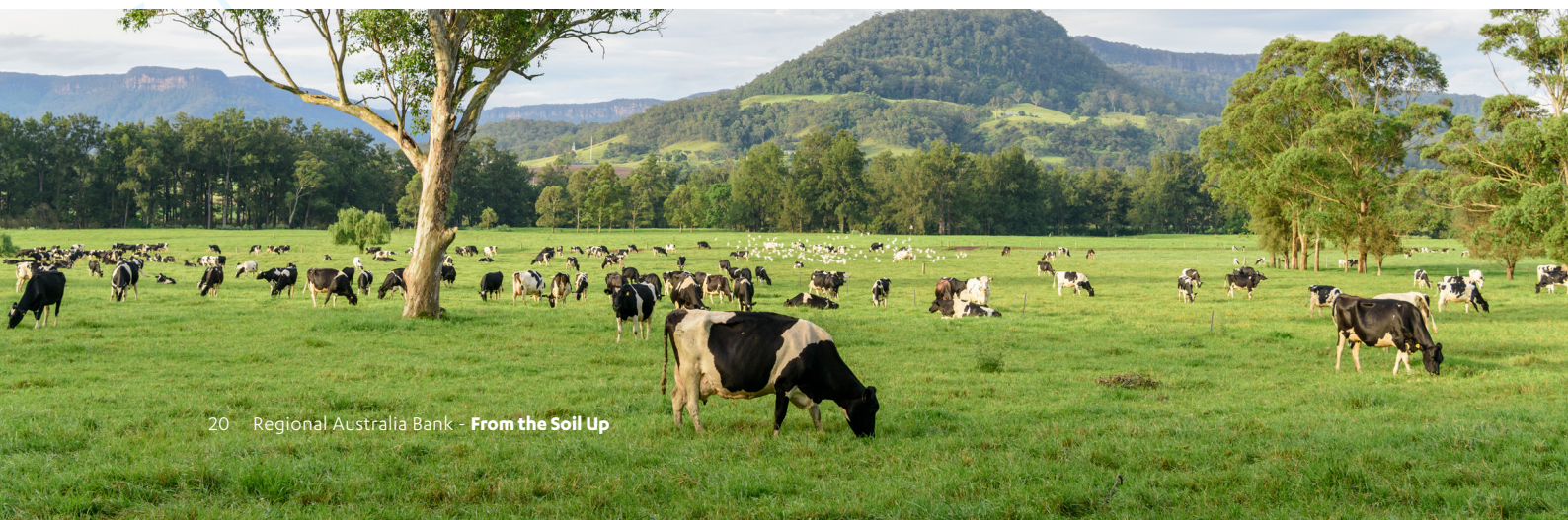
These benefits are attracting increasing interest from investors and corporate buyers seeking exposure to environmental markets. Properties with established carbon projects or strong carbon potential may achieve higher levels of buyer demand, placing upward pressure on land values in some regions.

However, carbon farming also presents risks. Some vegetation-based methodologies can

reduce productive agricultural capacity by limiting grazing, clearing, or future land use options. Long-term contractual obligations, often extending for decades, may restrict management flexibility and influence future saleability. Carbon projects are also exposed to policy changes, methodology reviews, market volatility, and environmental risks such as drought and bushfire, which can affect future income streams.

From a valuation perspective, the market remains relatively immature. Determining the value of future carbon income requires careful assessment of project permanence, contractual obligations, operational impacts, and carbon price assumptions. As a result, the contribution of carbon projects to land value continues to vary significantly between properties.

Overall, carbon farming is increasingly viewed as a complementary enterprise rather than a replacement for food and fibre production. Where carbon projects enhance environmental outcomes and provide reliable additional income without materially reducing agricultural productivity, they have the potential to support both farm profitability and land value. Success will depend on balancing carbon opportunities with the long-term productive capability of the land.





Soil Carbon

The Scientific Debate

Soil carbon is increasingly promoted as a way to improve soil health, farm productivity and generate carbon credit income. Higher soil carbon levels can improve water retention, nutrient availability and resilience, while also helping to remove carbon dioxide from the atmosphere.

However, significant scientific debate remains about how much carbon agricultural soils can store and, importantly, how long that carbon stays in the ground. CSIRO notes that soil carbon accumulation varies widely between soil types, climates and management systems, making measurement and prediction challenging.

These concerns were highlighted in the Australian Government's 2026 review of the Soil Carbon Method, which recommended tighter measurement standards and limits on crediting rates to ensure carbon estimates remain conservative and scientifically robust.

Long-term field trials reviewed by Moffitts Farm also found that while soil carbon can increase under improved management, some gains may decline over time due to seasonal conditions, drought and changing farming practices. This raises questions about the permanence of carbon sequestration and the long-term value of carbon credits derived from soil projects.

Most experts agree that building soil carbon delivers valuable productivity and environmental benefits. The debate centres not on whether soil carbon can increase, but on the scale, permanence and measurability of those increases. For farmers considering carbon projects, soil carbon should be viewed as a long-term land management strategy, with potential carbon income representing an additional benefit rather than the sole objective.

Sources:

Soil Carbon, 2026 – www.csiro.au

Estimation of soil organic carbon sequestration using measurement and models method, 2024 – www.dcceew.gov.au

Uncertain Permanence Makes Soil Carbon Credits Risky, 2024 – www.moffittsfarm.com.au



REGIONAL AUSTRALIA BANK HEAD OFFICE

Technology Park, Madgwick Drive, Armidale NSW 2350
PO Box U631, Armidale NSW 2350

enquiries@regionalaustraliabank.com.au

132 067 | regionalaustraliabank.com.au

Regional Australia Bank Ltd ABN 21 087 650 360 AFSL & Australian Credit Licence 241167.