

jackson smith

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New South Wales Conveyancing Act helps landholders to make money from the carbon credits on their land. >>

Those who read our newsletters will be familiar with the idea that trees or forests can absorb carbon dioxide from the atmosphere. The collection of carbon from trees can be of a commercial benefit under the Kyoto Protocol.

In New South Wales it is possible to register a covenant on land that protects the rights of someone other than the owner. A landowner may therefore allow a third party to profit from carbon absorption by his trees.

The right to do this can be registered as a covenant on a title to land giving extra protection to the person who has acquired the rights. It's worth noting that a covenant on land can also include:

- >> The construction and maintenance of access roads;
- >> The erection and maintenance of fencing;
- >> The provision and maintenance of water supplies within the land; or
- >> The ownership of any trees that are the subject of a forestry right.

Any landowner can earn extra money by granting a covenant to a third party to exploit the various forestry rights on his land. For anyone wishing to explore the benefits of the Kyoto Protocol as it applies to the forests on their land (as small an area as 20 hectares) these provisions of the New South Wales Conveyancing Act are a powerful tool.

I hope that this information is of some interest and benefit to you, and to your clients.

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Where to find us >>

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