

## Emissions Reduction Fund Regeneration Notification Guidelines



#### © Commonwealth of Australia 2022

#### Ownership of intellectual property rights

Unless otherwise noted, copyright (and any other intellectual property rights) in this publication is owned by the Commonwealth of Australia (referred to as the Commonwealth).

#### **Creative Commons licence**

All material in this publication is licensed under a <u>Creative Commons Attribution 4.0 International Licence</u> except content supplied by third parties, logos and the Commonwealth Coat of Arms.

Inquiries about the licence and any use of this document should be emailed to <a href="mailto:copyright@awe.gov.au">copyright@awe.gov.au</a>.



#### Cataloguing data

This publication (and any material sourced from it) should be attributed as: DAWE 2022, *Emissions Reduction Fund Regeneration Notification Guidelines*, Department of Agriculture, Water and the Environment, Canberra, February. CC BY 4.0.

ISBN 978-1-76003-533-4

This publication is available at agriculture.gov.au/ERF.

Department of Agriculture, Water and the Environment GPO Box 858 Canberra ACT 2601 Telephone 1800 900 090 Web <u>awe.gov.au</u>

This is a controlled document – any documents appearing in paper form or saved electronically are not controlled and should be checked against the version published on the department's website prior to use.

#### Disclaimer

The Australian Government acting through the Department of Agriculture, Water and the Environment has exercised due care and skill in preparing and compiling the information and data in this publication. Notwithstanding, the Department of Agriculture, Water and the Environment, its employees and advisers disclaim all liability, including liability for negligence and for any loss, damage, injury, expense or cost incurred by any person as a result of accessing, using or relying on any of the information or data in this publication to the maximum extent permitted by law.

#### **Acknowledgement of Country**

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

# Contents

| Sι | ımmary  | 4  |
|----|---|----|
|    | Eligible activities   | 4  |
|    | Using these guidelines  | 4  |
| In | troduction  | 5  |
|    | Emissions Reduction Fund overview   | 5  |
| 1  | Notification requirements   | 6  |
|    | Submitting a notification   | 6  |
|    | Notification format and content   | 7  |
|    | Notification and application consistency  | 8  |
| 2  | Assessment process  | 9  |
|    | Responsibility for assessing and processing notifications   | 9  |
|    | Assessment outcomes   | 9  |
|    | Assessment phases   | 10 |
| 3  | Enquiries   | 12 |
| 4  | Other considerations  | 13 |
|    | Material inaccuracies   | 13 |
|    | Withdrawal of notifications   | 13 |
|    | False and misleading information  | 13 |
|    | Appeals   | 13 |
| 5  | Handling of information   | 14 |
|    | Freedom of information  | 14 |
|    | Confidential information  | 14 |
|    | Privacy notice  | 14 |
| GI | Appeals  5 Handling of information  Freedom of information  Confidential information  Privacy notice  5lossary  1 | 15 |
| Αį | ppendix A: Notification checklist   | 18 |
| A  | opendix B: The assessment process   | 19 |
|    | Stage 1: Submitting and assessing a purported notification  | 19 |
|    | Stage 2: Primary assessment – initial findings  | 19 |
|    | Stage 3: Additional assessment  | 19 |
|    | Stage 4.1: Proponent response not provided  | 20 |
|    | Change A De Donne and an annual and an annual and   | 20 |

## Summary

The Emissions Reduction Fund human-induced regeneration of a permanent even-aged native forest (HIR) and native forest from managed regrowth (NFMR) methods provide a mechanism to increase carbon sequestration through eligible activities.

#### **Eligible activities**

## Human-induced regeneration of a permanent even-aged native forest

- Excluding livestock and taking reasonable steps to keep livestock excluded
- Managing the timing and extent of grazing
- Managing feral animals in a humane manner
- Managing plants that are not native to the project area
- Implementing a decision to permanently cease mechanical or chemical destruction, or suppression, of native regrowth

#### Native forest from managed regrowth

- Allowing native vegetation to grow and become forest by stopping activities that suppress or destroy regeneration of native vegetation
- Undertaking new management practices that allow native trees to regenerate and become forest

The Agriculture Minister is responsible for assessing whether the eligible activities of proposed projects would lead to an adverse impact on agricultural production or local communities in the project region. The term 'Agriculture Minister' refers to the minister responsible for assessing ERF regeneration notifications. This is the minister responsible for the Australian Government Agriculture portfolio, or their delegate.

Anyone who intends to apply for either a new HIR or NFMR project or an expansion of an existing HIR or NFMR project that meets the definition of a notifiable regeneration project must email an ERF regeneration notification to the Department of Agriculture, Water and the Environment for assessment. Under subsection 20C(8) of the Carbon Credits (Carbon Farming Initiative) Rule 2015, a notifiable regeneration project is a project with a proposed project area greater than 15 hectares and covering more than one third of the farm, including the area of any pre-existing projects on the relevant farm.

#### Using these guidelines

This document is to be taken as the guidelines referred to in section 20C of the Rule.

These guidelines are designed to clarify the requirements to complete a notification and the associated assessment process. They should be read in conjunction with the relevant legislation. This document does not provide guidance on the ERF project registration application process undertaken by the Clean Energy Regulator.

This version of the guidelines is current as at 23 March 2022 and is based on the Carbon Credits (Carbon Farming Initiative) Rule 2015 as amended by the Carbon Credits (Carbon Farming Initiative) Amendment (Regeneration Project) Rule 2022.

### Introduction

#### **Emissions Reduction Fund overview**

The Emissions Reduction Fund is a voluntary scheme that aims to reduce Australia's greenhouse gas emissions by providing incentives for organisations and individuals to adopt new practices and technologies in order to reduce emissions or sequester carbon (capture and storage of carbon).

Emissions reduction activities are undertaken as offsets projects. Each person who seeks to undertake a carbon offsets project will need to apply to the Clean Energy Regulator. The regulator will consider whether the proposed project can be undertaken in accordance with a methodology determination (also known as a method) and

meet other scheme requirements. A method sets out the rules for estimating emissions reductions for the relevant offset project. Offsets projects undertaken in accordance with a method and approved by the regulator can generate Australian Carbon Credit Units (ACCUs). ACCUs can be sold to generate income, either to the government through a carbon abatement contract, or in the secondary market. These contracts will guarantee the price and payment for the future delivery of emissions reductions.



Image: Shutterstock

## 1 Notification requirements

Proponents who intend to apply for a project under one of the methods must understand the relevant requirements under the Act, the method and the Rule. The 3 requirements that proponents should understand before submitting a notification and application are:

- The notification must be submitted in the period beginning 18 months prior to the date of an application to the regulator and ending on the day of that application.
- 2) The notification submitted to the department must contain the required information to allow an assessment to be undertaken (see Appendix A).
- 3) The project considered by the Agriculture Minister (as outlined in a notification) must be essentially the same project considered by the regulator (as outlined in an application).

If the requirements outlined in this section and by the regulator are not met, the proposed project will be deemed an 'excluded offsets project' and cannot be approved by the regulator. That is, the project will be excluded from participating in the ERF. To find out more about the regulator's ERF project application requirements see Apply to participate.

Appendix A provides a notification checklist, which can be used by proponents to prepare and review a notification to ensure it includes the required information prior to submission.

#### **Submitting a notification**

Anyone who intends to apply for either a new HIR or NFMR project or an expansion of an existing HIR or NFMR project that meets the definition of a notifiable regeneration project must email an ERF regeneration notification to the department for assessment. Under subsection 20C(8) of the Carbon Credits (Carbon Farming Initiative) Rule 2015, a notifiable regeneration project is a project with a proposed project area greater than 15 hectares and covering more than one third of the farm, including the area of any pre-existing projects on the relevant farm.

The notification must be submitted in the period beginning 18 months prior to the date of an application to the regulator and ending on the day of that application. Proponents can resubmit a notification if 18 months has expired. The proponent can decide whether they want to provide a notification to the department before applying to the regulator or make an application to the regulator and notification to the department on the same day.

For each proposed new notifiable regeneration project or expansion of a notifiable regeneration project, an application and a notification must be submitted to the regulator and department respectively. This means that if a project was approved by the regulator, another project cannot be approved based upon the same notification - a notification is valid only for one approved project. For example, if an ERF regeneration notification was submitted for a project up to 20,000 hectares anywhere within Queensland and a project was approved by the regulator for 15,000 hectares, that notification cannot be relied upon to declare a second project of 5,000 hectares within Queensland. A new notification would be required.

## How to submit a notification and correspondence

A notification and subsequent correspondence must be submitted to <a href="mailto:ERFnotification@agriculture.gov.au">ERFnotification@agriculture.gov.au</a>. Proponents must identify information in their notification or in any supporting documents that they want treated as confidential and provide reasons for the request. The department reserves the right to accept or refuse requests to treat information as confidential. Confidential information may be released as required or authorised by law.

The Agriculture Minister and the department will correspond via email to the proponent's nominated contact. Proponents will receive an automated reply to all correspondence sent to the department.

Proponents are encouraged to contact the department prior to submitting notifications to ensure they meet the minimum requirements. Questions about the notification process can be referred to the department's Climate and Agriculture Section by phone on 02 6272 3933 or email <a href="mailto:ERFnotification@agriculture.gov.au">ERFnotification@agriculture.gov.au</a>.

For more information about project registration under the Emissions Reduction Fund, please contact the Clean Energy Regulator on 1300 553 542 or email <a href="mailto:enquiries@cleanenergyregulator.gov.au">enquiries@cleanenergyregulator.gov.au</a>.

#### **Notification format and content**

A notification must take the form of a written statement sent to <a href="mailto:ERFnotification@agriculture.gov.au">ERFnotification@agriculture.gov.au</a>. There is no prescribed application form.

A valid notification must include:

- the name, address and contact details of the proponent, including a designated email address for the purposes of sending and receiving all correspondence relating to the notification
- the address of the property involved in the project, including land title references

- 3) a statement that outlines that the proponent is planning to either
  - a) for a new project seek an approval for a new regeneration project as an eligible offsets project, or
  - b) for an expansion project seek an approval of a variation of an existing eligible offsets project to add an area of land to the project area, including the ERF reference number and name
- the maximum hectares to be included under the proposed project
  - a) for a new project set out the maximum project area size, in hectares, for all of the proposed project area, or
  - b) for an expansion project set out the maximum additional project area size, in hectares, that will be added to the project area
- 5) a geospatial map (preferably a shapefile) of the proposed ERF project area at an appropriate scale consistent with the <u>CFI</u> <u>Mapping Guidelines</u>, including outlining any pre-existing project areas
- 6) a statement outlining the previous 5 years of agricultural land use history for the project area, including the area, in hectares, of each land use type (including specific commodity types – for example, names of crops and/ or livestock)
- a statement outlining the previous 5 years of agricultural production history of each agricultural commodity produced by the project area, including
  - a) total production (actuals) by actual crop yields and stock numbers, or
  - b) where 5 years of production data is not available, a statutory declaration setting out why an agricultural production history is unavailable

In the absence of this data, averaged regional data will be used by the Australian Bureau of Agricultural and Resource Economics and Sciences as a proxy for analysing the significance of the agricultural production being removed.

- 8) a statement outlining the project's potential impact on agricultural production in the region. Proponents should consider projected changes to the region's agricultural production as a result of the proposed project, as far as these relate to the commodities produced within the proposed project area. Consideration should be given to
  - a) effects on regional agricultural industries, including any changes in supply to agricultural processors and agribusinesses. Where available, proponents should provide the name and location of the processor related to the commodities produced in the project area
  - b) bushfire, soil, weed and pest management impacts of the proposed project the project should not impact negatively on surrounding agricultural production enterprises because absentee landlords are not (amongst other things) managing bushfire risks, weeds, pests or erosion. There should be evidence of robust bushfire, soil, weed and pest management.

In relation to the project's potential impact on agricultural production in the region, 'region' means the area of land that is in the vicinity of the proposed project area and may be subject to adverse impacts on agricultural production as a result of the proposed project going ahead.

In making an assessment, the Agriculture Minister may use Australian Bureau of Statistics (ABS) Statistical Area Level 2 (SA2) and Level 4 (SA4) boundaries, or multiple areas where required.

- a statement outlining the project's potential impact on the local community in the region where the project would be located, including on local Indigenous communities
- any other information relating to the project, such as expected benefits from the project or community support, that the project proponent wishes to include.

If a purported notification being lodged does not contain the required information, it will be considered incomplete and invalid. As a result, it will be taken never to have been made and will not be assessed. The proponent will be contacted via their nominated email address to inform them that a notification is invalid and cannot be assessed.

If a purported notification is found to be invalid, the proponent should consider withdrawing the project application if it has been submitted to the regulator, because the project will be an excluded offsets project. Proponents may submit a new application after submitting a valid notification to the department to comply with this requirement. However, this does not guarantee that the assessment will result in the project being an eligible offsets project.

# Notification and application consistency

The project that is the subject of a notification to the department must be largely the same as the project in an application to the regulator. That means the project outlined in the application, including the area (size), location and activities must be consistent with, and no greater than, that assessed by the Agriculture Minister. This means:

- The proposed project area as set out in the application must be within the project area set out in the notification.
- The size of the proposed project area as set out in the application must not exceed the maximum project area size set out in the notification.
  - This allows the project proponent to submit either a proposal for a specific project area or for a broader area of land on which they will undertake a regeneration project – up to a particular size limit. For example, a project proponent could identify 30,000 hectares in Queensland as potentially being part of a project but specify that no more than 20,000 hectares of this area would be used to conduct a regeneration project. This would allow a project proponent to submit a notification for an area before they had acquired the land to undertake the project.

## 2 Assessment process

# Responsibility for assessing and processing notifications

The Agriculture Minister, with the support of the department, will be responsible for processing and assessing notifications. Notifications will be processed in order of receipt. However, where a proponent submits more than one notification for a project, only the latest notification will be assessed.

#### **Assessment outcomes**

One of 2 outcomes can arise from the assessment of a notification:

- the project becomes an excluded offset project, or
- 2) the project can proceed to be considered by the regulator.

If the project proceeds to be considered by the regulator, the project could be declared an eligible offsets project if the regulator is satisfied that all other relevant requirements have been met. The proponent will receive notice about the status of their notification, regardless of the outcome.

#### **Excluded projects**

Proposed projects will be excluded by the Agriculture Minister (that is, become an excluded offset project) if a written statement making an adverse impact finding is sent to the proponent and the regulator setting out the basis for that finding.

An adverse impact finding is where the Agriculture Minister forms the opinion that the proposed project would result in an adverse impact on agricultural production or the local community in the project region. This could be the result of impacts to agricultural businesses and facilities (for example agricultural product processors), other businesses, employment or Indigenous communities.

Proponents who receive an adverse impact finding may submit a new notification.

The Agriculture Minister may overturn a past decision that resulted in a project becoming an excluded offsets project if new information comes to light or circumstances change in the region being assessed. The Agriculture Minister can only overturn adverse impact findings. If a previous adverse impact finding statement is overturned the proponent can then apply to the regulator to approve the project.

## Projects that can be assessed by the regulator

The regulator can assess applications where the Agriculture Minister has not made an adverse impact finding. The application may then be approved as an eligible offsets project by the regulator if all other relevant scheme requirements are met.

#### Assessment considerations

In forming an opinion about whether to make an adverse impact finding, the Agriculture Minister may consider:

- the size of the proposed project area relative to the agricultural region and the proportion of affected arable or pastoral land in the region
- types of affected commodities and industries and their relative significance within the region.
   The relative significance may be determined by considering the size and value of commodities affected by the proposed project as a proportion of the region's production
- effects on agricultural processors or agribusinesses in the region
- effects on infrastructure for the agricultural industry – for example, the capacity and feasibility of existing infrastructure to support the proposed project and the rest of the region's agricultural industry
- industry trends in the relevant region for example, whether there are growing or declining agricultural industries, or niche market products that will be affected by the project

- effects on local community for example, whether economic activity of the local community will be affected by the project or whether Indigenous communities will be affected
- changes to land management
- recent land use changes
- whether the proponent has considered robust bushfire, soil, weed and pest management for the projects
- other information on the region's agricultural sector and potential effects.

#### **Assessment phases**

There can be up to 2 phases of the assessment process (see Figure 1). Firstly, a primary assessment of the notification will be completed within 30 calendar days. Where the Agriculture Minister does not intend to make an adverse impact finding (that is, intend to exclude a project), the assessment process finishes at this time. Where there is an intent to make an adverse impact finding, an additional assessment is undertaken and will be finalised within a further 45 calendar days.

These assessment time frames restart where a notification is submitted after being previously withdrawn.

#### Phase 1: Primary assessment

There are 2 stages to the primary assessment phase. Firstly, the purported notification is assessed upon lodgement to ensure that it contains the required information and is valid. The time frame for assessing the notification under Stage 1 begins on the day it was received if the notification is found to be valid. Secondly, the Agriculture Minister will assess the notification under Stage 2, after which, one of 2 outcomes will occur:

1) If the Agriculture Minister intends to make an adverse impact finding – in other words, intends to exclude the project – a written statement setting out the basis for that finding will be sent by email to the proponent within 30 calendar days, inviting a response within 20 calendar days. Where the Agriculture Minister intends to make an adverse impact finding, proponents will enter an additional assessment phase. 2) If the Agriculture Minister does not intend to make an adverse impact finding, the proponent will be informed via email within 30 calendar days. The project can then proceed to be considered by the regulator. The project may only be approved by the regulator after 30 calendar days has passed since the proponent submitted a notification.

#### Phase 2: Additional assessment

This phase provides proponents an opportunity to provide a response within 20 calendar days to the Agriculture Minister's intent to make an adverse impact and to have responses considered by the Agriculture Minister before a final decision is made (Stage 3).

Following the Agriculture Minister's original written statement outlining an intention to make an adverse impact finding, one of the following scenarios may occur:

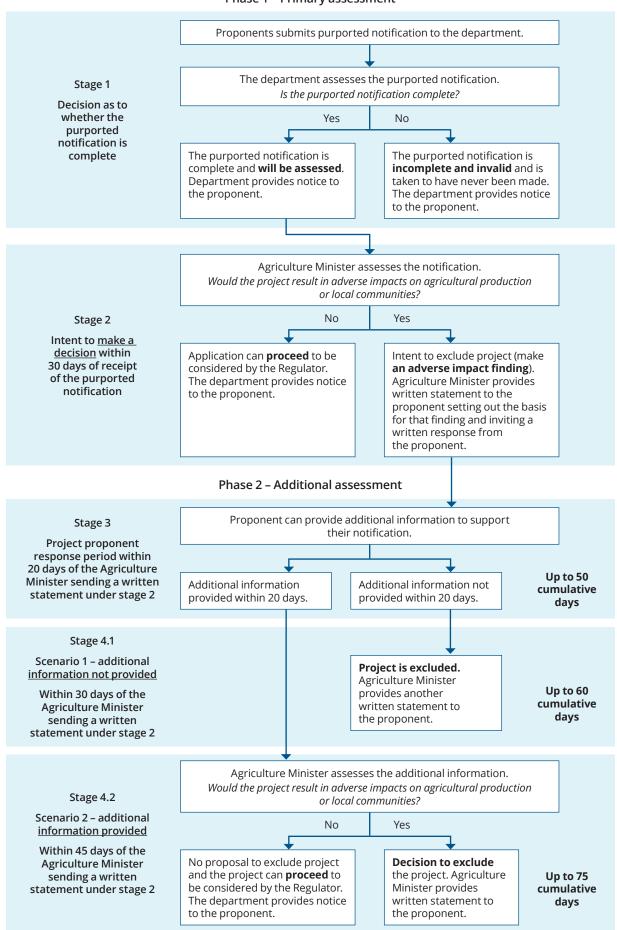
- 1) Where a response is not received from the proponent within 20 calendar days of the Agriculture Minister's original written statement, another written statement will be sent within 30 calendar days of the original written statement, stating that no response was received. The project will become an excluded offsets project (Stage 4.1).
- Where a response is received from the proponent, one of the following scenarios may occur:
  - a) The Agriculture Minister will send another written statement making an adverse impact finding within 45 calendar days of the Agriculture Minister sending the original written statement.
  - b) The department will inform the proponent that the Agriculture Minister has not made an adverse impact finding and that the project can proceed to be considered by the regulator. The project may only be approved by the regulator after 45 calendar days have passed since the Agriculture Minister sent the original written statement (Stage 4.2).

An acknowledgement of receipt of the original written statement that does not address the issues raised by the Agriculture Minister will not be considered a response.

These assessment phases are described in more detail at Appendix B.

Figure 1 Notification assessment process

#### Phase 1 - Primary assessment



## 3 Enquiries

Questions about the notification process can be referred to the department's Climate and Agriculture Section by phone on 02 6272 3933 or email <a href="mailto:ERFnotification@agriculture.gov.au">ERFnotification@agriculture.gov.au</a>.

For more information about project registrations under the Emissions Reduction Fund, contact the regulator by phone on 1300 553 542 or email <a href="mailto:enquiries@cleanenergyregulator.gov.au">enquiries@cleanenergyregulator.gov.au</a>.



Image: Shutterstock

## 4 Other considerations

#### **Material inaccuracies**

The proponent is responsible for any misunderstanding arising from their failure to comply with the guidelines or arising from material inaccuracies in a notification. The proponent is also responsible for understanding the guidelines and requirements for submitting a valid notification.

#### Withdrawal of notifications

A proponent may withdraw their notification at any point prior to a final decision being made, via a written statement sent to <a href="mailto:ERFnotification@agriculture.gov.au">ERFnotification@agriculture.gov.au</a>.

#### **False and misleading information**

All information submitted must be complete, current and accurate at the time of notification. It is a criminal offence under the *Criminal Code Act 1995* to knowingly give false or misleading information to a Commonwealth officer exercising powers under Commonwealth law. If the information submitted by a proponent is false or misleading, the regulator retains the right to refuse to declare a project an 'eligible offsets project' or revoke a declaration made in relation to an eligible offsets project. The regulator also retains the right to seek the relinquishment of ACCUs where false or misleading information has been provided.

#### **Appeals**

Proponents are provided with an opportunity to respond to the Agriculture Minister's written statement of intent to exclude a project.

Proponents may take this opportunity to provide further information to support their notification before a final decision is made.

The Agriculture Minister's final decision is not subject to merits review by the Administrative Appeals Tribunal.

Unsuccessful proponents may submit a new notification.

## 5 Handling of information

#### Freedom of information

All documents held by the department, including those relating to notifications, are subject to the *Freedom of Information Act* 1982 (FOI Act). The FOI Act creates a general right of access to documents held by the department unless a document is exempt (for example, a document may be exempt if disclosure of the document would amount to an unreasonable disclosure of personal or business information). Where a request is made under the FOI Act, access to information, including personal information, will be determined in accordance with the provisions of that Act.

#### **Confidential information**

The confidentiality of the assessment process will be protected, and steps will be taken by the department throughout the assessment process to ensure actual or perceived conflicts of interest are declared and addressed. Proponents must identify information in their notifications or in any supporting documents that they want treated as confidential and provide reasons for the request. The department reserves the right to accept or refuse requests to treat information as confidential. Confidential information may be released as required or authorised by law.

#### **Privacy notice**

Personal information is defined in the *Privacy Act 1988* and includes information about an identified individual, or an individual who is reasonably identifiable.

When you contact the Department of Agriculture, Water and the Environment to make a general enquiry about the requirements of a regeneration notification, you do not have to give your name.

If you intend to apply for a project under the Emissions Reduction Fund Regeneration methods, you are required to submit a notification by email to the department and you will need to identify yourself. Information required in the notification is described at Appendix A.

The collection of your personal information is required by the Carbon Credits (Carbon Farming Initiative) Rule 2015 as amended by the Carbon Credits (Carbon Farming Initiative) Amendment (Regeneration Project) Rule 2022. The department collects this information to assess and make a decision on your notification, as to whether it should be an excluded offsets project. If you fail to provide some or all of the personal information required in the notification, it will be considered invalid.

The department may disclose information related to your notification to the regulator for the purposes of the assessment and application for registration under the regeneration methods. There is a requirement that the project considered by the Agriculture Minister, as outlined in a notification, must be essentially the same project considered by the regulator, as outlined in an application.

The department may also disclose your personal information from your notification to other Australian Government agencies, persons or organisations where necessary provided the disclosure is consistent with the Privacy Act and other relevant laws. Your personal information will be used and stored in accordance with the Australian Privacy Principles.

If essential information to a proponent's notification contains third party personal information, it will be necessary for the proponent to gain consent of the third party to send their information to the department, or remove all reference to a third party's personal information.

For more information about accessing or correcting your personal information or making a complaint, see the department's <u>Privacy Policy</u> or phone the department on 02 6272 3933.

## Glossary

Some terms in this glossary are defined in Section 20C(8) of the Rule. However, in some instances the definitions in these guidelines provide further information or clarification.

| Term   | Definition   |
|--|--|
| Adverse impact finding                                 | Where the Agriculture Minister forms the opinion that the proposed new or expanded ERF project would result in an adverse impact on agricultural production and the local community in the region where the project would be located, an adverse impact finding will be made.  |
|  | Please refer to the related definition of 'region'.  |
|  | Section 20C (8) of the Rule, defines 'adverse impact finding' as:  |
|  | in relation to a new ERF regeneration notification—a finding that if the project went ahead there would, in the opinion of the Minister, be a material adverse impact on agricultural production or the local community in the region where the project would be located; or   |
|  | in relation to an ERF regeneration expansion notification—a finding that if the project went ahead in the additional project area there would, in the opinion of the Minister, be a material adverse impact on agricultural production or the local community in the region where the additional project area would be located.  |
| Agriculture Minister                                   | The Minister responsible for assessing ERF Regeneration notifications, is the Minister responsible for the Australian Government Agriculture portfolio, or their delegate.   |
|  | Section 20C (8) of the Rule, defines 'Agriculture Minister' as:  |
|  | a) the Minister administering the Agricultural and Veterinary Chemicals<br>Act 1994; or  |
|  | b) an SES employee, or acting SES employee, delegated responsibilities relating to this section by the Minister covered by paragraph (a).  |
|  | In this document references to 'Agriculture Minister' can mean a delegate from the department, consistent with paragraph (b).  |
| Carbon sequestration                                   | The general term used for the capture and storage of carbon dioxide. Capture can occur at the point of emission (for example, from power plants) or through natural processes (such as photosynthesis), which remove carbon dioxide from the earth's atmosphere and which can be enhanced by appropriate management practices. Sequestration techniques include enhancing the storage of carbon in forests and other vegetation. |
| ERF Regeneration project application (the application) | An application to the regulator relating to the process of declaring a project as an eligible offsets project such that it is eligible to receive Australian Carbon Credit Units (ACCUs) for the emission abatement achieved as part of the project.   |
|  | For more information about the application process, refer to the <u>regulator's website</u> .  |

| Term   | Definition  |
|--|---|
| ERF Regeneration<br>notification (the<br>notification) | A notification which is the basis for the Agriculture Minister forming an opinion about whether a proposed new or expanded ERF project would result in an adverse impact on agricultural production and the local community in the region where the project would be located. The Rule defines these as either a new ERF regeneration notification or an ERF regeneration expansion notification in section 20C (8).  |
|  | A notification is not a prescribed 'application form', it is a written statement that contains the information required by the Rule and these guidelines.   |
|  | Each notification will be treated and assessed as a single project regardless of the number of project areas included.  |
|  | The Rule and these guidelines set out what is required in a notification.   |
| Farm   | Section 20C (8) of the Rule, defines 'farm' as:  a) any tract of land:  |
|  | <ul> <li>i) which is, or has been in the previous 5 years, used for agriculture; and</li> <li>ii) for which one or more persons hold an estate in fee simple or a lease over the land; or</li> </ul>  |
|  | b) multiple tracts of land:   |
|  | <ul> <li>i) which are, or have been in the previous 5 years, used for<br/>agriculture; and</li> </ul>   |
|  | <ul><li>ii) for which one or more persons hold an estate in fee simple or a lease<br/>over each tract of land; and</li></ul>  |
|  | <ul><li>iii) for which the agricultural activities have contributed to a single<br/>business enterprise, regardless of whether those tracts of land<br/>are touching.</li></ul>   |
| Methodology<br>determination                           | Under the Emission Reduction Fund eligible emissions reduction activities are defined in methodology determinations. Methodology determinations are legislative instruments setting out the rules for calculating abatement from project activities. These methodology determinations ensure that emissions reductions are genuine – that they are both real and additional to business-as-usual operations. Methodology determinations are often referred to as 'methods'. |
| Offsets project  | Activities under the Emissions Reduction Fund are undertaken as offsets projects either; sequestration offsets projects; or emissions avoidance offsets projects. An offsets project must be covered by, and undertaken in accordance with, a methodology determination.  |
|  | 'Offsets project' is a term defined in section 5 of the Act.  |
| Personal information                                   | 'Personal information', as defined in the <i>Privacy Act 1988</i> (the Privacy Act), means any information or opinion about an identified individual or an individual who is reasonably identifiable, whether the information or opinion is true or not, and whether the information or opinion is recorded in material form or not.  |

| Term                   | Definition  |
|------------------------|---|
| Project area/s         | An area of land on which the project has been, is being, or is to be, carried out.  |
|                        | <ul> <li>A project area/s could be one of the following:</li> <li>a precise area on which the project area is to be located</li> <li>the boundaries of an area in which the proponent is looking to define a smaller project area.</li> </ul>                                       |
|                        | Applicants do not need to have acquired the land in the proposed project area before making a notification. However, it would be expected that the proponent has the legal right to carry out the project before applying to the regulator.   |
|                        | 'Project area/s' is a term defined in section 5 of the Act.   |
| Purported notification | An unverified notification – namely, one that has not been assessed by the department to ensure that the required information has been provided. A 'notification' is not a notification until it is assessed, to ensure that it is complete, and contains the required information. |
| Region                 | The area of land, which is in the vicinity of the proposed project area, which may be subject to adverse impacts on agricultural production and the local community as a result of the proposed project going ahead.  |
|                        | In making an assessment, the Agriculture Minister may use Australian Bureau of Statistics (ABS) Statistical Area Level 2 (SA2) and Level 4 (SA4) boundaries, or multiple areas where required.  |
|                        |   |



Image: Shutterstock

## Appendix A: Notification checklist

Proponents are encouraged to use this checklist in preparing and reviewing a notification prior to submission. If the following information is not provided the notification will be considered incomplete and invalid and will not be assessed.

Notifications must contain the following:

- the name, address and contact details of the proponent
- the addresses of the properties involved in the project
- a statement that outlines the proponent is planning to either
  - vary the declaration of an existing eligible offsets project to add an area of land to the project area; or
  - seek the declaration of a new regeneration as an eligible offsets project
- the maximum area, in hectares, of the proposed project
- a geospatial map of the proposed project area at an appropriate scale consistent with the CFI Mapping Guidelines
- a statement outlining the previous 5 years of agricultural land use history within the project area, including the area, in hectares, of each land use type

- either:
  - a statement outlining the previous
     5 years of agricultural production history
     of commodities within the project area,
     including the area, in hectares, of each
     commodity or
  - a statutory declaration proving an inability to provide production history, where 5 years of production data is not available.
- a statement outlining the project's potential impact on agricultural production in the region that considers:
  - projected changes in the region's agricultural production as a result of the proposed project, including
    - effects on the regional agricultural industry such as potential reduced supply to processors and agribusinesses.
    - robust bushfire, soil, weed and pest management.
    - any other information deemed to be relevant by the proponent.
- a statement outlining the project's potential impact on the local community in the region
- any other information relating to the project, such as expected benefits from the project or community support, which the project proponent wishes to include.



Image: Shutterstock

## Appendix B: The assessment process

# **Stage 1: Submitting and assessing a purported notification**

The proponent must send their purported notification to <a href="mailto:ERFnotification@agriculture.gov.au">ERFnotification@agriculture.gov.au</a>. A notification can be submitted on the same day or in the period beginning 18 months prior to the date of making an application to the regulator. The proponent's nominated contact will receive confirmation of receipt of the notification. All correspondence must be submitted via email to eliminate the possibility of exceeding legislated time frames as a result of postal delays.

Following the proponent's submission of the purported notification, an assessment of the information provided will be undertaken to ensure it is complete. If the purported notification contains the required information, it is considered valid and will proceed to stage 2 to be assessed. If the purported notification does not contain the required information, the notification is taken to have never been made and the assessment process will not begin. The department will notify the proponent as to whether the purported notification is valid. If a purported notification is not valid the department will also outline what information is missing. Proponents are encouraged to contact the department prior to submitting a notification, in order to discuss requirements so that they can avoid submitting an invalid notification.

In circumstances where a purported notification is found to be incomplete, proponents may need to withdraw an application made to the regulator to ensure it is consistent with the required time frames. A new project application may need to be submitted with a complete notification.

# **Stage 2: Primary assessment – initial findings**

The time frame for assessing the notification in stage 2 begins on the day that the notification was initially lodged. Within 30 calendar days, one of the following scenarios will occur:

- The Agriculture Minister will send a written statement via email to the proponent stating that the Agriculture Minister intends to make an adverse impact finding and setting out the basis for that finding. This is where the Agriculture Minister forms a preliminary view that the project will lead to an adverse impact on agricultural production or the local community.
- 2) The department will provide notice via email that the Agriculture Minister does not intend to make an adverse impact finding and the project as outlined in the notification can proceed to be considered by the regulator. It is noted that the project may only be approved by the regulator after 30 calendar days has passed since the proponent submitted a notification.

#### **Stage 3: Additional assessment**

Where the Agriculture Minister provides a written statement to the proponent notifying them of the Agriculture Minister's intention to make an adverse impact finding, the proponent has the opportunity, within 20 calendar days, to send a response to <a href="mailto:ERFnotification@agriculture.gov.au">ERFnotification@agriculture.gov.au</a> with further information. An acknowledgement of receipt of the original written statement that does not address the issues raised by the Agriculture Minister will not be considered a response. The nominated contact will receive confirmation of receipt of the response, if provided.



Image: Shutterstock

#### **Stage 4.1: Proponent response** not provided

In scenario 1 (see Figure 1) the proponent does not provide their response within 20 calendar days of the original written statement. In this case, the Agriculture Minister will send a written statement to the proponent within 30 calendar days of that statement, stating that no response was received and that the project will be an 'excluded offsets project'.

#### **Stage 4.2: Proponent** response provided

In scenario 2 (see Figure 1) the proponent provides a response within 20 calendar days of the original written statement. In this case, a final decision will be provided to the proponent within 45 calendar days of sending the original written statement. Based on the information provided by the proponent one of the following will occur:

- The Agriculture Minister will send a written statement via email to the proponent outlining the Agriculture Minister's decision to make an adverse impact finding. This is because the Agriculture Minister is of the opinion that the project will have an adverse impact on agricultural production or the local community.
- The department will provide notice via 2) email to the proponent outlining that the Agriculture Minister does not intend to make an adverse impact finding, and that the project can proceed to be considered by the regulator. The project may only be approved by the regulator after 45 calendar days have passed since the Agriculture Minister sent the original written statement.

#### Box 1 Example assessment process

A proponent wants to start a new regeneration project. First, they prepare a notification that includes:

- · a geospatial map of the potential project area
- the maximum additional project area size, in hectares
- a statement of any potential impacts of carrying out the project in the project area on agricultural production or the local community in the region
- information required by the Emissions Reduction Fund Regeneration Notification Guidelines.

They send the purported notification to <a href="mailto:ERFnotification@agriculture.gov.au">ERFnotification@agriculture.gov.au</a>. The purported notification nominates an email address for the receipt of all correspondence.

On receipt of the purported notification, the department confirms receipt of the notification and assesses whether the required information has been provided. Because the purported notification includes all of the required information, the nominated contact receives notice that the notification will be assessed.

Within 30 calendar days, the Agriculture Minister writes to the proponent to notify them of their intention to make a finding that the project would have an adverse impact on agricultural production or the local community in the region. The Agriculture Minister invites the proponent to submit a written response within 20 calendar days to the designated departmental email account.

Within 20 calendar days, the proponent submits a written response providing further information in relation to the proposed project and its potential impact on agricultural production or the local community in the region.

The proponent needs to wait for up to a further 25 calendar days (45 calendar days since the original written statement was sent) for any written advice on whether the Agriculture Minister has found the project would have an adverse impact on agricultural production or the local community in the region. The proponent does not receive a written statement from the Agriculture Minister after 45 calendar days, so the project can proceed to be assessed by the regulator and could be approved by the regulator if all other scheme requirements are met.

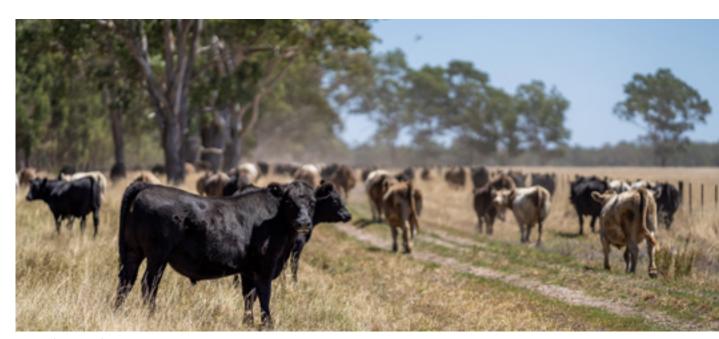


Image: Shutterstock