



**Australian Government**  
Clean Energy Regulator

**EMISSIONS  
REDUCTION  
FUND**

# **Environmental Plantings Pilot**

## **Information Pack**

V.01 2021

# Introduction

The Clean Energy Regulator has made it easier for farmers and landholders to directly participate in the Emissions Reduction Fund (ERF). The purpose of this guidance is to provide an overview of the environmental plantings pilot and to help you determine if you are eligible to participate.

## We are here to help!

Visit our [webpage](#) or contact us on **1300 553 542** or [land@cleanenergyregulator.gov.au](mailto:land@cleanenergyregulator.gov.au).

## Contents

Introduction.....	1
Environmental Plantings Pilot .....	2
Benefits of an environmental plantings pilot project.....	2
Core pilot components .....	2
Pilot eligibility criteria .....	3
How to participate in the pilot .....	3
Lifecycle of an environmental plantings pilot project.....	4
Core ERF scheme participation requirements.....	5
Project participants (proponents) .....	5
Core ERF scheme project eligibility requirements .....	7
Additionality requirements .....	7
Regulatory approvals.....	8
Project area boundary.....	9
Forward abatement estimate (FAE) .....	11
Permanence requirements.....	12
Streamlined processing: Registration.....	13
Guidance and templates.....	13
Project start date.....	14
Project activity .....	14
Establish planting area/s .....	14
Geospatial tool monitoring and assurance .....	16
Geospatial tool monitoring and assurance mechanisms .....	16
Streamlined processing: Reporting and crediting .....	17
Streamlined reporting and crediting process.....	17
Sell ACCUs.....	18
How to generate income from ACCUs.....	18

# Environmental Plantings Pilot



The Clean Energy Regulator has made it easier for farmers and landholders to directly participate in the Emissions Reduction Fund (ERF).

You can now diversify your income and help Australia reduce its emissions by planting trees on your land.

## Benefits of an environmental plantings pilot project

The environmental plantings pilot removes the cost of project audits, simplifies project registration and crediting processes, and introduces an easier way to sell Australian carbon credit units (ACCUs) to the Australian Government.

Environmental plantings pilot projects involve planting a mixture of native and local tree, shrub and understorey species to establish new and permanent forest cover. These projects earn one ACCU for each tonne of carbon dioxide equivalent (tCO<sub>2</sub>-e) stored in the project trees as they grow.

In addition to carbon abatement, increasing the number of trees on your land has other important benefits:



**Diversify revenue**  
ACCUs provide another income stream for your property.



**Shelter for livestock and pastures**  
Plantings improve the condition of stock and pastoral productivity.



**Restore degraded land**  
Protect soils from wind erosion by reducing wind speeds.



**Ecosystem health**  
Improves water quality through reduced pesticide and fertiliser runoff.

## Core pilot components



**Streamlined processing:**  
Registration and crediting

New, streamlined registration, reporting and crediting forms. The Clean Energy Regulator will provide comprehensive ERF scheme and environmental plantings method guidance as well as assist with modelling and reporting obligations.



**Alternative assurance (zero scheduled audits)**

Reduced audit obligations under new alternative assurance arrangements. The Clean Energy Regulator will use geo-spatial tools to confirm that the planting activity has happened, verify that abatement is being achieved, and monitor for disturbances.



**Fixed price purchasing desk (optional)**

Pilot participants are eligible to sell ACCUs at a fixed price to the Australian Government. This is an optional alternative to the traditional ERF auction process that mitigates administrative barriers and price and success uncertainty with ERF auctions.

## Pilot eligibility criteria

To participate in the environmental plantings pilot, projects must meet and continue to meet certain eligibility criteria and register with the Clean Energy Regulator via the environmental plantings pilot pathway.



### Register under the environmental plantings method

The project is registered under the [Carbon Credits \(Carbon Farming Initiative\)\(Reforestation by Environmental or Mallee Plantings – FullCAM\) methodology determination](#) as a mixed-species environmental plantings (pilot) project.



### Project proponent is the owner, leaseholder or native title holder of the land

The project proponent, or nominee of multiple project proponents, is the freehold title holder, leaseholder, or native title holder or registered native title body corporate for all project areas of the project.



### Total Carbon estimation area (CEA) is no more than 200 ha

The anticipated or reported carbon estimation area (CEA) is no more than 200 hectares. This means that the total area of all plantings areas included in the pilot project must not exceed 200 hectares.



### Mixed-species block Full Carbon Accounting Model (FullCAM) model

All planting areas in the pilot project area are established as block plantings (more than a single row of stems) and modelled as CEAs using the mixed-species Block ES 2020 FullCAM model (generic calibration).



### Geospatial tool monitoring and assurance

Instead of scheduled audits, the Clean Energy Regulator will use geospatial tools to confirm that the planting activity has happened, verify that abatement is being achieved, and monitor for disturbances.

## How to participate in the pilot



Figure 1: Lifecycle of an environmental plantings pilot project

## Lifecycle of an environmental plantings pilot project



### Step 1

#### Review eligibility criteria and ERF scheme requirements

Review ERF scheme and environmental plantings pilot eligibility criteria and requirements.

---



### Step 2

#### Register your project

Apply to register your project via [Client Portal](#) and complete the Client Enrolment process. This includes a fit and proper person (FPP) assessment to determine your eligibility to participate in the scheme.

---



### Step 3

#### Establish and maintain plantings

Establish your plantings (via direct seeding and/or planting tubestock) and maintain your planting areas. You must not begin site preparation and planting until after your project has been successfully registered.

---



### Step 4

#### Geospatial tool monitoring

The Clean Energy Regulator will use geospatial tools to confirm that the planting activity has happened, verify that abatement is being achieved, and monitor for disturbances. Instead of incurring the cost of scheduled audits, you can supply geo-referenced, on-ground imagery to support these assurance mechanisms as required.

---



### Step 5

#### Streamlined processing: Reporting and crediting

Pilot participants can earn one ACCU for each (tCO<sub>2</sub>-e) stored by project trees. The Clean Energy Regulator will assist with project mapping and modelling annually to make it easier to report on carbon abatement and earn ACCUs.

---



### Step 6

#### Sell ACCUs

ACCUs can be sold to generate income, either to the Australian Government through the fixed price purchasing desk, a carbon abatement contract or to private buyers in the secondary market.



Step 7

### Maintain forest cover

Forest cover must be maintained to preserve the carbon stored in your project trees for the duration of the permanence period (25 or 100-years).

## Core ERF scheme participation requirements

### Project participants (proponents)

#### Project proponent

The project proponent is the person or entity responsible for carrying out an ERF project, are issued any ACCUs generated by the project, and has a legal relationship with the Clean Energy Regulator.



When applying to register your environmental plantings pilot project you are required to complete the Client Enrolment process, which includes a fit and proper person (FPP) assessment. Each project proponent must provide 100 points of Identification and all proof of identity documents uploaded must be scanned, certified true copies of original, current documents.

Additional Client Enrolment requirements may vary depending on whether you intend to register your project as an individual, partnership or an entity.

#### Nominated nominee



If a project has multiple project proponents, one must be appointed as the nominee for the project when completing the project registration application form. The nominee will be the primary contact for the project and will be authorised to act on behalf of multiple project proponents. Each project proponent will need to provide their written consent to the appointment of the nominee.

#### Fit and proper person (FPP) assessment

To be a project proponent, you will need to be recognised as a fit and proper person (FPP) as a part of your project registration application. This assessment is required to open an Australian National Registry of Emissions Units (ANREU) account, where you will be credited ACCUs for carbon abatement generated by your project.



Each project proponent will be required to undergo a FPP assessment. It involves declaring about any convictions or insolvency and considers whether the proponent has the necessary capabilities to run a project. This includes undergoing an Australian Federal Police (AFP) National Police Check.

#### Skills and expertise



At the time of project registration, you need to be able to demonstrate that you have the appropriate skills, experience, or expertise to be the person or entity responsible for running the environmental plantings pilot project. You are not required to hold any formal qualifications however you may upload any relevant certificates or any other relevant material to support your claims.

If applicable, you can include a description of contractors you plan to engage to assist with establishing the project and support project maintenance.

### Project administration - Client Portal account



The [Client Portal](#) is used to provide access to online forms, Clean Energy Regulator based systems and other important information. To apply to register your environmental plantings pilot project, you will need to create a Client Portal account.

For projects with multiple project proponents, only the nominated nominee should create a Client Portal account and submit the project registration application. Each project proponent must be identified and assessed through the Client Enrolment process featured in your project registration application form.

### Australian carbon credit units (ACCUs) - ANREU account



To be credited ACCUs for any carbon abatement generated by your environmental plantings pilot project, you will need to have an Australian National Registry of Emissions Units (ANREU) account.

For projects with multiple project proponents, the nominated nominee will need to hold the ANREU account designated as the nominee account for the project and receive the ACCUs from the project on behalf of all participants.

#### More information

See our [guide on opening an ANREU account](#) for more information.

Contact us on **1300 553 542** or send an email to [land@cleanenergyregulator.gov.au](mailto:land@cleanenergyregulator.gov.au).

## Core ERF scheme project eligibility requirements

### Additionality requirements

There are 3 additionality requirements that ensure that all carbon abatement credited for an environmental plantings pilot project is new and additional. Whether a project meets additionality requirements will depend on the circumstances and will be assessed by the Clean Energy Regulator on a case-by-case basis.

#### 1. Newness requirement

Environmental plantings pilot projects must establish new and permanent forest cover. The newness requirement is a core element of the ERF and requires that the project activity, such as, site preparation and planting, cannot commence before the project is registered. These requirements ensure that the scheme only incentivises projects that would not have otherwise occurred.

#### **The following activities are not permitted prior to registration:**

- making a final investment decision in relation to the project
- acquiring or leasing a tangible asset (other than land) that is for use wholly or mainly for the purposes of the project
- commencing construction work for the purposes of the project
- preparing soil for seeding or planting that is for the purposes of the project
- seeding, planting or fertilising plants that are for the purposes of the project
- installing an irrigation or drainage system for the purposes of the project.

#### **The following activities are permitted prior to registration:**

- conducting a feasibility study for the project
- planning or designing the project
- obtaining regulatory approvals for the project
- obtaining consents relating to the project
- obtaining advice relating to the project
- conducting negotiations relating to the project
- sampling to establish a baseline for the project
- an activity specified in the legislative rules
- an activity that is ancillary or incidental to any of the above activities.

## 2. Regulatory additionality requirement



The regulatory additionality requirement ensures that projects do not receive ACCUs if the activities are already required by law. This means that if you are required to undertake your environmental plantings pilot project because of any of legislative requirements then your project would unlikely be eligible for registration under the ERF.

An example may be environmental plantings pilot projects that involve planting trees to satisfy the condition of a development approval. This type of project is unlikely to meet the regulatory additionality requirement unless tree planting was discretionary, and other options, such as a concrete wall, could have been used to satisfy the requirement or the plantings go above and beyond what was required and will result in more carbon abatement.

## 3. Australian Government program requirement

The third type of additionality requirement (Australian Government program requirement) is that the environmental plantings pilot project would be unlikely to be carried out under another Australian Government, state or territory government program or scheme in the absence of a declaration of the project as an eligible offsets project.

This is intended to ensure that emissions reductions are not incentivised under the ERF if the projects have received incentives under another Australian Government program. At present, this provision only applies to environmental plantings pilot projects that have received funding under the [20 Million Trees Program](#).

## Regulatory approvals

You will need to obtain all relevant planning or environmental approvals to carry out your project activity. This relates to relevant Australian Government, state and territory and local government approvals, permits and licence requirements relating to land use of development, environment and water that are required to carry out your land management activities.

### Regulatory approvals may be required for:

- preparation prior to planting
- planting
- thinning
- weed control treatment,
- the application of fertiliser.

If your project requires regulatory approvals or permits, these must be obtained and supplied to the Clean Energy Regulator prior to submitting your first **offsets report** although you will have an opportunity to supply them when applying to register your environmental plantings pilot project.



If you are unsure if any regulatory approvals are required, you should contact your state planning authority and local government or Natural Resource Management (NRM) group. ERF project registration does not replace or include relevant local, state or federal approvals.

## Project area boundary

A **project area** is an area of land on which **part** or **all** of the environmental plantings pilot project is to be carried out and is nominated before you begin your project activity.

When you apply for project registration, you will be required to:

- supply location details of the project
- declare your project area boundaries by attaching a geospatial map of your project area/s to your application
- demonstrate that you have Legal Right and identify if there any eligible interest holders,
- nominate any relevant natural resource management (NRM) plans that cover the project area and declare if the project is consistent with the nominated NRM plan/s.

## Geospatial mapping requirements



When you apply to register your environmental plantings pilot project, you will be required to provide a map of the entire project area in a single geospatial data file in accordance with the [CFI Mapping Guidelines](#). You must use a common, interchangeable digital GIS format such as, Shapefile, MapInfo, or KML. Geospatial files must clearly show the project area.

[Google Earth online](#) is an example of free geospatial software that you may use to map your project area boundary and export a KML file to upload with your project registration application.

Your total project area may be one or more planting areas. For ease, you may want to nominate your project area boundary as the land you hold the legal right to. This means that for the purpose of satisfying your project registration requirements, your project area boundary could be the same as your property boundaries per your land title/s.

## Digital cadastral data



If you wish to nominate your land title/s as your project area boundary, you could request a copy of the digital cadastral data for your property from your relevant state or territory Government body. A digital cadastral map is a suitable geospatial file that may be uploaded with your application. You will need to outline the land you plan to establish environmental plantings and what areas you expect to be excluded (i.e., a dwelling, existing forest cover, land for pasture, a dam, etc).

### More information

For more information on project mapping requirements, you may review the [Carbon Farming Initiative \(CFI\) Mapping Guidelines](#).

Contact us on **1300 553 542** or send an email to [land@cleanenergyregulator.gov.au](mailto:land@cleanenergyregulator.gov.au).

Visit the [Environmental Plantings Pilot](#) webpage for more information and guidance resources.

## Legal Right and Eligible Interest Holder Consent

You will need demonstrate that you have the legal right to carry out project activities on the land nominated as the project area as well as receive ACCUs from these activities, that no other person can lawfully claim.

If another person or entity has an eligible interest in the land in the project area, you must get their consent to the undertake your environmental plantings pilot project.

### Eligible interest holders may include:

- any mortgagees
- anyone with a caveat or encumbrance registered on the land title for the property such as easements
- other people or parties that share or have ownership or leases of the land
- Native title — rights Aboriginal and Torres Strait Islander people can hold under traditional laws and customs,
- for leased Crown land – the Crown Lands Minister needs to provide consent, usually through a relevant state or territory lands department.



If you have identified any eligible interest-holders, they must sign a [Clean Energy Regulator eligible interest-holder consent form](#). A project will be registered 'conditionally' until all consents and approvals are provided through a project variation. Conditionally registered projects cannot receive ACCUs.

If after your project is registered your legal right to carry out the project or your responsibility for it ceases for any reason, then you must notify the Clean Energy Regulator within 90 days.

## Natural Resource Management (NRM) plans

If the project area is covered by a regional Natural Resource Management (NRM) plan, then a proponent must state whether the project is consistent with the plan at the time of project registration and crediting.



You should consult your local Natural Resource Management organisation's NRM plan to determine if the activities proposed as part of your project align.



Under section 83 of the [Carbon Credits \(Carbon Farming Initiative\) Act 2011](#), proponents are required to notify the Clean Energy Regulator if their project becomes inconsistent with an NRM plan within 90 days.

## Forward abatement estimate (FAE)

You are required to provide a forward abatement estimate (FAE) in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>-e) at the time of project registration.



Each ACCU issued will represent one tCO<sub>2</sub>-e stored by your environmental plantings pilot project. The Clean Energy Regulator publishes results, both price and quantity of [auction results](#) on the website, for you to get indications of market conditions.

## Use LOOC-C to estimate your FAE

There is no 'right' way to calculate your FAE however it is expected that you will estimate the amount of carbon abatement your project is likely to help you make decisions about your project.

[LOOC-C](#) is an interactive online tool developed by Centre for Scientific Innovation and Research Organisation (CSIRO).



Based on the information you provide, this tool uses FullCAM modelling to quickly estimate the total carbon abatement (tCO<sub>2</sub>-e) the project may be able to generate over 25 years as well as the annual rate of abatement tCO<sub>2</sub>-e per hectare per year (tCO<sub>2</sub>-e/ha/y).

To generate this estimate, the LOOC-C tool asks you nominate:

- project location
- areas to exclude (if applicable),
- previous use of the land over the last 5 years.

Figure 2 is an example of the information generation by these inputs.



Figure 2: Example of LOOC-C outputs and FAE for a 40-ha planting area

## Determine project co-benefits



LOOC-C will also suggest the co-benefits associated with your project. You may want to include these in the *Describe your project in simple language* question in the project registration application form. This question asks you provide a simple description of your project that will help present the benefits of your ERF project to the broader community.

## Permanence requirements



An environmental plantings pilot project establishes new and permanent forest cover and ACCUs are issued for the carbon stored in the trees as they grow, estimated using the Full Carbon Accounting Model (FullCAM).

This means that you must maintain your environmental plantings as per the method requirements for the duration of the permanence period. Any changes to your project activity or your carbon stock must be reflected in your project reports.

### Permanence period – 25 or 100 years

The permanence period begins when your project is first credited ACCUs. You are required to nominate either a 25 year or 100-year permanence period at the time of registration and cannot be varied.

If your permanence period is 100 years, then you will be required to retain carbon stores beyond the 25-year crediting period of the project.

Crediting discounts will apply based on what permanence period you nominate.

### Permanence plan



As a part of your permanence obligations, you are required to submit a permanence plan that explains the steps that will be undertaken to ensure carbon remains sequestered in the project area for the permanence period. This must be uploaded with your project registration application and updated twice throughout the project reporting period.

For convenience, a [permanence plan template](#) is available to download from the [environmental plantings pilot webpage](#).

### Permanence period and crediting discounts

A risk reversal discount of **5%** applies to the ACCUs issued for all sequestration projects, including environmental plantings projects.

An additional discount of **20%** applies if you nominate a **25-year permanence period**.

This means that:

- If you choose a 100-year permanence period then for every 100 ACCUs you would earn before the discount, the Clean Energy Regulator would issue 95.
- If you choose a 25-year permanence period, an additional 20% discount will be applied. This means for every 100 carbon credits you would earn before the discount, we only issue 75.

**Table 1: Crediting discounts applied to nominated permanence periods**

Permanence Period	Crediting discount	Total ACCUs issued per 100 earned after the discount
<b>100-year permanence period</b>	5% risk of reversal buffer	95
<b>25-year permanence period</b>	5% risk of reversal buffer 20% permanence discount	75

## Streamlined processing: Registration

To register under the environmental plantings pilot, a project registration application must be submitted to the Clean Energy Regulator outlining how the pilot project meets ERF scheme and pilot eligibility criteria and is consistent with the environmental plantings method.

A new, streamlined registration form has been developed specifically for environmental plantings pilot participants that can be accessed via the Clean Energy Regulator's [Client Portal](#).

### Apply now!

Our streamlined registration form is available via the [Client Portal](#).

Create a [Client Portal](#) account to apply to register an environmental plantings pilot project.

The registration form is divided into 6 parts:

1. get started – confirm that you meet pilot eligibility criteria
2. project participants (proponents)
3. project details
4. area
5. project activity,
6. declaration.

In addition to answering several questions about yourself and your pilot project, you will need to provide:

- 100 points of ID (certified copies) and undergo a fit and proper person (FPP) assessment, including an Australian Federal Police National Police Check
- evidence of legal right to carry out the project activity and receive ACCUs
- any relevant regulatory approvals or eligible interest holder consents\*
- a geospatial map of the project area boundary (with assistance from the Clean Energy Regulator),
- a permanence plan and explain the appropriate skills, experience, or expertise you have as the person or entity responsible for carrying out the environmental plantings pilot project.

Once you have submitted your pilot project registration form, your application will be assessed by the Clean Energy Regulator (allow up to 90 days). If your application is incomplete, you may be asked to provide further information or resubmit your application during this process. For this reason, it is important that you review the guidance below prior to commencing your pilot project registration.

\*Environmental plantings pilot projects may be conditionally registered upon providing relevant consents and approvals.

## Guidance and templates

To assist you with the pilot project registration process, the Clean Energy Regulator has developed guidance and templates published on the [Environment Plantings Pilot](#) webpage.

## Project start date



Your project start date is either the date your project is successfully registered or a date that you nominate when you apply to register your pilot project based on when you plan to establish your plantings.

Once your project is registered, you may defer your start date up to 18 months after the date of registration by completing a [project variation](#) form via [Client Portal](#) (note: the project start date can only be varied once).

It is important to note that your project start date and project activity cannot commence until after the project has been registered.

## Project activity



ERF projects undertake activities covered by an approved methodology (method), which set out the detailed rules for running a project and calculating carbon abatement.

Environmental plantings pilot projects involve planting a mixture of native and local tree, shrub and understorey species to establish new and permanent forest cover.

These projects are registered under the [Carbon Credits \(Carbon Farming Initiative\) \(Reforestation by Environmental or Mallee Plantings – FullCAM\) Methodology Determination 2014](#) (the environmental plantings method).

## Establish planting area/s



### Planting area eligibility

An eligible planting area must be clear of forest cover for at least 5 years prior to the date of application. The area cannot have woody biomass or an invasive native shrub species that need to be cleared in order for planting to occur, other than known weed species required or authorised by law to be cleared.



### Mixed-species block plantings

Mixed-species plantings must be a mixture of native tree, shrub and understorey species that:

- reflects the structure and composition of the local native vegetation
- are sourced from seeds from within the natural distribution of the species and are appropriate to the biophysical characteristics of the area of the planting
- are established through planting (via planting tubestock and/or direct seeding)
- project trees must achieve a height of 2 metres or more and 20% crown cover.



A block planting (planting area) may be any shape or configuration provided that it consists of more than a single row of plantings and a stocking density of:

- more than 200 stems per hectare, and
- a density that will achieve forest cover.



## Carbon estimation areas (CEAs)

Planting areas must be mapped and modelled as CEAs. The total CEA/s must be no more than 200 hectares. There are a number of factors to consider when establishing your planting area/s so that they will meet the requirements of a CEA.



## Establishing planting areas as CEAs

A CEA must meet certain uniformity requirements under the environmental plantings method. This means that the land is homogenous for the purpose of carbon abatement calculations, has consistent biophysical characteristics and is where plantings are established and managed in a consistent way. For this reason, each planting area could be modelled as the same CEA or as different CEAs, depending on these factors.

**Table 2: CEA uniformity requirements**

Uniformity requirement	Description
Site characteristics	The following characteristics of a planting area must uniform to be modelled as a single CEA: <ul style="list-style-type: none"><li>• soil type</li><li>• aspect,</li><li>• slope.</li></ul>
Plant species	The planting area must be planted (via tube stock or direct seeding) with the same combination of plant species.
CEA boundary	The stems of the outermost plants.
Land management regime	The planting area must be established and managed under the same land management regime including: <ul style="list-style-type: none"><li>• preparation prior to planting</li><li>• planting (via tube stock or direct seeding)</li><li>• thinning</li><li>• weed control treatment,</li><li>• application of fertiliser.</li></ul>

## Restricted activities



Livestock grazing must be restricted so that it does not affect the ability of your plantings to achieve or maintain forest cover.



You cannot remove biomass (i.e., fallen timber) from your plantings unless for thinning for ecological purposes, fire management, in accordance with traditional indigenous practices or native title rights, or for specific personal use or consumption.

## Geospatial tool monitoring and assurance

Environmental plantings pilot projects are eligible for reduced audit obligations as an alternative assurance project.

Integrity of abatement is a key element of the ERF, and since the inception of the scheme, audits have been a core integrity and assurance measure for all projects.



Most ERF projects are required to be audited by an independent auditor to establish reasonable assurance that the calculation of carbon abatement reported by a project is accurate. The number and frequency of audits is dependent on the type and size of the project.



As industry innovates and technologies develop, there are opportunities to recognise alternatives to audits that provide a level of assurance that is fit-for-purpose and does not reduce scheme integrity. Such alternatives can reduce administrative burden for participants and open-up scheme participation.



The costs of audits have been identified as a barrier to ERF participation for certain environmental plantings projects. For this reason, environmental plantings projects that meet certain criteria are eligible to opt into alternative assurance arrangements (geospatial tool monitoring) and forgo the cost of scheduled audits.

## Geospatial tool monitoring and assurance mechanisms

The Clean Energy Regulator will use geospatial tools to confirm that the project activity (planting or direct seeding of trees) has happened, verify that abatement is being achieved, and monitor for reported disturbances (such as, fire or die-back).



**Geographic information and mapping software.** The Clean Energy Regulator will use geographic information and mapping software to verify and monitor your planting area/s and ensure that it meets the ERF scheme and method requirements. We may make adjustments to your geospatial map to ensure that it meets the ERF scheme requirements and that the carbon abatement is modelled correctly.



**Remote sensing.** Satellite and aerial imagery will be sourced throughout the life of your project to confirm the planting location and attainment and maintenance of forest cover.



**Date-stamped, geo-referenced photographs.** You must supply date-stamped, geo-referenced photographs to demonstrate the establishment and progress of your planting area/s and ensure that it meets the CEA requirements.

## Audit requirements for environmental plantings pilot projects

Environmental plantings pilot projects will be issued an audit schedule with zero audits.

If at any stage your project ceases to satisfy the eligibility criteria, it will no longer be eligible to participate in the environmental plantings pilot, and will no longer be an alternative assurance project as defined in the [Carbon Credits \(Carbon Farming Initiative\) Rule 2015 \(CFI Rule\)](#). If this happens, the Clean Energy Regulator may require one or more scheduled audits of the project (which would have been required if the project had not been an alternative assurance project).

## Streamlined processing: Reporting and crediting

The [environmental plantings method](#) has specific project reporting requirements. This includes regularly monitoring, mapping and modelling project activity in each CEA for the purpose of calculating carbon abatement and earning ACCUs.

The crediting period for your environmental plantings pilot project is 25 years from the project start date. In that time, when you report on the carbon abatement generated by the pilot project and you can earn one ACCU for each tonne of carbon dioxide equivalent (tCO<sub>2</sub>-e) stored in the trees as they grow. You can report and earn ACCUs as often as every 6 months, but you must provide a report at least every 5 years.

As part of the streamlined processing component of the environmental plantings pilot, the Clean Energy Regulator will assist you with mapping and modelling your pilot project annually to make it easier to report and earn ACCUs more frequently. Additional guidance will be provided to support you through this process.

### Streamlined reporting and crediting process



#### Part 1

#### Provide project activity data and records

A year from your project start date, the Clean Energy Regulator will prompt you to report on your project activity by completing an online form in [Client Portal](#). This form will be the basis of your report and the data you provide will be used to model your CEAs.



#### Part 2

#### Carbon estimation area (CEA) mapping

You will be required to include evidence of where and how your plantings were established, including a geospatial map showing the location and boundaries of each CEA. The Clean Energy Regulator will assist you with mapping requirements and will make adjustments, where necessary, to ensure compliance with the ERF scheme and the environmental plantings method.



#### Part 3

#### Carbon estimation area (CEA) modelling – FullCAM

[Full Carbon Accounting Model \(FullCAM\)](#) is the geospatial tool used to estimate carbon abatement for environmental plantings pilot projects. The Block Environmental Services (Block ES) model is the only FullCAM model that may be applied to each CEA under the environmental plantings pilot.

The Clean Energy Regulator will input the project activity and management data you provide into FullCAM to model each of your CEAs, and calculate the carbon abatement generated by your environmental plantings pilot project.



#### Part 4

#### Review carbon offsets report and earn ACCUs

Once your pilot project has been mapped and modelled, the Clean Energy will provide notice of the assessment, including the number of ACCUs that you are eligible for in that reporting period. After you have reviewed and accepted this assessment, you may claim ACCUs, which will be credited to your [Australian National Registry of Emissions Units \(ANREU\) account](#).

The Clean Energy Regulator will continue to prompt annually to provide an update on the report you previously submitted and again, assist you with mapping and modelling your pilot project as required.

## Sell ACCUs

ACCUs earned by ERF projects can be sold to generate income, either to the Australian Government or to private buyers in the secondary market.

### How to generate income from ACCUs

The environmental plantings pilot introduces an easier way to sell ACCUs to the Australian Government at a fixed price as opposed to the existing ERF auction process. You may still opt to participate in an ERF auction if your pilot project meets the criteria or sell your ACCUs on the secondary market to take advantage of greater price fluctuation.

#### Fixed price purchasing desk



Environmental planting pilot participants may access the fixed price purchasing desk as an optional alternative to the ERF auction. Introducing the option to sell ACCUs at a fixed price is designed to address auction participation barriers, such as price and success uncertainty related and administrative burden.

The offer price will be set based on the results of the preceding ERF auction. There is no minimum or maximum quantity of ACCUs that can be sold and then exchange would happen within 28 days of an application being approved.

#### ERF Auctions and contracts



You can sell your ACCUs to the Australian Government by obtaining a carbon abatement contract, that would be awarded following a successful bid made at an ERF auction. A project must generate a minimum of 2000 ACCUs per annum on average for the duration of the contract (up to 10 years) to be eligible to bid in an ERF auction. The Clean Energy Regulator has identified that is a barrier that may prevent smaller landholders from participating in an ERF auction.

[Additional information on ERF auctions and carbon abatement contracts](#)



#### Secondary market

Alternatively, if you find a more lucrative offer on the secondary market, you may sell your ACCUs there.

There are a range of brokers and parties involved in this market, with further information found at the [Carbon Market Institute website](#).

## More information

### We are here to help!

Contact us on **1300 553 542** or send an email to [land@cleanenergyregulator.gov.au](mailto:land@cleanenergyregulator.gov.au).

Visit the [Environmental Plantings Pilot](#) webpage for more information.