

7 October 2024

Department of Climate Change, Energy, the Environment and Water  
 via email: [ACCUMethods@dcceew.gov.au](mailto:ACCUMethods@dcceew.gov.au)

To whom it may concern,

**Re: Feedback on the Nature Repair Market Legislation**

We write to provide feedback on the discussion paper ‘Operating the Nature Repair Market’ (NRM), which was recently released by the Department of Climate Change, Energy, the Environment and Water (DCCEEW) for public comment.

As the discussion paper provides set consultation questions, this response seeks to follow the same format as outlined in Appendix B of the paper. As follows:

Section of the paper	Question	Response
<b>Requirements for registration</b>	Should existing projects be eligible to participate in the Nature Repair Market?	Yes, where appropriate.  Consideration should be given to the concept of double counting, with measures put in place to ensure the project cannot benefit from multiple sources for the same activity/outcome.  This also requires a presumption that existing projects have collated baseline data that addresses the relevant NRM method.
	Do you agree that each registered project must include activities beyond those required under a Commonwealth, State or Territory law?	Yes, this is key in upholding additionality of the project.
<b>Information to accompany an application</b>	Do you agree that the specified information should be mandatory at the application stage?	Yes.  We encourage the Department to strive for consistency with ACCU Scheme requirements for ease of use by participants.  Additionally, we also request the Department consider the necessity of ‘audit reports’ at this preliminary stage, given the associated cost burden on proponents.
<b>Project plans</b>	In what ways could the project plan facilitate the registration and	Similar to the Forest Management Plan required by Plantation Forestry projects under the ACCU

	implementation of a biodiversity project?	Scheme, a Project Plan would provide a mechanism by which proponents can demonstrate the robustness of their project at registration and provide guidance to follow for implementation.
<b>Types of projects unable to participate in scheme</b>	Should the listed project types be excluded from the Nature Repair Market?	<p>To avoid confusion, the term ‘known weed species’ should be clearly defined, with an appropriate state or national level register(s) used for participant and Regulator surety.</p> <p>Timeframes for illegal activity should be consistent with the ACCU Scheme legislation (or longer).</p>
<b>Transitioning for varied or ceased methods</b>	Should registered projects be required to transition to new or varied methods? What exceptions, if any, should be allowed?	<p>We support the inclusion of ‘exceptions’. Uncertainty around transition arrangements has reduced participants confidence in the ACCU Scheme, so it is important that these arrangements are clear and fair to promote uptake.</p> <p>We support the proposed exceptions and suggest that these should include an exception when the transition would lead to a substantial increase in cost (or onerous additional time cost) that the proponent can demonstrate has a tangible impact upon project viability.</p>
<b>Content of a biodiversity certificate</b>	Do you agree with the proposed content of the biodiversity certificate?	Yes. We recommend that additional parameters are added under the ‘biodiversity outcome defined by a set of project attributes’ field, to improve transparency and integrity of the certificate.
<b>Project attributes</b>	What specific project attributes should be included on a Biodiversity Certificate?	<p>Additional project attributes should include:</p> <ul style="list-style-type: none"> <li>- The baseline project attributes.</li> <li>- Inclusion of an ‘accuracy level’ if applicable.</li> <li>- Whether the outcome has been validated by a third-party auditor, and when.</li> </ul>
<b>Project information on the register</b>	Do you agree with the proposed project information to be included on the Register?	Yes.

<b>Certificate information on the Register</b>	Do you agree with the proposed certificate information to be included on the Register?	<p>Yes.</p> <p>If appropriate, additional information could include:</p> <ul style="list-style-type: none"> <li>- ACCU Scheme project number.</li> <li>- The methodology under which the certificate was provided.</li> <li>- Whether the project is conditional or unconditional</li> <li>- Project permanence period</li> </ul>
<b>Category A biodiversity project reports</b>	Do you agree with the proposed content for Category A biodiversity project reports?	<p>Yes.</p> <p>Where possible, it would be beneficial to align these requirements with the existing ACCU Scheme requirements for an Offset Report.</p>
<b>Category B biodiversity project reports</b>	Should a Category B biodiversity project report be required every 5 years?	<p>The purpose and requirements of a Category B report are not clearly set out within the Discussion Paper. Additionally, the timing of the Category B report as outlined within Figure 1 appears unusual as it is to be completed prior to the first Category A report and issuance of the Biodiversity Certificate. As audits will also be completed throughout the project lifetime, it seems unnecessary to require both a Category A and B report every 5 years of the project as it would be assumed that most of the monitoring requirements would be fulfilled by the Category A report. Further information is therefore required to determine whether a 5-year cycle is appropriate, if at all.</p>
<b>Audits at the time of certificate issuance</b>	Do you agree with the proposed requirements and contents of an audit report at the time of certificate issuance?	<p>Yes.</p> <p>As required under the ACCU Scheme, regular independent audits throughout the project lifetime are important to ensure project and method integrity. We support the exemptions for projects that meet certain requirements (like the ACCU Scheme's Alternative Assurance programs) to decrease participation barriers for smaller projects.</p> <p>We recommend a simplification of the Category A + Category B reporting requirement for ease of reporting and reduction in administrative burden.</p> <p>We recommend the Department consider whether timing of Audits could mirror those used</p>

		in the ACCU scheme (whereby the first audit accompanies the first reporting period).
<b>Audits to accompany biodiversity project reports</b>	What factors should determine the number and timing of audits for Category A or B biodiversity project reports?	<ul style="list-style-type: none"> <li>- Project size</li> <li>- Number of biodiversity units or assets</li> </ul>
	Should the CER have authority to set additional audits requirements, or should these be limited to proponent consent?	It is suitable for CER to have authority.
	Under what circumstances should the CER require an audit with the next biodiversity project report?	<ul style="list-style-type: none"> <li>- Large project size</li> <li>- High number of biodiversity units or assets</li> </ul>
<b>Notification – significant reversal</b>	Do you agree with the proposed definitions of significant and not significant reversals of biodiversity outcomes for notification?	<p>Yes, but further clarity needed.</p> <p>Definitions will be required for “short period of time”. Otherwise, the definitions of a non-significant event appear suitable.</p> <p>If an event affects between 5-10% of a project, there is a gap where it does not meet either definition. We recommend that the ACCU Scheme definition is used whereby a natural disturbance event affecting greater than 5% of the project area should be considered significant.</p>

We support the suggestions presented by the Department in principle, and believe that further enhancements can be made to improve user experience without sacrificing integrity.

The CFF would like to thank DCCEEW for considering our feedback on the Nature Repair Market, and we welcome any opportunity for further engagement to ensure the Market is fit-for-purpose.



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