



Alternative Assurance for low-risk plantation forestry projects

Response to submissions

- The consultation period closed on 1 May 2024. Ten submissions were received from a range of stakeholders. Submissions that were not marked confidential are published on the Clean Energy Regulator website.
- The submissions generally agreed that integrity of low-risk plantation forestry projects could be adequately assured under the proposed audit regime, and most agreed that the reduced audit costs would be likely to increase participation.
- Our response to specific feedback received in the submissions is summarised below.

Feedback received	Our response
<p>Increase maximum size (up to 500 hectare was suggested), claiming that this would not increase risk and would help further increase participation and viability of projects</p>	<p>We consider the maximum total carbon estimation area size of up to 200 hectares (ha) is appropriate to keep the focus on smaller projects in the low-risk range. Almost 25% of all registered plantation forestry projects are less than 200 ha. Larger projects are considered to carry more risk since they deliver more Australian carbon credit units (ACCUs). A smaller maximum project size and the required initial audit also helps minimise the risk of proponents dividing up larger projects to take advantage of the alternative assurance arrangements.</p> <p>The use of estimated annual abatement was also suggested instead of a project size limit, however, this is difficult to estimate accurately and is therefore not considered a suitable way to limit project size.</p>
<p>Remove the initial audit requirement, claiming that the upfront cost might still deter participation, and that integrity can be assured without on-ground checks.</p>	<p>We consider the initial audit necessary to ensure integrity of projects. One initial audit is considered appropriate for this class of projects to ensure that the project is being carried out in accordance with the method and to check that FullCAM is calibrated correctly.</p>



Extend alternative assurance to (some or all) other schedules in the 2022 plantation forestry method, proposing that integrity of projects under these schedules could also be assured using the proposed audit regime.

We agree with the suggestion that adding another schedule may help increase participation. We are confident that Schedule 2 (conversion of short to long rotation forests) of the plantation forestry method has a similar risk profile to Schedule 1 (new plantations) and can be adequately assured with an initial audit. Further to this, we have considerable data to inform the risk profile of projects covered by Schedules 1 and 2 of the plantation forestry method and comparatively less data to inform the risk profile of projects registered under Schedules 3 (continuing existing plantation forests) and 4 (transitioning a plantation to a permanent forest) as these were only recently introduced with the 2022 plantation forestry method.

Clarify how a risk associated with a catastrophic event such as a bushfire, windage or disease, would be handled, specifically with respect to awarded ACCUs.

There is information about managing reversal events on [permanence obligations](#).

A reversal event is when stored carbon from a project is released back into the atmosphere. This might be due to fire for example. If a reversal event affects your project, your obligations will depend on:

- » the type of reversal event
- » if ACCUs have already been issued.

If your project is affected by a significant reversal, you must notify us in writing within 60 days. If ACCUs have been issued for your project, you may have to either:

- » restore lost carbon stores
- » relinquish ACCUs to offset the loss.

Begin the permanence period from the planting date, not the first audit date.

The permanence period starts when the project is issued ACCUs and when land is added to your project area.

Find out more on [permanence obligations](#).