



Plantation forestry – Alternative assurance arrangements public consultation

Coversheet for submissions

Contact details	
Name of organisation	Australian Forest Products Association
Contact person	Sara Bray
Phone number	[REDACTED]
Email	[REDACTED]
Postal address	PO Box 239, Deakin West ACT 2600
Do you want this submission to be treated as confidential? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

Submission instructions

Submissions are due by 5 pm AEST, Wednesday 1 May 2024. Any submissions received after this date will be considered at the discretion of the Clean Energy Regulator (the agency). It is preferred that submissions be submitted electronically to StrategyCoordination@cer.gov.au. Please include this coversheet with your submission.

Confidentiality and privacy

The Clean Energy Regulator will treat all submissions as public documents, unless the author requests the submission be treated as confidential. Public submissions may be published in full on the Clean Energy Regulator's website. If published, the submission will include the individual's or organisation's name along with the relevant state or territory.

A request may be made under the *Freedom of Information Act 1982* (Cth) for a submission marked 'confidential' to be made available. Such requests will be determined in accordance with provisions under the *Freedom of Information Act 1982*.

The agency will deal with personal information contained in, or provided in relation to, submissions in accordance with the [privacy policy](#).

1 May 2024

Clean Energy Regulator

Via: StrategyCoordination@cer.gov.au

To whom it may concern,

The Australian Forest Products Association (AFPA) appreciates the opportunity to participate in the public consultation about the proposed amendments to audit requirements for certain plantation forestry projects under the Australian Carbon Credit Scheme.

AFPA welcomes an Alternative assurance arrangement for low-risk plantation forestry projects, and considers that any removal of barriers to participation in the ACCU scheme is a positive thing.

AFPA is the peak national industry body representing the growing, processing, and pulp, paper and bioproduct industries covering the forest products value chain. AFPA represents 25 forestry grower companies and government entities.

AFPA answers each of the three questions posed by the Clean Energy Regulator in the public consultation document in turn in Annexure 1.

Please note that from 10 June 2024 – 13 September 2024 the relevant contact person at AFPA is Richard Hyett, Acting Deputy CEO. You can contact him on [REDACTED] or via:

Warm regards

Sara Bray
Senior Policy Manager
Australian Forest Products Association

Annexure 1 – AFPA responses

Question 1: Whether the proposed conditions and risk profile for eligible projects is optimal?

One of the objectives of the alternative assurance scheme is to reduce barriers to participation to the ACCU Scheme. Whilst the removal of any barrier is positive, AFPA considers retaining the initial audit is unlikely to reduce barriers significantly as this audit represents a significant cost prior to the receipt of the first tranche of ACCUs.

The CER estimates the cost of an audit at \$20,000. However, member experience would suggest this is an underestimate. While the cost of engaging an independent auditor can be in the \$20,000 range, and the audit itself between \$25,000 and \$30,000. There are significant additional costs to the proponent in time/effort to respond to the auditors RFIs, especially if the audit re-examines the project eligibility requirements.

AFPA strongly considers the initial audit requirement should be removed to reduce barriers to participation to the ACCU Scheme for farmers and landholders.

See also response to question 2 below.

Larger area

Having an area limit of no more than 200 hectares is consistent with the environmental plantings method, which may reduce landholder confusion in relation to opportunities between the methods.

However, AFPA submits that the risk of projects being maintained and forests being actively managed to stay in a healthy state is actually less for larger projects than it is smaller, due to the nature of the ownership of larger areas of forest and the corporate responsibilities that come with this. AFPA considers the CER should consider a larger area limit in the case of plantation forestry given the high degree of confidence which can be achieved (compared to other methods) by using geospatial tools to monitor the integrity of plantation forestry projects due to a new plantation is readily observable, is planted uniformly, and comprises all one species.

Other Schedules: AFPA considers the ability to monitor Plantation Forestry Method Schedules 2 – 4 via desktop is no different to Schedule 1 projects – once a plantation is established, the land use history is irrelevant to the effectiveness of geospatial tools for monitoring. Further, there are no differences in the risks associated with Schedule 1 and Schedules 2 – 4. It makes sense to have different eligibility criteria for these, but once eligibility has been determined, there are no differences in terms of monitoring, establishing and/or managing the plantation. All Schedules provide high levels of abatement and multiple socio-economic and environmental co-benefits. The CER should consider whether Schedules 2-4 could also be included in the alternative assurance scheme.

CER Question 2: Whether the integrity of projects can be adequately assured under the proposed audit regime?

The biggest risk with plantation forestry projects is that the trees do not exist and have died. Verification of whether the trees exist and are alive can all be done with remotely sensed data. There is no need for in-field checks.

There is a high degree of confidence with the uniform species of plantations which means that it is lower in risk when compared to mixed species environmental plantings which are already deemed to meet the required standards for geospatial monitoring.

Plantation Forestry projects can be effectively audited using geospatial methods due to the consistency of species used, establishment and growth can be effectively monitored by these methods.

CER Question 3: Whether reduced audit requirements are likely to improve participation rates.

Any significant reduction in audit costs is of benefit. This is particularly true for smaller projects where audit costs are the barrier for participation. However, as drafted currently, by continuing to have an initial audit, we do not expect this reduction will result in a material increase in participation rates.

The barriers for farmers would be more effectively reduced if there were no audits as is the case of Environmental Plantings Pilot projects <200ha.

AFPA believes the benefit of increasing participation rate by removing all audits more than offsets to any risk borne by the CER (particularly given the low risk that plantation forestry is, as stated in the answer above).