

#32

COMPLETE

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Page 3: Personal information

Q1

Please provide the following.

Name of your organisation (if applicable):	Climate Friendly Pty Ltd
Full name of the best contact person for this consultation submission:	Phoebe Gott
Phone number of the contact person:	[REDACTED]
Email address of the contact person:	[REDACTED]

Q2

If applicable, which ACCU Scheme method areas does your organisation participate in?

Agriculture methods,
Vegetation methods

Q3

Do you want this submission to be treated as confidential?

No

Page 4: Consultation question 1

Q4

Do you think the Draft Instrument strikes the right balance between supporting participation and abatement, ensuring integrity of abatement, and facilitating a risk based approach to compliance?

Unsure

Q5

Please specify why you answered 'yes', 'no' or 'unsure' and include relevant evidence.

Climate Friendly has considered the Draft Instrument, and are highly satisfied with the outcome of the first review and the CER's feedback to the responses, in the Consultation paper. The Draft Instrument ensures the integrity of abatement and facilitates a risk-based approach to compliance. However, Climate Friendly would like to raise an issue that we understand presents limitation in the relationship between abatement and participation. In the example of a low risk environmental plantings project and the alternative assurance pathways outlined, Climate Friendly has experienced a difficulty in participation for landholders in low-ACCU density areas that require a larger area to be registered for project viability. It has been noted that when running the due diligence process and sending proposals to these landholders, the cost of conducting an audit for a project with a low-ACCU volume prospect, casts willing participants away from registering a project under this methodology. Climate Friendly propose that there could be an ACCU based threshold for the alternative assurance pathway. Based on the industry experience of Climate Friendly, we suggest that less than 5,000 ACCUs per annum would be an appropriate volume threshold for low-risk projects to be eligible for the alternative assurance arrangement.

Noting the CER's response to this request previously; that it could pose an increased risk for the integrity of the Scheme, as the ACCUs are not certain at project registration. Therefore, we propose that there could be an amendment to the Audit Schedule if the ACCU volume changes through the first reporting period. If the ACCU volume increases above the threshold, it would be required for the first reporting period crediting application or request for ACCUs to be accompanied by an audit report. This would prevent the gaming of this threshold, as landholders and/or service providers would not want to unnecessarily hold up the first issuance for the project, unless due to unforeseen circumstances.

Page 5: Consultation question 2

Q6

No

Are there any integrity risks that have not been considered in the Draft Instrument?

Q7

Please specify why you answered 'yes', 'no' or 'unsure' and include relevant evidence.

It is evident that integrity risk is at the forefront of the Draft Instrument, and Climate Friendly does not see any unconsidered risks.

Page 6: Consultation question 3

Q8

Yes

Is there any other evidence that we have not considered that would support changes to the audit requirements proposed under the Draft Instrument?

Q9

Please specify why you answered 'yes', 'no' or 'unsure' and include relevant evidence.

There is evidence provided in the response to Question 1, that supports changes related to the alternative assurance arrangements to increase participation from additional landholders in low-ACCU density areas.

Page 7: Consultation question 4

Q10

Do you have any further feedback to provide on the Draft Instrument or alternative assurance arrangements for low-risk environmental plantings 2024 projects?

There is evidence provided in the response to Question 1 that provides further feedback in relation to the Draft Instrument and alternative assurance arrangements for low risk environmental plantings 2024 projects.
