

Proposed amendments to the Carbon Credits (Carbon Farming Initiative) (Audit Thresholds) Instrument 2015

New provisions in red



**Carbon Credits (Carbon Farming Initiative)
(Audit Thresholds) Instrument 2015**

made under subsection 75(4) of the

Carbon Credits (Carbon Farming Initiative) Rule 2015

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1. Name

This is the *Carbon Credits (Carbon Farming Initiative) (Audit Thresholds) Instrument 2015*.

3. Definitions

In this instrument:

CFI Rule means the *Carbon Credits (Carbon Farming Initiative) Rule 2015*.

New project means an eligible offsets project other than a transitioning project which is not required to have an initial audit.

tCO₂-e means tonnes of carbon dioxide equivalent.

4. Audit thresholds

The audit thresholds for eligible offsets projects (other than alternative assurance projects) are as follows:

Annual average abatement amount	Audit threshold
50 000 tCO ₂ -e or less	Threshold A (small)
50 001 to 150 000 tCO ₂ -e	Threshold B (medium)
More than 150 000 tCO ₂ -e	Threshold C (large)

5. Number of subsequent audits

The number of subsequent audits required for eligible offsets projects (other than alternative assurance projects) that meet an audit threshold set out in Column I of the following table is the number set out adjacent to that audit threshold in Column II or Column III, as applicable, of the following table.

Column I	Column II	Column III
Audit threshold	New projects	Transitioning projects that are not required to have an initial audit
Threshold A (small)	2	3
Threshold B (medium)	3	4
Threshold C (large)	5	6

6. Trigger audit threshold

The trigger audit threshold for eligible offsets projects is 100 000 tCO₂-e.

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7. Alternative assurance projects

For the purposes of subsection 73(7) of the CFI Rule, an alternative assurance project must:

- (a) have its applicable methodology determination prescribed by column 3 of the following table; and
- (b) meet the criteria prescribed by column 4 of the following table; and
- (c) meet conditions on the project proponent related to the operation or reporting for the project specified by column 5 of the following table.

The number of scheduled audits, and whether the first audit is an initial audit, for an alternative assurance project is as set out in column 6 of the following table.

Item	Class of project	Prescribed methodology determination (CFI Rule paragraph 73(7)(a))	Project related criteria that must be met (CFI Rule paragraph 73(7)(b))	Conditions related to operation, monitoring, or reporting for the project that must be met (CFI Rule paragraph 73(7)(c))	Number/type of audits (CFI Rule paragraph 73(2)(d) and 75(4)(bb))
1	Low Risk Environmental Planting Projects	<i>Carbon Credits (Carbon Farming Initiative) (Reforestation by Environmental or Mallee Plantings— FullCAM) Methodology Determination 2014 (whether applied as in force from time to time or applied under sections 125, 126 or 127 of the Act)</i>	<ol style="list-style-type: none"> 1. The project proponent, or nominee of multiple project proponents, must be a freehold title holder, leaseholder, or native title holder or registered native title body corporate for all project areas of the project. 2. The anticipated and reported carbon estimation area for the project must be no more than 200 hectares. 3. The project must be modelled as a mixed species block planting using the generic calibration in FullCAM (within the meaning of the prescribed methodology determination). 4. The project is subject to geospatial tool monitoring by the Clean Energy Regulator. 	Nil	Zero
2	Low Risk Plantation Forestry Projects	<i>Carbon Credits (Carbon Farming Initiative—</i>	1. The project must be a plantation forest project (within the meaning of the prescribed methodology determination)	Nil	One, which is an initial audit

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Item	Class of project	Prescribed methodology determination (CFI Rule paragraph 73(7)(a))	Project related criteria that must be met (CFI Rule paragraph 73(7)(b))	Conditions related to operation, monitoring, or reporting for the project that must be met (CFI Rule paragraph 73(7)(c))	Number/type of audits (CFI Rule paragraph 73(2)(d) and 75(4)(bb))
		<i>Plantation Forestry Methodology Determination 2022</i> (whether applied as in force from time to time or applied under sections 125, 126 or 127 of the Act)	<p>which is covered only by paragraph 8(1)(a) of that determination.</p> <p>2. The anticipated and reported carbon estimation area for the project must be no more than 200 hectares.</p> <p>3. The project is subject to geospatial tool monitoring by the Clean Energy Regulator.</p>		

Note: If a project fails to satisfy a criteria or condition specified in the table, the Clean Energy Regulator may amend the audit schedule for the project in accordance with paragraph 73(5)(ab) of the CFI Rule.