



2024–25 Clean Energy Regulator compliance and enforcement priorities

The Clean Energy Regulator (CER) administers Australian Government schemes for reporting and reducing Australia’s carbon emissions.

Our approach to compliance with these schemes is that the obligation to comply with legislative requirements rests with participants.

Where we detect non-compliance, we will actively take enforcement action drawing from the full suite of compliance and enforcement powers as reflected in our [Compliance policy for education, monitoring and enforcement activities](#). Our enforcement responses to non-compliance are proportionate and we consider the impact of non-compliance on scheme objectives.

We expect participants to:

- provide complete and accurate documentation in support of applications – if they do not, we will issue a request for information and we expect a timely response.
- notify us of any events relevant to their ongoing fit and proper person status.



Australian Carbon Credit Unit (ACCU) Scheme

Human-induced Regeneration gateway checks – proponents monitoring obligations

Human-induced regeneration (HIR) projects that have regeneration and forest cover attainment checks (gateway checks) are subject to gateway audits. Project proponents are expected to undertake appropriate care and diligence to monitor a project’s forest potential and report on its progress towards forest cover. If areas of land no longer have forest potential, they must re-stratify to remove those areas before reporting to the CER and applying for Australian carbon credit units (ACCUs).

Issues identified by the CER in reporting and through auditing will be subject to compliance measures including:

- requirements to re-stratify before ACCUs are issued
- pauses in crediting
- refusal of crediting applications
- relinquishment of ACCUs.

Non-compliant crediting applications will experience delays in processing times and may lead to other enforcement activities.

Notification requirements

Project proponents must notify us in a timely manner following certain events relating to themselves (such as changes in their Fit and Proper Person status) or their project (such as bushfires). Timely notifications are required to monitor the impact on participation and reporting. Project proponents must have appropriate systems in place to meet notification requirements, and failures to notify on time may result in enforcement action.

Soil sampling

Project proponents need to carefully undertake soil sampling, preparation and testing in direct accordance with the soil carbon method and its supplement. The CER will work with project proponents to make clear the requirements for compliant sampling rounds. Failure to observe these requirements may result in invalid samples. These cannot be used for carbon abatement calculations and ACCUs will not be issued.



National Greenhouse and Energy Reporting (NGER) Scheme and Safeguard Mechanism

Safeguard facilities – accuracy and management of excess emissions

Safeguard facilities must reduce their emissions in line with Australia’s climate targets. A key focus for the CER will be ensuring that safeguard facilities report their emissions and production levels accurately. In particular, the CER will be focussing on estimation of fugitive methane emissions in compliance with legislated methods. If the CER is not satisfied that the facilities are reporting accurately, we may initiate an audit or take compliance and enforcement action.

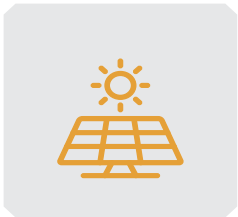
Where Safeguard facilities exceed their emissions limit (referred to as a ‘baseline’), they must take action to manage their excess emissions. This may include acquiring and surrendering ACCUs and/or Safeguard Mechanism credit units (SMCs) before the 1 April 2025 compliance deadline. Managing excess emissions is critical to the effective functioning of the Safeguard Mechanism and failure to do this by the deadline will result in CER compliance or enforcement action.

Inaccurate or late NGER Scheme reports

NGER Scheme reporters must provide accurate reports by the reporting deadline. Ensuring accurate and timely reporting is critical to maintaining the integrity of data within the scheme. Repeated failures to report on time or inaccuracies in reporting will trigger compliance or enforcement action.

Failure to register

Entities must register under the NGER Scheme if they meet any of the [thresholds for registration and reporting under the NGER Act](#). The CER undertakes ongoing research and monitoring of industries and companies to identify possible non-reporters, engage with them about reporting requirements and encourage registration prior to non-compliance. Where the CER suspects non-compliance, we may exercise our information gathering powers to check whether an entity meets a threshold. We may then take enforcement action as required to ensure compliance with reporting requirements.



RENEWABLE ENERGY TARGET (RET) Scheme

Written statements for small-scale technology certificate claims must not be false or misleading

Installers must provide sufficient evidence of attendance on site. We expect that Small-scale Renewable Energy Scheme (SRES) agents will have systems and processes in place and will exercise appropriate care to prevent improper claims for small-scale technology certificates (STCs).

Liable entities with outstanding shortfall debts

Renewable Energy Target (RET) liable entities must meet their obligations to surrender large-scale generation certificates (LGCs) and STCs on time. The CER will take action to recover debts from participants failing to surrender renewable energy certificates on time and then not paying shortfall charges, including winding up companies.



AUDITS

Compliance audits

Assurance provided through audits is a critical compliance monitoring measure. The CER may require participants in the NGER Scheme, Safeguard Mechanism and the ACCU Scheme to undergo audits for compliance purposes, including satisfying all their record-keeping requirements. The CER requires participants undergoing compliance audits to do so at their own cost.

Auditors

We have high expectations about the performance of scheme auditors, particularly those undertaking Safeguard Mechanism and ACCU Scheme audits. Registered auditors who have ongoing performance issues or do not comply with legislative requirements will be subject to compliance action. This could include conditions placed upon their registration, improvement notices, suspension, or deregistration.

