Section 13 of the

Carbon Credits (Carbon Farming Initiative) Rule 2015

Declaration Statement

This declaration statement is made on behalf of the project proponent, the NSW Department of Climate Change, Energy, the Environment and Water with respect to its application submitted on 27 July 2026 under section 22 of the *Carbon Credits (Carbon Farming Initiative) Act 2011* and s 13 of the *Carbon Credits (Carbon Farming Initiative) Rule 2015* (the Rule) for an eligible offsets project made in accordance with the *Carbon Credits (Carbon Farming Initiative—Improved Native Forest Management in Multiple-use Public Native Forests) Methodology Determination 2026*.

Statement of intention - Section 13(5)(b)

1. The project proponent for the project intends to prevent the direct or indirect transfer of Australian Carbon Credit Units (ACCUs) to the individual business entities within the following Australian and New Zealand Standard Industrial Classification (ANZSIC) Codes prescribed by the Australian Bureau of Statistics', as amended from time to time:
    (a) ANZSIC 0600 – Coal Mining;
    (b) ANZSIC 0700 – Oil and Gas Extraction;
    (c) ANZSIC 1701 – Petroleum Refining and Petroleum Fuel Manufacturing;
    (d) ANZSIC 2700 – Gas Supply;
    (e) ANZSIC 3321 – Petroleum Product Wholesaling; and
    (f) ANZSIC 2611 – Fossil Fuel Electricity Generation.

Steps to fulfil intention - Section 13(5)(e)

2. The project proponent intends to take the following steps to fulfil this intention:
    (a) Undertaking purchaser due diligence prior to any sale of ACCUs, which may include the following measures:
        (i) verifying the purchaser's identity, ownership structure and primary business activities;
        (ii) assessing potential purchasers against the ANZSIC classification listed above, approving sales only to entities that do not fall within those classifications;
        (iii) requiring prospective purchasers to disclose their intended use of ACCUs and specify whether they are acting as the end user or as an intermediary, broker or agent; and
        (iv) maintaining a register of purchasers and retain records demonstrating the assessment and approval process by the project proponent for all purchasers;
    (b) Introducing purchaser obligations in sales agreements, which may include the following measures:
        (i) including terms in sales agreements that prohibit the transfer, resale or surrender of ACCUs by purchasers to the classes of entities listed above;
        (ii) including terms in sales agreements that require the project proponent's consent before transferring, reselling or surrendering ACCUs;

(iii) requiring prospective purchasers to provide statutory declarations that they are not considered an entity within the classes listed above and will not knowingly transfer ACCUs to those classes of entity;
(iv) including terms in sales agreements that require a purchaser to notify the project proponent when it has retired ACCUs;
(v) including compliance, reporting, auditing and enforcement requirements within sale agreements with purchasers;

(c) Managing purchasing of ACCUs by intermediaries or brokers, which may include the following measures:
(i) where ACCUs are purchased by brokers, aggregators or intermediaries, the project proponent will seek contractual commitments prohibiting the transfer or resale of ACCUs without the project proponent's approval;
(ii) not allowing purchasing by brokers or intermediaries where sufficient controls are not available to provide confidence that ACCUs will not ultimately be transferred to a class of entity listed above;
(iii) undertaking periodic reviews of purchasers and sales agreements to ensure ongoing adherence to terms by purchasers; and
(iv) maintaining governance and monitoring arrangements of sales agreements and purchaser conduct.

Consent to issuance of ACCUs conditional on fulfilling eligibility requirements - Section 13(5)(c)

3. The project proponent consents to the issuance of a certificate of entitlement to ACCUs in relation to the project on the condition that eligibility requirements prescribed in subsections 9(12) to (15) of the Rule are met, being:
    a. the project proponent has not transferred any ACCUs issued 2 years prior to the submission of an application for a certificate of entitlement or the relevant reporting period length under section 7 of the Rule to a class of entity specified in this statement, and otherwise was not aware of any of those ACCUs having been transferred to the class of entity specified in this statement; and
    b. the project proponent has arrangements in place to take the relevant steps detailed in accordance with section 13(5)(e) of the Rule above; and
    c. during the 2-year period ending on the day an application under s 7 of the Rule is submitted, no ACCUs issued in relation to the project have been surrendered in accordance with subsection 22XN(1) of the *National Greenhouse and Energy Reporting Act 2007*.

Project proponent: NSW Department of Climate Change, Energy, the Environment and Water



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Signatory: Secretary of the Department of Climate Change, Energy, the Environment and Water

Date: 30 September 2026