



Annual Report 2022-23

eco-markets.org.au

**To protect and restore nature,
it has been estimated there is an
annual financing gap of around
\$700 billion dollars.***

**Environmental markets with robust
and independent administrators, like
Eco-Markets Australia, are a way for
investors and business
to help fill this gap.**

*Financing Nature, 2020, The Paulson Institute



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Chair's Message

Jo Sheppard, Chair



The 2022-23 period has been a productive year for Eco-Markets Australia with a number of significant milestones and achievements of note during the period.

Our purpose remains to provide independent administration services for environmental standards, methodology development and registry platforms, and we are proud to be Australia's first independent administrator of environmental markets.

Eco-Markets Australia ensures the integrity of the schemes under administration through the oversight of several safeguards including: peer-reviewed environmental Standards and Methodologies; project validation to ensure eligibility requirements are met; verification of projects by independent, accredited auditors; and, the use of a secure and transparent registry system to record and track Credit transactions.

*The end of the period saw
44512 reef credits issued
and 40773 retired*

During the year Eco-Markets Australia received two method applications and commenced public consultation and peer review of the Wastewater Method. We also welcomed David Pannell as a member of the Reef Credit Technical Advisory Committee, and secured funding support through the Office of the Great Barrier Reef to supercharge the Reef Credit Scheme.

This support from the Office of the Great Barrier Reef has enabled Eco-Markets Australia to appoint and welcome Maree Adshead to the role of Chief Executive Officer, and our team is set to

expand further in the year ahead building our organisational capacity.

The end of the period saw 44,512 reef credits issued and 40,773 retired. Interest in the scheme continues to increase and Eco-Markets Australia is planning the development of more information and support to raise awareness and help interested parties better understand the scheme moving forward.

I would like to extend my sincere thanks to the Technical Advisory Committee who continue to play a critical role in supporting the Eco-Markets Australia team and Board on technical aspects of Standards and Methodologies ensuring a high level of integrity in environmental market processes.

I also acknowledge and thank my fellow Directors for their ongoing commitment and the significant strategic contribution they have individually and collectively made to the organisation throughout the year.

I look forward to continuing to work with the Board, CEO and Eco-Markets Australia team as well as our Technical Advisory Committee and key stakeholders as we continue on this exciting, challenging and dynamic journey.

CEO Message

Maree Adshead, Chief Executive Officer

Having commenced with a couple of weeks left in the financial year, I would love to lay claim to Eco-Markets Australia's many achievements and great progress, however that praise and admiration belongs squarely to our Reef Credit Secretariat (Louise Venz), Technical Advisory Committee, Board Members, key partners, supporters and friends – without the contribution and support of this community, such outstanding progress would not have been possible.

I wish to particularly acknowledge the support of the Queensland Government through the Department of Environment and Science.

This past year was an opportunity for Eco-Markets Australia to build on solid foundations and ensure the right market fundamentals, an essential task in this rapidly evolving and mostly uncharted landscape.

...elevate impact through increasing participation and investment...

An often-asked question of Eco-Markets Australia is **why do landholders participate in Reef Credits – what are the benefits?** It was an immense pleasure to be involved in recording the real-life stories of two canegrowers participating in the Reef Credit Scheme, who have generously shared their experiences, their motivation, and the benefits realised – some were unexpected too. Have a look at [their inspiring stories](#), it is a wonderful way to learn more about why environmental markets exist and the positive impact they can catalyse.

At this year's conclusion, the Reef Credit Scheme resulted in a total of 44, 512 kilograms of pollutant being prevented from entering water in the Great Barrier Reef catchment. Water quality is critically important to the health of the

reef and its biodiversity and bears considerable influence on the success of our tourism sector and broader economy.

It is timely and important for Eco-Markets Australia going forward, to elevate its impact through increasing participation and investment in the Reef Credit Scheme, unlocking co-benefit opportunities with other markets, and exploring new markets to administer.

We will achieve this through boosting our capacity with an expanded Eco-Markets Australia team and reinforcing our independent governance with additional directors. We will undertake a comprehensive consultation and review of the Reef Credit Scheme and will continue to expand on the methodologies approved under the Scheme – broadening the real and permanent environmental outcomes being measured. We will innovate and evolve our registry and operations to ensure ongoing excellence in integrity, market confidence, and trust.

I am confident we have everything (and everyone) set to achieve these bold ambitions. I look forward to continuing the magnificent work of Eco-Markets Australia and to reporting on our outstanding achievements next year.



Annual Highlights



- Received two method applications.
- Commenced public consultation and peer review of the Wastewater Method.
- Welcomed our new CEO, Maree Adshead.
- Welcomed David Pannell as a member of the Reef Credit Technical Advisory Committee.
- Secured a funding boost from the Queensland Government, Office of the Great Barrier Reef to supercharge the continued development and growth of the Reef Credit Scheme.
- 11 Reef Credit generating projects underway in the catchment areas.
- 44,512 Credits issued up until 30 June 2023.
- 40,773 Credits retired up until 30 June 2023.

44512

**CREDITS
ISSUED**

11

**PROJECTS
REGISTERED**

40773

**CREDITS
RETIRED**





About Eco-Markets Australia

Eco-Markets Australia is Australia's first independent administrator of environmental markets. We are proud to be the administrator of the world's first water quality market that's investing in improving the health of one of Australia's greatest natural assets – the Great Barrier Reef.

We believe market-mechanisms are a viable solution to meeting environmental challenges. This approach provides landholders with a financial incentive to improve environmental health.

We do this by:

- **Supporting emerging environmental markets**

We're focused on creating opportunities for Australian environmental markets, and access to them. Administering market schemes, which are the mechanisms that enable land managers to access and participate in environmental markets, is at the heart of what we do.

- **Administering environmental markets**

We provide independent administration and oversight. As part of our administrative role we: review and update existing Standards and Methodologies; receive, assess and process project applications; and look after processes that will ensure the Credit Registry is secure, accessible and functional.

- **Developing crediting Standards and Methodologies**

We develop robust, transparent and practical environmental crediting **Standards**. These set the rules and requirements for developing

projects and Methodologies, the validation, registration, monitoring, verification, crediting and issuance process, and governance arrangements.

We work with method developers to undertake public consultation and expert review processes in developing environmental crediting **Methodologies**. Methodologies are approved, scientifically supported, formal mechanisms to account for, or measure the verified environmental benefits.

- **Managing credit transactions**

Eco-Markets Australia's Credit Registry is the ledger that tracks environmental Credit transactions and ownership, including the generation, purchase and retirement of Credits.

We issue Credits after completing a rigorous verification process in accordance with the applicable Standard and Methodology, which includes an independent audit. This process confirms the environmental outcome and the quantity of Credits generated by a project which can be transacted through the Registry.



About Reef Credit Scheme

The Great Barrier Reef is a World Heritage listed site and home to the world's most extensive and abundant coral reef ecosystem. One of the seven wonders of the natural world, the Reef attracts interest from all over the world – not only for its unique beauty but also because of the threats to its ecology.

One of the leading threats to the Reef is poor water quality caused by land-based run-off, which carries pollutants (such as sediment, nutrients and pesticides) that flow into the Reef catchments areas.

To tackle this issue, an emerging consensus recognised the need to introduce a market-mechanism to incentivise water quality improvements across catchments of the Great Barrier Reef to stimulate participation and accelerate the work needed to stem the flow of pollutants. So, the Reef Credit Scheme was conceived and launched in October 2017.

The Reef Credit Scheme offers an innovative, market-based solution to improve the quality of water entering the Great Barrier Reef that involves a network of environmental project developers, landholders and investors.

The Scheme enables landholders to undertake verifiable projects that improve water quality through changes in land management to generate a tradeable unit of pollutant reduction or 'Reef Credit'.

A Reef Credit represents a quantifiable volume of nutrient, pesticide or sediment prevented from entering the Great Barrier Reef catchment, which can then be sold and the landholder remunerated for their remediation work.

The outstanding benefit of the Reef Credit Scheme is that it offers an audited and credible

outcome and provides a type of currency that can be purchased with the knowledge that a real and tangible outcome has improved the health of the Great Barrier Reef.

Today the Reef Credit Scheme is administered by Eco-Markets Australia and operates across six catchment areas. Most of the participating landholders are sugarcane producers who have implemented various fertilizer management projects.

Collectively, these projects have prevented more than 44 tonne of Dissolved Inorganic Nitrogen (DIN) from entering the Great Barrier Reef catchment area – with a further benefit being improved farm productivity and profitability. Visit our website to hear some of the [stories](#) from participating landholders (or scan the QR code below).

During this financial year, participation in the Reef Credit Scheme's projects continues to be robust with 11 projects under the DIN Methodology, which generated a further 10, 947 credits.



Brian Dore



Our PEOPLE

Board of Directors



Jo Sheppard
Chair



Wilfred Finn
Director



Vanessa Sullivan
Director



Matt Healy
Director

Executive Team



Maree Adshead
Chief Executive
Officer



Louise Venz
Secretariat & Market
Development



Kate Sammon
Administration &
Secretariat Support



Liza Davis
Stakeholder
Liaison



Tania Nitschke
Communication &
Market Education

Technical Advisory Committee



Bob Speirs
Chair



Jane Waterhouse
Member



David Pannell
Member

Foundation Members

The foundation members of Eco-Markets Australia include the four organisations responsible for the development of the Reef Credit Scheme: Terrain NRM, NQ Dry Tropics, GreenCollar and the Queensland Government's Department of Environment and Science.

The establishment of Eco-Markets Australia was supported by the partnership between the Australian Government's Reef Trust and the Great Barrier Reef Foundation, and the Queensland Government's Reef Water Quality Program.



An aerial photograph of a coral reef, showing a transition from dark, textured coral on the left to a lighter, sandy beach on the right. The word "Financials" is written in a white, elegant cursive font across the center of the image.

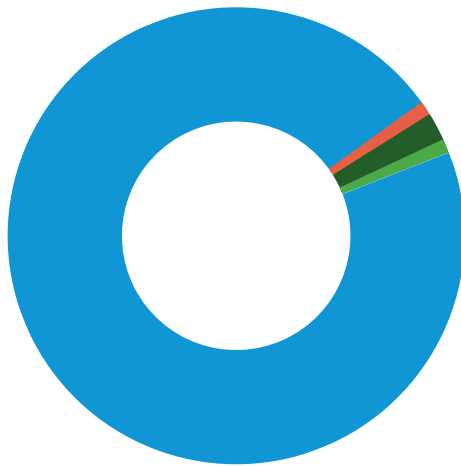
Financials

FINANCIALS

2022-23

Income

Total Income: \$1,022,925



Grants 96%

Projects 1%

RCS Methodology Applications 2%

Reef Credit Administration Fees 9.1%

Expenses

Total Expenses: \$349,981



Employment Expenses 65%

Board Expenses 1%

General Administration 34%

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