



Reef Credit Scheme Review v2.1– Public Consultation Feedback 2024

We have extracted the feedback received in submissions during the Public Consultation (8 April 2024 – 7 May 2024), in response to the Reef Credit Scheme Review Discussion Paper and proposed amendments to the draft Reef Credit Guide, Standard and supporting documents v2.1. Each submission has been extracted directly as written, however for the purpose of de-identification, Eco-Markets Australia has replaced identifiable names with ‘Respondent x’ throughout the responses.

EMA is now working through the feedback and will finalise the Scheme review in the coming months.

Public consultation responses:

Section; 2.1 Project Start Date	
Question 1	Is the proposed extension of time from Project Start Date to the Project being submitted for Validation reasonable and practical?
RESPONDENT A:	<p>“Respondent A agrees that the proposed extension of the time from Project Start Date to the Project being submitted for Validation reasonable and practical.</p> <p>Respondent A recommends further clarification on the Project Start Date definition.</p> <p>Respondent A notes that the Project Start Date definition 3.2.1.2c contradicts 3.2.1.2a.ii. How can you be allowed to submit a validation up to 3 years after project start date if you are not allowed to back-date project start date?</p> <p>Respondent A also suggests adding to either s.3.2.1 or 3.2.2. of the Standard “project start date may or may not be the same as the crediting period start date, however a crediting period start date may be no earlier than the project start date and no later than 3 years after the project start date.” for clarity.”</p>

Section; 2.2 Pipeline listing of intended projects

Question 2

Are there any risks with permitting Pipeline Listing of Projects and how could they best be managed?

RESPONDENT A:

Respondent A notes there may be risks with the current Pipeline Listing proposal.

Respondent A notes that for Project Proponents, a pipeline listing may be useful in demonstrating a tangible step forward in the Project development timeline which can take several years from initial contact with a Landholder or Project Partner to Project Registration.

Respondent A does not believe the text on why Pipeline listing may be beneficial for all Scheme participants is clear.

Respondent A suggests that pipeline listing should not be mandatory and that EMA provide further clarity on what the anticipated benefits to participants in the Scheme area. There may be other mechanisms to provide information to investors regarding upcoming projects (via brokers directly for example.)”

Question 3

Is the process proposed to support the Pipeline Project Application and Pipeline Listing adequate and appropriate?

RESPONDENT A:

Respondent A generally supports the proposed Pipeline Project Application and Pipeline listing process.

Respondent A however, notes that the Pipeline listing requirements need to be expanded to provide more detail on rules and consequences.

Respondent A is unclear on the following;

- If pipeline listing optional;
- What time lag could there be between pipeline listing and registration? Could you pipeline list one week and register the next or not?
- It is not clear if a pilot listing holds a Project to the attributes detailed in the listing eg. Project Start date, method, model version etc;
- Is the project start date limit three years after pilot listing or three years after full registration/validation i.e. does the introduction of this pilot listing process means that you could have a project start date 6 years after pilot listing as the 3 year limit happens twice?

Respondent A however, does not agree with making all information in the Pipeline Project listing template publicly available or publicly accessible via download.

The purpose of the Pipeline list must be clarified first and once this is clear – determine what information is required for administration purpose and public viewing. *Respondent A* believe the pipeline process is beneficial to proponents firstly and that higher level information about projects under development can be used for EMA promotional materials. Indeed, there are business risks associated with publication of details of the projects prior to signing a PDA – it is possible for competitors to “steal” projects for example or for landholders to be targeted by community or other landholders which they would not welcome. *Respondent A* recommend ensuring that minimal attributes be made public through pipeline listing such as; Catchment, Method, Project Developer. *Respondent A* note that ‘Standard’ should not be included in the template as it will depend on the Standard in force at date of validation.”

Section; 2.3 Reef Credit validity period

Question 4 *Is the proposed extension of the Reef Credit Validity Period from three (3) years to five (5) years reasonable and appropriate?*

RESPONDENT A: “Respondent A agrees that the extension of Reef Credit Validity period to 5 years is reasonable and appropriate.”

Question 5 *What are the implications and/ or risks of extending the validity of a Reef Credit to five (5) years?*

- *for reporting through Reef monitoring systems*
- *for landholders and income generated from Reef Credits*
- *for investors in Reef Credits and secondary markets*

for making public claims about the environmental outcome of a Reef Credit.

RESPONDENT A:

“Respondent A notes there are some implications/risks of extending the validity period to 5 years.

The extension of 5 years does permit a significant time period between water quality outcome achieved ‘on ground’ and retirement. For example, in the extreme, by the time the credit is issued, the units or water quality improvement may be 5 years old, due to a maximum length monitoring period. This means you could have a credit issuance that is 4 representative of 5 years worth of reductions e.g. Dec 2022 – Dec 2027 with issuance occurring in Jan 2028 and potentially remaining unretired until Jan 2031. Respondent A notes that it is important that EMA recognise that reaching the Water Quality targets is an urgent task. While it is not the role of the Standard to impose that sense of urgency – EMA can promote rapid retirement in other collateral and through their own annual reports of the role of Reef Credits in contributing to the water quality targets.”

Section; 2.4 New Stakeholder Grievance and Dispute Resolution Procedures

Question 6 *Are the Stakeholder Grievance and Dispute Resolution Procedures reasonable and appropriate for the management of complaints and disputes?*

RESPONDENT B: “This procedure is for use by Project Proponents, buyers, Eco-Markets Australia, the Secretariat, Technical Advisory Committee and Board, Verifiers, and any other relevant party. **Its purpose is to provide a process for reviewing and responding to stakeholders’ grievances. The Secretariat will update this document from time to time.** “

RESPONDENT A: “Respondent A believes the Stakeholder Grievance and Dispute Resolution Procedure are reasonable and appropriate for the management of complaints and disputes.”

Section; 2.5 Public Claims about Reef Credit Projects and Reef Credits

Question 7

Does the proposed claims guidance support stakeholders to make accurate, verifiable and transparent public claims about Reef Credit Projects and Reef Credits?

RESPONDENT A:

Respondent A believes that the proposed claims guidance will support stakeholders to make accurate, verifiable and transparent public claims about Reef Credit projects and Reef Credits if further expansion/adjustments are made.

Respondent A recommends expansion and refinement of this section to better distinguish between statements of credit issuance (Project Proponent), credit purchases (brokers) and credit retirement (final purchaser or retire of unit).

Respondent A notes that 'Purchasing and retiring Reef Credits' are two separate steps in life of the Credit.

Section 3.9.2.1 of the Standard says 'A Reef Credit must be retired within the Registry to claim a water quality improvement.' As *Respondent A* understand, a Reef Credit can be sold multiple times before it is retired. The only party able to claim the water quality benefit is the one retiring the credit (not the developer or any other purchaser). This is to ensure if a credit is sold numerous times before retirement, the benefit can only be claimed once.

Respondent A notes the need to ensure that these claims are not mandatory and that other claims can be made about Reef Credit Projects."

Question 8

Are there any other types of claims or examples that should be included?

RESPONDENT A:

Respondent A has no further comment for other types of claims or examples that could be included beyond our response to question 7."

Section; 2.6 Requirement for a Code of Conduct

Question 9

Are there any benefits from a Code of Conduct that would not be covered by the best practice guidance approach proposed?

RESPONDENT A:

Respondent A believes that the main benefit to a Code of Conduct that is additional to the development of EMA 'Guidance material' would be a voluntary Code of Conduct developed and administered by an external body not by EMA. *Respondent A* anticipates this concept may get picked up in the future as the market matures."

Question 10	Are you aware of any examples where best practice guidance has been used as an alternative to a Code of Conduct?
RESPONDENT C:	<p>“It is only possible to compare the benefits of a Code of Conduct over the best practice guidance approach when there is detailed documentation for both allowing for their content to be carefully compared. In the absence of this we can’t responsibly identify the benefits from a Code of Conduct that would not be covered by the proposed best practice guidance approach.</p> <p>Also, from what we have read, the best practice guidance approach would involve arbitration at the discretion of the Secretariat. We have concerns about the possibility of bias and that there may be a lack of an independent view of the complaint. Our preference is for there to be the option of having an independent body - removed from all conflicts of interest – viewing the complaint. A legal/independent option should exist as a last resort, the scheme should not solely rely on arbitration by the Secretariat/Board.”</p>
RESPONDENT A:	<p>“Respondent A supports the concept of EMA publishing a number of ‘Guidance’ documents in lieu of a ‘Code of Conduct’, if the Scheme Administrator wishes to expand or tighten requirements/expectations for Scheme participants this should be achieved through updates to the Scheme rules and/or Guidance documents.</p> <p>The guidance material issued from time to time by the Clean Energy Regulator is something that EMA should consider replicating with the concept of guidance documents in lieu of a code of conduct – noting that these guidance documents should not be 'optional' in nature, they should operate as additional clarification of the rules laid out in the Standard and Methods that do not warrant full revisions i.e. proponents should be audited against these guidance documents.</p> <p>Additionally, Respondent A would strongly suggest the development of Guidance document for Verifiers/Auditors, this was something discussed at length with the previous Reef Credit Secretariate and could cover things like EMAs expectations of auditors consideration for the appropriateness of site visits depending on project type, permanence etc.”</p>
Section; 2.7 Third-party Methodology revisions	
Question 11	How should Eco-Markets Australia manage requests for Methodology revisions from third-parties?
RESPONDENT A:	<p>“Respondent A supports the opportunity for 3rd parties to be able to initiate a method revision if there is a clear process for engagement with existing Method Authors.</p> <p>Respondent A recommends that a clear process for Methodology review be developed that incorporates the following:</p> <ul style="list-style-type: none"> - How often Methods should be formally reviewed and how; - If there are proposed changes outside the formal review periods, who can initiate these; - How proposed changes outside the formal review periods are managed i.e. not all reviews proposed changes may need to be implemented by the Method Authors. This could be managed by using a triage system. This would help to avoid EMA from being overwhelmed. This could be a Methodology Revision Idea Note as a first step which would be reviewed and if approved the applicant would be invited to submit a draft methodology revision which would then go through initial review by Eco-Markets (perhaps involving the Development Hub) and if acceptable public comment and then full approval. - Method Authors are given notice of a third-party review submission and the opportunity to respond before major work/consideration goes into the amendments by the third party or consideration by EMA.

	<p><i>Respondent A</i> also suggests consideration be given to setting methodology expiries and EMA’s own intention to carry out period reviews on methods to ensure continued additionality (relative to BAU practices) of the permitted project activities described by the method and fit-for-purpose use of modelling tools etc.”</p>
<h2>Section; 2.8 Simple Methodology Guide</h2>	
<p>Question 12</p>	<p><i>Are there any issues or concerns with the requirement for Methodology Developers to draft a Simple Methodology Guide?</i></p>
<p>RESPONDENT A:</p>	<p>“<i>Respondent A</i> agrees with requirement for Methodology Developers to draft a Simple 6 Methodology Guide. However, <i>Respondent A</i> notes some concerns.</p> <ul style="list-style-type: none"> - <i>Respondent A</i> notes that the requirement for a Simple Method Guide creates an inherent requirement to keep the guide updated with any changes to methodology or standard. - <i>Respondent A</i> does not agree that the Simple Method Guide should include a ‘step by step instruction on how to implement a project’ – this is the work that is developed by project proponents and can be widely variable depending on the type of project activities. There is also a risk to Proponent IP if those detailed processes are shared. - <i>Respondent A</i> agrees the Simple Method Guide document include explanation of concepts and logic and explain the science. - <i>Respondent A</i> notes that a better term for Simple Methodology Guide may be ‘Explanatory Statement’ to avoid implying an abridging methodology guide and confusion with the new but separate ‘Best Practice Guidance’ material. <p><i>Respondent A</i> queries if the two draft methods (Constructed Wetlands and Grazing Land Management) will need to produce one of these guides in order to get the methods finalised or if they can be written afterwards?”</p>
<p>Question 13</p>	<p><i>Are there any additions or improvements that should be made to the template (Attachment 11 of the public consultation draft of the Methodology Application and Review Procedure)</i></p>
<p>RESPONDENT A:</p>	<p>“<i>Respondent A</i> does not believe there should be any additions or improvements made to the template (Attachment 11 of the public consultation draft of the Methodology Application and review procedure).”</p>
<h2>Section; 2.9 Methodology Development Hub</h2>	
<p>Question 14</p>	<p><i>Do you have any comments or suggestions about the proposal to create a Methodology Development Hub?</i></p>
<p>RESPONDENT A:</p>	<p>“<i>Respondent A</i> agrees with the proposal for a Methodology Development Hub.”</p>

Section; 2.10 Reef Credit Project Summary

Question 15	Are there any issues or concerns with requiring Project Proponents to provide the information outlined in the Project Summary Template?
RESPONDENT A:	<p>“Respondent A has no issues or concerns with requiring Project Proponents to provide the information outlined in the Project Summary Template.</p> <p>Respondent A notes that the apparent intent of the ‘Project Summary’ section is simply a paragraph which combines other existing attributes and does not introduce anything new; Reef Credit Project Requirements – Project Location and Methodology.”</p>
Question 16	Is there any other information that should be made publicly available about validated Reef Credit Projects not covered in the draft Project Summary Template?
RESPONDENT A:	<p>“Respondent A recommends including qualitative identification of what the baseline is and why the baseline will continue in the absence of intervention under the Reef Credit Scheme could benefit public perception re project additionality.</p> <p>Respondent A does not believe there is any other information that should be made publicly available about validated Reef Credit Projects in the draft Project Summary Template.”</p>

Section; 2.11 Project Application Template, supporting documentation templates

Question 17	What templates would be beneficial and should be considered for development to support the Project Application process?
RESPONDENT A:	<p>“Respondent A supports the Project Application Template in its current form, however Respondent A does not agree with making all information provided in the Project Application Template publicly available.</p> <p>It is unclear to Respondent A why any fields in the project application be publicly available if we already required to submit a publicly available Project Summary Template.</p> <p>Reef Credit Project Plan; Respondent A notes that a Reef Credit Project Plan may look very different for different methodologies and may be difficult to standardise. It will also vary between properties and businesses.”</p>

Section; 2.12 Reef Credit Fee Schedule

Question 18	Are there any examples of how fees are charged to administer environmental markets that Eco-Markets Australia should consider?
-------------	---

RESPONDENT A:	<p>“Respondent A notes that EMA may want to consider a fee for Project Variation.</p> <p>Respondent A would like to provide comment on the full schedule of Fees when it is made available.”</p>
----------------------	--

Section; 2.13 New and amended Reef Credit Definitions

Question 19 Do you have any comments on the proposed revisions to the Reef Credit Definitions?

RESPONDENT A:	<p>“Respondent A does not agree with the proposed revision to the Crediting Period definition.</p> <p>Respondent A recommends amendments e.g. ‘the time period over which the Reef Credit Project is eligible for issuance of Reef Credits. A Crediting period starts on either:</p> <ul style="list-style-type: none"> a) the project start date, or; b) the earlier of either: <ul style="list-style-type: none"> i) the date of effective project operation*, or; ii) 3 years after the project start date.’ <p>* Respondent A notes that ‘effective project operation’ will need to be defined.</p> <p>Respondent A notes that the crediting timeframe at project registration can be the anticipated date while the actual date is confirmed in the first monitoring period report/audit.”</p>
----------------------	--

Section; 2.14 Summary of minor revisions

Verifier Application Form

RESPONDENT D:	<p>“My comment is in relation to the verification process, specifically the timing, which I understand is required annually for Reef Credit projects, and imposes significant costs on successful projects. Having undertaken financial analysis of Reef Credits and other similar schemes in relation to coastal wetland restoration (such as ACCU projects), the requirement for full annual verification is higher than for similar projects and contributes significantly to project costs (and therefore prices for Reef Credits). For example, ACCU projects require 3rd party auditing for 3 of the 5 reporting periods over 25 years.</p> <p>While the need for credibility is paramount, I suggest that the requirement for full annual verification may impose costs that exceed the benefits that such requirements produce, and a range of alternatives could be considered that may work more effectively:</p> <ol style="list-style-type: none"> 1. The option of detailed periodically audits, and lighter audits in-between (say, detailed audits every 5 years and if the methodologies or other key components do not change in between, then lighter audits in intervening years). 2. The ability to ‘prove’ that your project is low risk – say, projects that ‘lock in’ a process that cannot be easily changed, or if a project is verified for 2-3 years without major issue, then it receives detailed audits less frequently thereafter (say, every 2 years). The EU Organic Produce system works this way.
----------------------	---

3. 'group auditing' for projects of the same method in the same geographical region. Only a sample get full audits every year. This brings down costs especially for smaller landholders (and eligibility could be limited to those smaller applicants).
4. Unpredictable or 'spot checks' of certain projects, whereby not every project is verified annually, and project proponents do not know if and when they will be verified

It would be useful to review the verification reports of existing projects over time to establish whether conditions change annually and whether significant value is being produced from annual verification, or whether another more effective approach may maintain the credibility of the system at lower cost.

A quantitative analysis of verification costs to total project costs could also determine the scale of verification costs within the programme.”

General Feedback

Respondent	Document	Feedback
RESPONDENT A:	RCS v2.1 s1.3	Interpretation; <i>“Respondent A recommends including Guidance Documents in list of documents that support the Standard.”</i>
	RCS v2.1 s1.4	Version; <i>“Respondent A recommends some changes to the language of section 1.4.</i> <i>Respondent A notes that the perceived degree of uncertainty that would be attributed to the current wording could lead to a risk of reduced incentive to invest in projects with higher upfront capital investment requirement to reduce payback period and limit exposure to risk of rule change thus less projects registering overall.</i> <i>Respondent A recommends alternative text that delivers on intent while allowing for flexibility if the need arises:</i> <ol style="list-style-type: none">1. This is version 2.1 of the Standard.2. The Standard version 2.1 will apply from (insert date) and replaces earlier versions of the Standard.3. Projects must comply with the rules and requirements of the most current version of the Standard unless otherwise stated by EMA e.g. via guidance documents.4. Projects that are submitted to the Secretariat for validation within 90 days of the date version 2.1 becomes active may choose to apply Version 2.0 of the Standard for validation and initial verification purposes5. Projects are validated and registered against the version of the Standard that applies on the day the Project Application is lodged subject to clause 4 above. However, Projects must comply with the rules and requirements of the most current version of the Standard for the remainder of the Monitoring Period i.e. subsequent Verification.6. Reef Credits generated by a Project are not tagged against specific versions of the Standard. <i>Respondent A request a 90-day grace period for adoption of the new Standard (clause 4 above) specifically for</i>

		Projects that are currently undergoing or have scheduled audits.”
	RCS s3.1.1.3	Project Rules; “Respondent A notes that ‘fit and proper person’ is not defined.”
	RCS v2.1 s3.2.1.3	Pilot Project; “Respondent A recommends the development of pilot phase structure for each new Reef Credit methodology that is developed. All reference in current Standard relating to pilot phase is only practically able to be applied to projects developed under the first Reef Credit methods eg DIN method. One of the key advantages to being an identified pilot project is the ability to backdate the project start date and thus crediting start date to a date that is before the validation date of the project. Each new method should be able to have its own pilot projects that may have been developed during the method development phase and thus be eligible to have a back dated project start in relation to the date that the first version of the method comes online eg. projects developed during method development should be able to claim a back-dated project start date so long as the period of time between project start date and project application/validation does not exceed three years or predate the Method EOI if one exists. A pilot phase can also allow for projects to be tested and a mechanism for lessons learnt or some type of feedback loop would make a lot of sense. e.g. for gullies an opportunity to provide feedback and improvements to the sampling requirements, monitoring requirements etc.”
	RCS 2.1 s.3.2.2	Crediting Periods Aggregate Projects Portfolios; “Respondent A recommends consideration of the concept of project variation, aggregating projects and/or RCAZs under landholder and/or project ‘portfolios’ and revision of the crediting period definition to consider the possibility of multiple crediting periods within a single Project or Aggregate Portfolio. Multiple crediting periods could exist for a variety of reasons for example; a project that has unique Reef Credit Accounting Zones such as a staged wetland or gully construction; DIN Project expansion due to uptake of new land; an existing DIN Landholder has purchased land adjacent to an existing project. The title of the purchased land has been merged into the title associated with a DIN Project. If we proceed under current rules, we’ll have 1 title that sits in 2 separate DIN projects.”
	RCS V2.1 s3.2.5	Legal Right and Consent; “Respondent A notes that this section does not address the scenario where land is sold during the monitoring period. eg that part of the project either stops or can continue if new owners are happy to continue but would there need to be new consents met. This can be further linked to Respondent A recommendation for Project Variation procedure. In relation to First Nations (Indigenous Peoples & Local Communities) and Safeguards more generally, Respondent A encourages EMA to consider requirements being set by other schemes both within Australia and

		globally in order to address: - Identification, recognition and respect for First Nations. - Consultation, engagement processes and Free, Prior and Informed Consent. - Safeguards against adverse social impacts - Equitable benefit sharing <i>Respondent A</i> are able to offer further input and guidance on other standards that have relevant requirements if EMA desires.”
	RCS v2.1 s3.2.5.4	Legal Right and Consent; “ <i>Respondent A</i> notes that point 4 presents a complexity where Native Title consent is required. <i>Respondent A</i> recommends EMA seek advice in relation to the operation of the Scheme on Native Title land.”
	RCS V2.1 s3.2.6	Other environmental credits; “ <i>Respondent A</i> recommends a redraft of 3.2.6.2 to be clearer and to remove the assumption reef credits must exist first. eg. ‘Reef credit project area may overlap with project area of other environmental credit schemes such as biodiversity, carbon or renewable energy certificates etc so long as the additionality of both project types can be satisfied’ <i>Respondent A</i> recommends a third line item in this section that provides clarity around having two different reef credit projects on the same land. e.g ‘Projects may generate Reef Credits through more than one Reef Credit Methodology on the same land, provided all eligibility requirements are satisfied’.”
	RCS v2.1 s3.2.7	Projects with multiple activities; “ <i>Respondent A</i> notes that the wording of this section is unclear. <i>Respondent A</i> does not understand what is required where the same parcel of land has multiple methodologies applied and under what conditions are these considered separate projects or the same projects.”
	RCS V2.1 s3.2.8	Additionality; “ <i>Respondent A</i> notes that it may useful to have a ‘note’ here that acknowledges that 3rd party investment funding beyond the revenue from the credits may be required for some projects that require capital expenditure and that this type of funding is not considered to void additionality if this funding is secured as part of the Reef Credit project development.”
	RCS V2.1 3.2.9	Safeguards; “ <i>Respondent A</i> recommends consideration into a risk management process. This may help Project Proponents to identify risks and develop assessment and management plans to deal with identified risks. <i>Respondent A</i> notes that some risks could be environmental impacts (any potential risks relating to these project implementations, habitat destruction or species displacement or unintended consequences); equity issues or engagement issues like not engaging the correct stakeholders i.e. traditional owners not consulted, or some barriers to participation due to small-scale or financial etc; also lack of engagement with correct

	<p>stakeholders have risks of conflicts and community resistance; risks around integrity resulting in lack of community trust in projects etc.</p> <p><i>Respondent A</i> notes the intention of point 2 is unclear. Does it mean that Project Proponents need to demonstrate how Stakeholder feedback was taken into account and demonstrate that information about the Grievance Procedure was shared with stakeholders?"</p>
RCS v2.1 s3.2.10.4	<p>Permanence;</p> <p><i>Respondent A</i> notes that it may be impossible to quantify the amount of pollutant reduction reversed within 30 days of becoming aware of the event. Separate time periods should be required for the notification versus quantification. Quantification should also fall under the scope of the next Verification."</p>
RCS v2.1 s3.2.11	<p>Leakage;</p> <p><i>Respondent A</i> notes that it is unclear what constitutes 'sufficiently minor' in regard to a leakage event."</p>
RCS v2.1 s3.5.3	<p>Monitoring Period;</p> <p><i>Respondent A</i> recommends an adjustment to the Monitoring Period definition particularly with respect to capital works projects i.e. wetlands and gullies.</p> <p>Monitoring must commence when capital works commence. This is in theory the same date as time as Project Start and will require the capital works to be 'monitored' for environmental impacts and other risks during construction etc. <i>Respondent A</i> notes that consideration into the evidence required for auditing this period be addressed. <i>Respondent A</i> notes that if there are minimum requirements on monitoring period lengths, it would not be beneficial to force an audit of a period where crediting has not commenced ie. Construction phase."</p>
RCS v2.1 s3.8	<p>Legal Right and Consent;</p> <p><i>Respondent A</i> notes that there is no established process to seek Landowners Consent from the Queensland Government for a Reef Credit Project and is seeking further guidance from EMA.</p> <p><i>Respondent A</i> notes that this may be relevant for projects carried out on leasehold land.</p> <p>A process exists for Landowner's consent for carbon projects under the CFI Act, however this exact process may not be appropriate for Reef Credit Projects. We do not consider it necessary to establish a Carbon Abatement Interest or equivalent.</p> <p>A process similar to State Owner's Consent for a development application (Planning Act 2016) may be more appropriate.</p> <p>Further guidance from EMA would be appreciated on how to obtain Landowner's Consent from the Queensland Government for a Reef Credit Project.</p>

		<p>If needed, we are available to assist with discussions with the appropriate team within the Queensland Government to develop an appropriate process.”</p>
	<p>RCS v2.1 s3.8</p>	<p>Verification and Reef Credit Issuance;</p> <p>“<i>Respondent A</i> notes that the current requirement to provide a reasonable assurance audit conclusion (Verification report) at the time of each monitoring period Reef Credit application may not be necessary to achieve the same level of confidence in credits issued over project life, it is also cost prohibitive and a barrier to participation, particularly under the DIN Method. <i>Respondent A</i> suggests that more flexible approaches to the Verification requirements be considered as part of this package of updates to the Standard.</p> <p><i>Respondent A</i> notes that there are a range of alternative approaches to the Verification process that could provide more flexibility while still ensuring high integrity outcomes. <i>Respondent A's</i> recommended approach would be;</p> <p>Introduction of a Verification report schedule, so that not all crediting applications are required to provide a verification report, but that each verification report covers the period since last verification report (audit) to the end of the current monitoring period. There is a precedent in other environmental markets (such as the ACCU Scheme) to link the frequency of audits on volume of abatement via the setting of an audit schedule at time of project validation (see Carbon Farming Initiative Audit Thresholds Instrument). Under this structure, all monitoring periods would be included in the temporal scope of each audit, but an audit is only required on the first crediting application, last crediting application and every X years or X volume of credits throughout the crediting period. Crediting applications are still submitted and processed according to proponents desired monitoring period schedule e.g yearly, so there is no impact to Reef Credit flow. If using a temporal approach to setting the audit 12 schedule e.g. every 5 years, additional volume-based 'triggered audits' can also be set that sit over the top of the scheduled audits (see again Carbon Farming Initiative Audit Thresholds Instrument).”</p>
	<p>RCS v2.1 s3.8.2b</p>	<p>Reef Credit retirement;</p> <p>“<i>Respondent A</i> notes it is unclear due to conflicting uses, what the meaning is of ‘...the date the Reef Credit was issued’.</p> <p><i>Respondent A</i> notes that this date could be interpreted as:</p> <ul style="list-style-type: none"> a) The date of the Verification Report for which the Reef Credit was issued (as per s5.2 of the Project Application and Crediting Procedures); or b) The date of Certification by EMA (as per s3.8.3(1) of the Standard and s4.2 of the Crediting Procedures); or c) The date the credits are issued into the Registry Account (as per s3.8.3(6) of the Standard and s4.3 of the Crediting Procedures).

		<i>Respondent A</i> believes the most suitable date would be c.”
RCS v2.1 s3.8.3	Verification and Reef Credit issuance; <i>“Respondent A</i> recommends specifying a timeframe for certification and issuance processes. <i>Respondent A</i> notes that there are currently no set timeframes for issuance of Reef Credits listed in the Reef Credit Standard or the Project Crediting Procedures and recent credit certification and issuances have taken 1 – 2 months. A nominated timeframe in business days is considered reasonable and could exclude time taken by the Project Proponent to pay invoices.”	
RCS v2.1 s4.1.7	Model Updates; <i>“Respondent A</i> notes that this section does not cover the circumstance where models are updated over time <i>Respondent A</i> recommends consideration on expanding this section or (preferred) developing guidance material specific to the use of modelling tools by each method. For example EMA should consider a position on requiring projects to transition to the current versions of a model/tool within 3-5 years of that new tool becoming available. This is a complex issue and would/may seek TAC advice and/or separate consultation. <i>Respondent A</i> notes there is no current guidance or rules surrounding how model updates apply to registered projects or those about to be registered, grace periods, project transition options and/or requirements, access to old models etc.”	
RCS v2.1 s.4.1.7d	General; <i>“Respondent A</i> does not agree with the statement ‘If a model is used by the Queensland or Australian Government...the model does not need to be peer reviewed...’. A tool should not be exempt from peer review (integrity measure) simply because it is used by the government. Importantly, government models may be used for different purposes than those intended by Reef Credits and thus may not be fit for purpose for application by a Reef Credit method.”	
RCS v2.1 s.4.5.2.b	Baselines; <i>“Respondent A</i> suggests that given the international movement in environmental market methods towards a dynamic baseline with synthetic control areas approach to respond to public doubts and criticisms - both justifying additionality and quantifying the baseline, that the wording of 4.5.2.b in the standard be amended to “data availability, reliability and limitations, including but not limited to the appropriateness of synthetic control areas”.	
RCS v2.1 s6.1.5	General approval requirements;	

		<p><i>“Respondent A notes and has raised previously that the requirement to use a Verifier for no more than 5 consecutive monitoring Periods is proving difficult due to Auditor/Verifier availability.”</i></p>
RCS v2.1	<p>Project Aggregation;</p> <p><i>“Respondent A notes that there is currently no avenue to aggregate Projects within the current Standard.</i></p> <p>At the moment, small scale projects are unfairly impeded from the Reef Credit Scheme due to fixed costs such as Audit and Registration. Previous reviews of the ACCU market also recognised that the design of Schemes can impact participation by smaller properties. By developing an aggregation approach/process/procedure for both registration and audit processes, more Reef Credit projects may be undertaken, increasing participation and greater water quality impacts may be achieved.”</p>	
RCS v2.1	<p>Modelling Guidelines;</p> <p><i>“Respondent A recommends the requirement of Modelling Guidelines as supplementary to a method, where a model tool is stipulated by the method.”</i></p>	
RCS v2.1	<p>Project Variation;</p> <p><i>“Respondent A notes that the Administrator may want to consider a process for ‘Project variation’ for registered projects.</i></p> <p><i>Respondent A notes that there are a number of instances in which a Project may need to be varied after Validation or during the Monitoring Period. These may include; - Changes to Project Area and the Baseline such as when land is sold or land is added to the existing project; - Changes to legal right on title; - Changes to key Project attributes such as Project Start Date, Monitoring Period start, or Crediting period start such as when unforeseen delays occur between Validation and first Audit or projects have staged construction of wetlands or gullies.”</i></p>	
RCS v2.1 Schedule 2	<p>Positive List;</p> <p><i>“Respondent A recommends the inclusion of ‘nitrogen use efficiency management’ to the positive list.”</i></p>	
RCS v2.1	<p>Acknowledgments;</p> <p><i>“Respondent A is concerned that the following sentence may be misinterpreted should the production of food, fibre or energy be replaced entirely within ecosystem services. “The Reef Credit Scheme has not been designed to disrupt agricultural production, but rather to recognise, value and support landowners to innovate and adopt best practice to deliver environmental benefits and positively contribute to water quality in the Reef catchment areas”.</i></p> <p><i>Respondent A proposes more positive alternative wording e.g. ‘The aim of Reef Credits is to recognise, value</i></p>	

		and support landowners to innovate and adopt best practice to deliver environmental benefits and positively contribute to water quality in the Reef catchment area.' Or 'The Reef Credit Scheme is designed to support agricultural production while recognising, valuing and supporting....'"
	RCD	<p>Additionality;</p> <p><i>"Respondent A does not agree with the Additionality definition.</i></p> <p>The use of 'funded to occur' may be problematic wording if the proponent has secured investment funding for capital works activities during the project development phase. Also, in the GLM context, if there is separate funding for fencing which is one of multiple activities identified by the GLM plan. <i>Respondent A</i> recommends different text e.g. 'Additionality - a requirement that a Reef Credit project generate Pollutant reductions from an activity that would not have occurred without the revenue from the sale of Reef Credits.'</p>
	RCG	<p>Reporting Period;</p> <p><i>"Respondent A notes that a linear graphic may be beneficial to demonstrate the Project lifecycle timeline. This would help visualise the differences between dates of; pipeline listing, validation, project start, monitoring start, crediting start, first audit, subsequent audits etc."</i></p>
	RCG	<p>Reef Credit Guide;</p> <p><i>"Respondent A notes that the Reef Credit Guide 'tree' graphic does not include the 'best practice' or 'guidance' document proposed in the DP."</i></p>
Respondent	Document	Feedback
RESPONDENT B:	All	<p>All sections;</p> <p><i>"When referring to a document, add the link."</i></p>
	Reef Credit Guide v2.1	Versioning;
	Reef Credit Definitions v2.1	<i>"Why is 1.0 noted on the version control?"</i>
	Reef Credit Guide v2.1	<p>The Great Barrier Reef;</p> <p><i>"The agricultural land use in the catchment</i></p> <p>Suggestion to change it to "used."</p>

	Reef Credit Guide v2.1	<p>Acknowledgements;</p> <p>“Suggested change</p> <p>The environmental markets and standard development consultants, Winrock International, provided advice and assistance, and a number of operating water quality market programs, participants and founders, and standard development organization’s were also engaged.</p> <p>Funding to support the development of the Scheme, governance and Registry was provided by the partnership between the Australian Government’s Reef Trust, the Great Barrier Reef Foundation, and the Queensland Government.</p> <p>The Reef Credit Scheme has not been designed to disrupt agricultural production but rather to recognise, value and support landowners to innovate and adopt best practices to deliver environmental benefits and positively contribute to water quality in the Reef catchment areas. To ensure the Scheme delivers the highest environmental and financial integrity standards, Australia’s first independent administrator of environmental markets, Eco-Markets Australia, was established in late 2020. Eco-Markets Australia is governed by a skills-based Board of Directors, and the day-to-day administration of the Reef Credit Standard is delegated to the Reef Credit Secretariat (Secretariat). “</p>
Respondent	Document	Feedback
RESPONDENT E:	<p>Document; Reef Credit Guide (2.1) Section; page 5 – Objectives and Scheme components</p> <p>Document; Reef Credit Standard (2.1) Section; page 4 – 1.1 Reef Credit Standard – objective</p>	<p><i>“Respondent E</i> remains concerned that:</p> <ul style="list-style-type: none"> - The objectives of the Reef Credits program, and specifically, the singular focus on pollutant abatement (environmental) IS NOT consistent with contemporary sustainability objectives being the balanced pursuit of human, social, economic and environmental objectives (i.e the four pillars of sustainability), and - Reef Credits should not be implemented in isolation and should seek to align with and reinforce broader and complementary industry initiatives that may already exist. <p>Experience from <i>Respondent E</i> is that DIN (dissolved inorganic nitrogen) abatement and cane yield increases should be pursued in tandem, as:</p> <ul style="list-style-type: none"> - The industry is already motivated from viability and social licence perspectives to address both, and - Institutional frameworks already exist, for example: <ul style="list-style-type: none"> ➤ R&D spend and extension and adoption on NUE (nitrogen use efficiency), and

		<p>➤ Ongoing development of robust and simple to understand industry schemes like SIX EASY STEPSTM (6ES) and SmartCane BMP that assist with best practice NUE adoption.</p> <p>More effort is however required in developing best practice NUE case studies and disseminating these to growers and improving the uptake of 6ES and BMP.</p> <p><i>Respondent E</i> would like to see the objectives of the Reef Credits scheme as outlined in the draft Guide and Standard documents broadened to include references to: -</p> <ul style="list-style-type: none">- The balanced pursuit of the four pillars of sustainability, and-Alignment and integration of broader and complementary industry approaches into the Scheme. “
--	--	---