

CASSOWARY CREDIT SCHEME DEFINITIONS

Version 1.0

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Additionality - outcomes that are above and beyond what might have occurred in the absence of a Project. In the Cassowary Credit Scheme, Projects must deliver Additional outcomes that would not have arisen without the Project. This means that outcomes must not already be required to be delivered by law or under any other existing legal obligation or agreement. It also means that Projects must deliver benefits on top of any that would have happened without the Project (the counterfactual case). Only the component of outcomes that is Additional will be considered in the calculation of Cassowary Credits. Any component of the benefit that could have occurred if there had not been any Project Activities must be quantified in accordance with the applicable Methodology and subtracted from any calculations used to quantify the number of Cassowary Credits generated by the Project.

Additionality Tool – a tool used in the Cassowary Credit Scheme to calculate any deductions resulting from the counterfactual case that must be applied when calculating Cassowary Credits.

Annual Report - the report submitted every year by a Proponent to the Secretariat that provides evidence of Project Activities. Requirements for Annual Reports will be specified in the applied Methodology.

Application for Cassowary Credits – the template used by a Proponent to apply to the Secretariat for issuance of Cassowary Credits.

Approved Operator – a person approved by the Secretariat as meeting certain requirements to conduct work on or provide goods and services to Projects.

Application must be made to the Secretariat for certification as an Approved Operator, using the Approved Operator Certification Procedure. The Secretariat can identify different categories of Approved Operators to meet requirements in Methodologies, such as conducting Monitoring, preparing reports, providing technical advice or providing native trees for replanting. Applicants must nominate the categories for which they are seeking certification and provide evidence to support their application, including the skills, experience, knowledge, qualifications, insurances and systems they possess to provide the good(s) or service(s).

In certifying Approved Operators, consideration will be given to the Scheme requirement that Projects support regional communities, including Rainforest Aboriginal People; for example, organisations with staff based within the Wet Tropics Bioregion or businesses owned by or employing Rainforest Aboriginal People. The Secretariat will maintain a list of Approved Operators on their website, including which categories Approved Operators are certified for.

Approved Operator Certification Procedure – the procedure used by the Secretariat to certify Approved Operators.

Approved Verifier – a person approved by the Secretariat to deliver Verification services in the Cassowary Credit Scheme.

Approved Verifier Certification Procedure - the procedure used by the Secretariat to certify Approved Verifiers.

Baseline – a measure of the state of rainforest before the commencement of Project Activities. Methodologies will specify how Baseline is to be determined and may require the use of tools, calculators or measurements.

Benefit to Rainforest Biodiversity – the outcome of a Cassowary Credit Scheme Project that improves the condition, extent or protection of rainforest plants, animals or ecosystems.

Beta Phase – see Cassowary Credit Scheme Beta Phase.

Cassowary – Southern Cassowary *Casuarius casuarius*; the flagship species for the Cassowary Credit Scheme.

Cassowary Credit Scheme Beta Phase – the period of time from [start date] to [end date] during which the Cassowary Credit Scheme will be tested through pilot projects. A Beta Phase review of the Scheme will be conducted at the conclusion of the Beta Phase.

Cassowary Credit Scheme Guide - the document that provides the background, rationale, intent and underlying principles of the Cassowary Credit Scheme.

Cassowary Credit Scheme Registry – the Registry for the Cassowary Credit Scheme. The Registry includes a Project database, which lists Registered Projects, and a Credit Registry, which tracks the issue, transfer and retirement of Cassowary Credits using unique serial number tracking.

Cassowary Credit Scheme Standard – the document which includes the eligibility criteria for participating in the Cassowary Credit Scheme, processes for Validating, Registering and Monitoring Cassowary Credit Scheme Projects, requirements for quantifying, Verifying, calculating, issuing, trading and using Cassowary Credits and Methodology Approval Processes.

Cassowary Credit Scheme Website – the website for the Cassowary Credit Scheme, hosted by the Cassowary Credit Scheme Secretariat.

Cassowary Credits – units that represent a quantified and verified amount of benefit to rainforest biodiversity achieved by a Project. The method for calculating Cassowary Credits from the measured amount of benefit to rainforest biodiversity is set out in the applicable Methodology. Cassowary Credits may be traded on environmental markets. Cassowary Credits are issued by the Secretariat following Validation that all requirements in the Standard and applicable Methodology have been met.

Compliance Procedure – a procedure used by the Secretariat to guide investigations and responses to reported or suspected cases of non-compliance in the Cassowary Credit Scheme.

Condition – refers to a measured state or value of rainforest biodiversity, as defined in the applicable Methodology.

Conversion Factor – a number used as a multiplier to convert the quantified and Verified benefit to rainforest from a Project to Cassowary Credits.

Counterfactual - the benefit to rainforest that could have happened if the project had not taken place. Methodologies will describe how to quantify the Counterfactual and how this must be accounted for, including through the application of an Additionality Tool.

Credible Risk – the likelihood that the value of rainforest will be substantially reduced outside of a Project Area as a result of Project Activities i.e., through displacement of activities from the Project Area. Credible Risk is qualified as likely or unlikely based on a landholder’s legal right to clear or degrade vegetation in areas outside the Project Area. Credible Risk is determined as part of the assessment of Leakage, as specified in Methodologies.

Creditable Condition – the quantified Condition of rainforest that can be used to calculate Cassowary Credits for a Project.

Crediting Event – an instance of the issuance of Cassowary Credits.

Crediting Period – the time interval during which a Methodology can be applied to quantify the benefit to rainforest arising from Project Activities for the purpose of generating and claiming Cassowary Credits. For Projects in the Cassowary Credit Scheme, the maximum Crediting Period is twenty-five (25) years.

Credits – see Cassowary Credits.

Definition – the specified meaning of a term in the Cassowary Credit Scheme. Words and terms with specified meanings are capitalised. Where the same word can have general usage, it is not capitalised (e.g., method).

Extent – the spatial area (in hectares) subject to Project Activities.

Field Measurement – the direct measurement of Indicators in the field.

Final Investment Decision – the point at which a decision is made to commit and proceed with a project.

Guide – see Cassowary Credit Scheme Guide.

Indicator – a measurable attribute or characteristic that reflects the Condition of rainforest.

Leakage – the displacement of activities from a Project Area that results in clearing or degradation of rainforest in a different area that is managed by the same landholder.

Level 1 Project – a Cassowary Credit Scheme Project that meets specific criteria described in the Standard, used to determine Verification requirements.

Level 2 Project – Cassowary Credit Scheme Projects that do not meet the criteria for Level 1 Projects, described in the Standard.

Management Unit – spatial units identified within a Methodology Area that are similar in terms of pertinent site conditions, the timing of commencement of Project Activities, techniques used to implement Project Activities and other factors related to variation in the timing or quantity of the benefit delivered by the project, or which may influence the application of the Methodology. As long as these factors are consistent across the area and all areas are within the same Project Area, Management Units may be spatially discontinuous.

Methodology – a document that is approved by the Secretariat that describes the requirements for quantifying and Verifying outcomes from Projects in the Cassowary Credit Scheme, the approach

to calculating Cassowary Credits, and any requirements or restrictions associated with implementation of Projects.

Methodology Approval Process – the process used by the Secretariat to approve new Methodologies in the Cassowary Credit Scheme.

Methodology Area – the area(s) over which a specific Methodology will be applied within a Project Area.

Methodology Development Template – a template available from the Secretariat to be used by Methodology developers to prepare new Methodologies.

Monitoring – checking, measuring or assessing the condition of a Project, as specified in the applicable Methodology.

Monitoring Period – the period of time between one Monitoring event and a subsequent Monitoring event.

Monitoring Report – the report detailing the results of Monitoring, as specified in the applied Methodology.

Notification of Reversal - a notification prepared by the Project Proponent and submitted to the Secretariat to report on Significant Reversals in a Project.

Permanence – the retention of the benefits delivered by a Cassowary Credit scheme Project.

Permanence Period – the period of time during which it is assured by the Proponent that the benefits to rainforest achieved by a Cassowary Credit Scheme Project will not be reversed. All Cassowary Credit Scheme Projects are subject to a minimum Permanence Period of 25 years. The applicable Methodology may specify additional permanence requirements.

Permanence Plan – a plan submitted by the Proponent as part of the application process that identifies the Permanence Period (minimum of 25 years) associated with a Project and applied to stratified Management Units within a Project, plus any additional permanence requirements specified in the applied Methodology. The Permanence Plan identifies potential risks to Permanence of Project outcomes and any reasonable, practical and feasible actions that Proponents will take to minimise those risks.

Planting – includes direct planting of the stems of seedlings and/or saplings and/or direct seeding.

Project – documented activities or actions to deliver benefits to rainforest biodiversity that have been Validated by the Cassowary Credit scheme Secretariat. Projects are formally Registered with the Secretariat and will have a defined spatial boundary and a Project Proponent.

Project Accounting – the process specified in the applied Methodology to quantify and calculate the benefit to rainforest biodiversity from a Project, including applying any deductions or discounts.

Project Activities – defined specifically in relation to the applicable Methodology but in general terms the interventions or actions taken by the Proponent to undertake the Project. Can include on-ground works or other actions (e.g., legal changes) that influence the benefit to rainforest

biodiversity delivered by the Project. Incidental activities related to feasibility assessments, project planning, design, seeking advice, obtaining approvals, obtaining consent from eligible interest holders or other related activities are not deemed Project Activities.

Project Application – a template approved by the Secretariat to be used by a Proponent to apply to the Secretariat for Validation and Registration of a Cassowary Credit Scheme Project. The template is available on the Cassowary Credit Scheme Website.

Project Area – the spatial boundary of the area where a Cassowary Credit Scheme Project will be conducted.

Project Location – the geographic location (identified by a shapefile showing project boundaries, coordinates or address) of a Cassowary Credit Scheme Project showing that it is within the Wet Tropics Bioregion, and in an area where the pre-clearing vegetation type is ‘rainforest and scrubs’ (Neldner *et al.*, 2023¹).

Project Plan – a plan submitted by a Proponent to the Secretariat during the application process that describes proposed approaches to design, implement and manage the Project in accordance with the applicable methodology/ies.

Proponent – the person who is approved as having the legal right to carry out a Project and who is responsible for managing and reporting on the Project and its outcomes. Detailed eligibility requirements are set out in the Standard. Cassowary Credits generated by a Project will be issued to the Proponent’s registry account.

Proponent Guides – guidance documents to support Proponents’ participation in the Cassowary Credit Scheme. Proponent Guides will be available on the Cassowary Credit Scheme Website.

Rainforest - for the purposes of the Cassowary Credit Scheme, the term rainforest refers to any native vegetation type in the Wet Tropics Bioregion classified within the ‘rainforest and scrubs’ Broad Vegetation Group¹.

Rainforest Aboriginal People – Traditional Owners of the land and waters of the Wet Tropics Bioregion.

Reference Benchmark – the value of vegetation Indicators as measured in reference or remnant vegetation.

Reforestation – management activities that aim to return forest to a cleared or heavily disturbed area of land, such as planting seedlings, direct seeding and manipulating secondary regrowth, for example by controlling pasture grasses and other invasive plants that inhibit or constrain the natural regeneration processes of native rainforest vegetation.

Registration – the process used by the Secretariat to list details of a Validated Cassowary Credit Scheme Project on the public register. *Registry* – the Cassowary Credit Scheme Registry is

¹ Neldner, V.J., Niehus, R.E., Wilson, B.A., McDonald, W.J.F., Ford, A.J. and Accad, A. (2023). The Vegetation of Queensland. Descriptions of Broad Vegetation Groups. Version 6.0. Queensland Herbarium and Biodiversity Science, Department of Environment and Science.

comprised of a Cassowary Credit Scheme Project database to list and register Projects and the Registry to track issuance, transfer and retirement of Cassowary Credits. The secure online platform is operated by Eco-Markets Australia and uses unique serial number tracking to ensure transparency, traceability and integrity for all Cassowary Credits.

Registry Account – an account established in the Registry by sellers and buyers of Cassowary Credits for the movement of Credits.

Replanting – planting seedlings or saplings or sowing the seeds of native plants to actively reinstate rainforest vegetation on cleared land.

Restoration - activities intended to improve the condition and/or extent of rainforest, through replanting as well as activities that reduce or remove factors that limit the regeneration of native rainforest vegetation (e.g., management of invasive non-native species).

Risk of Reversal – the risk that Project outcomes will decline or be lost within a Project’s Crediting Period.

Risk of Reversal Buffer (RRB) – a mechanism for insuring the Cassowary Credit Scheme against residual risks that can’t be managed by permanence and other arrangements, including losses associated with a Significant Natural Event or long-term losses that result from a proponent failing to deliver expected outcomes. The RRB is applied as a 5% discount on all Projects and will be held by the Secretariat in a Risk of Reversal Buffer account.

Scheme – the Cassowary Credit Scheme.

Scheme Developer – Terrain NRM, the organisation who has led the development of the Cassowary Credit Scheme.

Secretariat – the Cassowary Credit Scheme Secretariat, Eco-Markets Australia.

Severe Natural Event – an event that impacts the outcomes of a Project and which cannot reasonably be prevented or mitigated by the Proponent. Severe Natural Events include cyclone, flood, bushfire, drought, pest attack, frost or disease.

Significant Reversal – a substantial decline in Project outcomes that have already been Credited that affects at least part of the Project Area. The minimum quantum of the decline and extent of area affected will be defined in the applicable Methodology.

Standard – see Cassowary Credit Scheme Standard.

Start Date – the date on which a Cassowary Credit Scheme Project is Registered by the Secretariat and able to commence Project Activities.

Stratification – the process of dividing a Methodology Area into smaller Management Units based on differences within the Methodology Area such as likely variation in Project outcomes as a result of different site conditions, management approaches, timing of on-ground works, etc.

Validation – the process whereby the Secretariat officially accepts or approves actions, processes or outcomes in a Cassowary Credit Scheme Project.

Verification – an independent process to audit, check and confirm Project requirements or outcomes, conducted by an accredited person.

Wet Tropics – the Wet Tropics Bioregion of north-eastern Australia.

Withholding Credits – a temporary retention of Credits by the Secretariat until certain conditions are met in a Project. Their use is intended to provide an added safeguard to ensure Project outcomes are delivered. The use and amount of Withholding Credits will be specified in the applied Methodology. Upon satisfactory completion of all Project requirements, Withholding Credits will be released to the Proponent by the Secretariat.

DRAFT FOR REVIEW