# Guide for Becoming a Project Proponent with Eco-Markets Australia (EMA)

Eco-Markets Australia (EMA) administers voluntary nature credit programs including:

- Reef Credits (RC)
- Cassowary Credits (CC)
- Australasian Catchment Water Improvement Standard (ACWIS) – *in development*

This Guide is intended to assist in the decision around onboarding with EMA as a Project Proponent *– defined as the Person or Persons that has overall control and responsibility to carry out the Project and to whom Nature Credits may be issued.*

Participation in EMA's Programs is voluntary and based on satisfying the eligibility requirements set out in the approved Standard and Methodology under which Program you wish to carry out your project. Participation is open to anyone that can meet these requirements.

Proponents:

- Work with landholders to implement approved methodologies.
- Ensure compliance with standards and documentation.
- Manage project registration, monitoring, verification, and credit issuance.

What is important for you to consider before committing to bringing on projects under our Programs:

- EMA sits independent of Project Proponents. It is the responsibility of the Project Proponent to ensure the commercial agreement made when carrying out a project administered by EMA meets their own criteria for a sound business decision and project viability is discussed and considered with the landholder.

- Project Proponents play an integral role in ensuring projects align with all Standards and documentation, consents, monitoring and verification etc that provides the environmental outcome and benefit from applying an approved Methodology to a chosen parcel of land.

- Project Proponents must have a current Registry account with EMA. See EMA Fee Schedule for account opening and renewal fees.

- EMA requires that Project Proponents adhere to the EMA Claim's Guidance when participating in our Programs. – *in development*

- Project Proponents must adhere to strict Compliance guidelines required under the relevant Standard and Methodology/s. In instance of non-compliance, the Secretariat may suspend the Project Proponent's Registry Account while the issue is investigated. If the Secretariat determines a Project or Project Proponent is in non-compliance and the non-compliance is not remedied, or capable of being remedied, within a reasonable period, the Secretariat may, in its discretion, cancel the Project.

To ensure transparency, trust, growth and demand in voluntary environmental markets and the integrity of the credits and outcomes verified, EMA expects open feedback and communication from all participants. Through signing EMA's Terms and Conditions, Project Proponents will provide EMA with relevant data, images, case studies and sales figures to boost market validity and growth, throughout the lifespan of their projects. The sharing and publication of such information ensures market confidence. EMA seeks to benefit all parties involved with projects and may at times request information or quotes directly from the Project Proponent's clients and stakeholders to communicate environmental outcomes to the market.

Forms required to apply for project registration can be found on EMA's website, Eco Markets Australia . Secretariat can guide, and provide context on these applications, but it is the responsibility of the proponent to satisfy all Project requirements in accordance with the Standard and Methodology eligibility criteria.

Other useful links from EMA website to explore include

- EMA Services
- About Environmental Markets
  Buying Credits

**Eligibility Checklist**

Minimum standards for Project Proponents (refer to program Standard for eligibility on project and methodology)

A Project administered under EMA must have a Project Proponent. A Project Proponent must:

1. Comply with any applicable legislation, regulation, codes of conduct or best practice guidance issued by the Secretariat.
2. Pass the fit and proper person test.
3. Hold a current EMA Registry account.

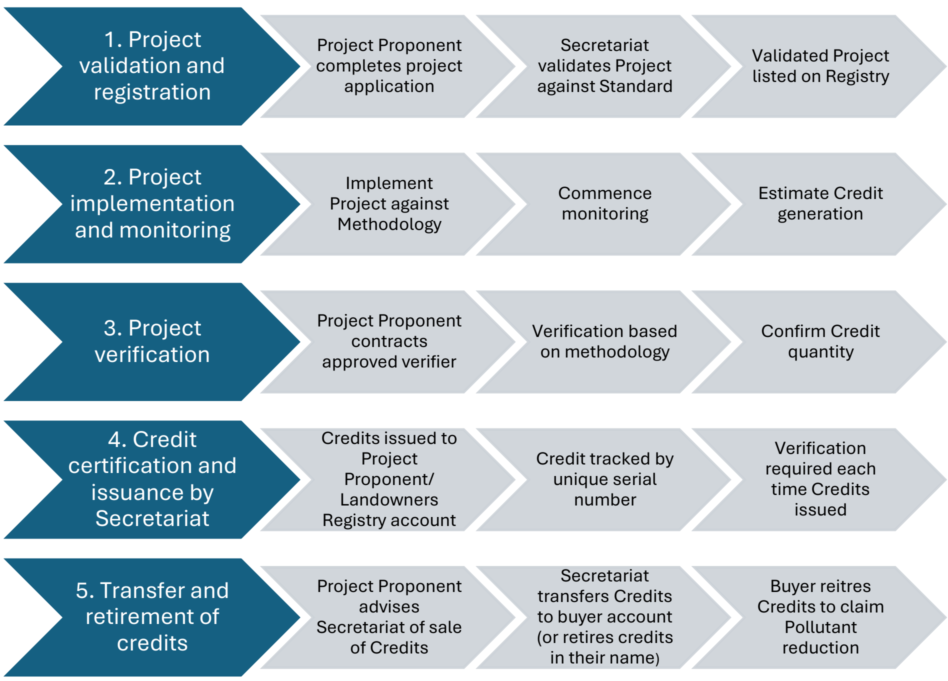

Figure 1: **Overview of the Nature Market Credit process**

It is important to note, as per Figure 1, that the delivery of environmental outcomes is dependent on the project and the activities undertaken as outlined by the applied methodology. While there is an estimated number of credits possibly generated upon project application, the certified amount is calculated within the monitoring periods and confirmed through third-party verification. As a result, proponents cannot guarantee number of credits issued and this should be acknowledged in contractual agreements, noting the proponent is responsible for managing the process, monitoring, recording of data and engaging the verifier.

**Have I considered My Business Model?**

Before becoming a proponent with EMA, it is important to have a clear understanding of your business model, for example, consider (but not limited to):

| CONSIDERED | SUGGESTIONS |
|---|---|
| ☐ | Number of viable projects<br>• Have you planned well in advance to align with chosen methodology |
| ☐ | Number of projects in the pipeline<br>• How many agreements are close to becoming binding on a contract |
| ☐ | Do you have a formal contract/agreement between yourself and the other party involved – landholder/facility |
| ☐ | Do you possess the ability and skills required to carry out the project in alignment with the relevant methodology such as<br>• Baseline scenario<br>• Complete application of tools or modules<br>• Positive and Negative List<br>• Monitoring - Will you need assistance with data collection (consider engaging an external agent with expertise)<br>• Data and record management<br>• Verification and Issuance of credits |
| ☐ | Clear costing model<br>• What does the split of credits look like<br>• Consider other commercial decisions between contract holders<br>• Upfront costs involved with chosen methodology application<br>• Verification/auditing costs<br>• If you require assistance with data collection, consider agent's fees<br>• EMA's fees to administer your project(s) – EMA Fee Schedule |
| ☐ | Physical time involved in running and maintaining a project<br>• Do you have staff to assist? |
| ☐ | Knowledge of nature markets<br>• How do you set the price on your credits?<br>• Who will buy your credits?<br>• Offset agreements<br>• Offtake agreements<br>• Consider time to credit issuance and sale from start date of project |
| ☐ | Are you familiar with the relevant local stakeholders such as landholders, Indigenous groups and community members? |

**Seek Independent Legal and Financial Advice**

*EMA recommends seeking independent legal* and financial advice regarding your business as a proponent.*

| CONSIDERED | SUGGESTIONS |
|---|---|
| ☐ | Will the project(s) be financially beneficial to both you and the landholder? |
| ☐ | Have you obtained relevant consents and permits?<br>• Legal right to carry out the project on that land |
| ☐ | Consider having your contract reviewed by legal professional |
| ☐ | Encourage your landholder/project participant to seek their own legal and financial advice |
| ☐ | Chat with local agronomists and/or Natural Resource Managers (NRMs) |
| ☐ | Be aware of tax obligations |
| ☐ | Be aware of relevant policy and/or legislation |
| ☐ | Consider insurances |

**engage with experts in environmental law, project management and land titles*

*Refer to Terms and Conditions Document (under development) for other important information when working with EMA.*