

Nature Repair Market Committee public consultation on the ENV methodology

Webinar transcript 8 July 2026

Please note that this transcript has been edited for clarity.

Alison McMorrow

Good afternoon, everybody.

Sorry, we were just a minute or two getting started. We're having a couple of technical issues. So hello, everyone, my name is Alison McMorrow. My name is not Steve McCutcheon, as you can see on the slide. My name is Alison McMorrow. I am a Branch Head here in Department of Climate Change Energy the Environment and Water of the Nature Repair Market Delivery Branch.

Unfortunately, the Chair of the Nature Repair Committee, who is Steve McCutcheon, is having technical trouble joining this webinar. So, he was going to host this first part of the presentation, but in his absence, I will try and fill his shoes and just step you through a couple of the messages that Steve wanted to give at the start of this webinar.

So, look, I really want to welcome everybody to this public webinar as part of the Nature Repair Committee statutory consultation on the Enhancing Native Vegetation method, the Nature Repair Market. Next slide, thanks, Carlie.

I will start with an acknowledgement of Country. I am joining you from beautiful Ngunnawal Country, which is the region in and around Canberra. And I recognise the continuing connection to land, waters and culture that traditional owners have right across Australia's land and waters. And I would like to pay my respect to elders past and present and extend that respect to Aboriginal and Torres Strait Islander people who are joining the webinar today. Thanks, Carlie.

So, today's webinar, we've got about 90 minutes. There's a fair bit we're going to go through, and there'll be a few presenters popping up, so you won't just have me for the 90 minutes. We'll provide a brief overview of the Nature Repair Market and the Nature Repair Committee and the Biodiversity Integrity Standards, which is really at the heart of this particular consultation on this method, before a presentation on the design of the proposed

Enhancing Native Vegetation method. And then we should have time for some Q&As. And I really do thank participants who have submitted questions ahead of time. That sort of helps us get a bit organised. But we will get through as many questions as we can.

So, in terms of just introducing the committee members, Steve McCutcheon, as I said at the start, is our inaugural Chair of the Nature Repair Committee. And we also have committee members who are joining and watching the webinar, Fiona Simson, James Fitzsimons, Siobhan Toohill, Tyronne Garstone and Brendan Foran. So, that makes up our Nature Repair Committee.

On the line, you have me. But you'll also have other department officials joining today to work through particular parts of the webinar. So, I'll introduce key speakers quickly. We have Rebecca Coward, who's already on screen. We'll also be joined at various points by Ryan Wilson, Joanna Osborn, Danielle McKenzie-McHarg, and a few other officials might pop up during the Q&A session, depending on where those questions go.

Some housekeeping to start with. The session will be recorded, and we will be publishing it on the departments Have Your Say consultation page, which is the same webpage that the consultation materials are on. And you can see the link. I think we might pop it into the Q&A spot. Otherwise, we'll pop it up a bit later in the webinar.

Your mics and your cameras have been muted or made invisible. We do have quite a large number of people joining today's webinar, 142 by my account. So yeah, we're just trying to manage noise, so we've muted you all. But please do engage and submit some questions through that Q&A button.

Next slide, thanks Carlie.

Just a little bit about the Nature Repair Committee's role in methods and in the market. So, the Nature Repair Committee provides independent expert advice to the minister. This supports the market's operation and the integrity. The committee advises the minister on making, varying and revoking methods and the minister cannot make a method unless the committee advises that it meets the biodiversity integrity standards that are set out in our Nature Repair Act. And when I say minister, I mean the Minister for the Environment and Water.

For those familiar with the ACCU scheme or the carbon market, the biodiversity integrity standards perform a similar role that the offset integrity standards perform under the ACCU scheme.

The Nature Repair Committee also has a role in undertaking periodic reviews of methods.

In providing its advice to the minister, the committee must consider whether the method meets the biodiversity integrity standards. They can also consider any relevant advice given by the Clean Energy Regulator, which is the Regulator under the Nature Repair Market. The committee considers submissions received during the public consultation period, which is where we are now.

And the committee can also consider other matters, including feedback through targeted stakeholder information sessions, which we have a few planned over the next few weeks.

The committee's membership is multi-disciplinary, which means it's really well placed to provide advice across the spectrum, across scientific rigour and market participation. The committee includes a part-time chair, Steve McCutcheon, and five part-time members. And the committee has a wide range of expertise and at least one committee member, and this is set out in the legislation, one committee member has to have expertise in biological or ecological sciences, which is Dr James Fitzsimons. And one committee member must have expertise in Indigenous knowledge, which is Tyronne Garstone. Next slide, thank you.

A little bit about the statutory public consultation process, which we are underway at the moment. So, the committee informs their advice through this statutory consultation. When I say statutory, it's because it's set out under the Nature Repair Act. The committee must publish a detailed outline of the draft method and undertake this public consultation before it can provide advice to the minister on the method. Again, a requirement that's set out under the Act. So, at this point in time, or on the 1st of July, the committee published an exposure draft of the Enhancing Native Vegetation method, which I might start to shorten to ENV method, along with a detailed explainer document and other explanatory consultation documents, a fact sheet for example. So, this set of documents meets that requirement to publish a detailed outline of the method.

The feedback from public submissions will inform the committee's assessment of whether the method complies with the biodiversity integrity standards and also the committee's

advice to the minister will be published on the department's website. The consultation opened on 1st of July and will run to the 29th of July. The committee is inviting stakeholders to provide feedback through that Have Your Say platform on whether the draft ENV method complies with the integrity standards. To provide feedback, have a read of the method. It's quite dense material, but there are some explanatory materials. Complete the survey or upload your submission via that Have Your Say consultation platform and please submit your feedback by 10pm Australian Eastern Standard Time on the 29th of July 2026.

So, I'm just going to roll on to give a little bit more information about the Nature Repair Market. So, we might just click directly to the next slide thanks, Carlie.

For the Nature Repair Market, it's a national legislated biodiversity market. It's legislated in 2023. It incentivises actions to restore and protect the environment and it's designed to increase investment in nature and deliver those high integrity biodiversity outcomes. The market is designed to support voluntary action on nature repair and will also provide a source of environmental offsets. This offsets component is new for the market.

So, as of last year, so late last year, the Australian Government passed through the Parliament environmental law reforms, reforms to the Environment Protection and Biodiversity Conservation Act. And as part of that reform package, there was some amendments to the Nature Repair Act to allow for methods to specify whether market projects could be used as environmental offsets.

The market's existing legislative framework, which is built on transparency, verified outcomes, ongoing monitoring, provides a really strong foundation to support the supply of high-integrity environmental offsets. The ENV method will be the first method to allow for offsets.

So, we already have one method legislated under the market, but that was legislated in 2025 before these reforms passed through the Parliament. That method does not provide for offsets, so this will be the first method under the market that will allow for offsets. And importantly, project proponents, Nature Repair project proponents, can choose whether to run a voluntary project or seek to develop what we call an offset capable project.

So, it's very important for us that we continue that dual approach for the market of voluntary action and incentivising voluntary action as well as an option to provide and supply environmental offsets.

The market framework, it is designed to deliver those high integrity biodiversity outcomes through those integrity standards, along with the independent expert advisory committee, the Nature Repair Committee, along with a strong scientific evidence base for methods and projects, and a strong compliance regime through an independent regulator, the Clean Energy Regulator. So, there's a lot to the market.

The market encourages transparency on project information and advice and decisions, largely through the biodiversity register that is on the Clean Energy Regulator website. And the market also promotes First Nations leadership through appropriate use of traditional knowledge that is guided by the owners of that knowledge, requirements for projects to obtain consent and engage early with Traditional Owners and Aboriginal and Torres Strait Islanders and opportunities for First Nations Groups to participate through market projects.

The market also has a focus on reducing barriers to participation by including tools that might help opponents to map projects and understand the biodiversity outcomes for projects, and we'll touch on those things today. Next slide, thanks, Carlie.

I think this might be my last slide, just to give a little bit of overview of the role of methods in the market. Methods are called out by that orange panel on this slide, but the rest of the panel sort of shows the other parts of the legislative architecture under the market. So, methods are legislative instruments that are made under the Nature Repair Act. The minister, so the environment minister, makes methods for the market and that authority is provided under the Act.

Methods, sorry, market projects must be registered under an approved method. So, we can't have projects without methods. Methods will define the conditions that must be met for a project to be registered under the market, and conditions for when proponents are issued with the biodiversity certificate. Methods also specify the activities that project proponents can carry out, along with any restricted or prohibited activities, and we'll work through what this particular method provides in that respect.

Methods will also specify reporting and notification and record keeping and project monitoring requirements. And also, methods require projects to have a project plan detailing how the project will be implemented to achieve its biodiversity outcome, which is published on the register.

So, I think I said earlier, our first method under the market is, we call it the Replanting method, the Replanting Native Forest and Woodland Ecosystems method is its long form. It was legislated in March 2025. And today's webinar focuses on our proposed or our draft Enhancing Native Vegetation method, which is the second method that we expect the minister to make later this year.

So that's it for me. I'm going to come back in the end at the Q&A section of the webinar, but I'm going to pass now to my colleague, Rebecca Coward, to talk through the biodiversity integrity standards. Thanks, Rebecca.

Rebecca Coward

Thanks, Alison. Yeah, Rebecca Coward here, Director of the Nature Repair Committee team. I'll be providing a brief overview of the biodiversity integrity standards and the committee's consultation questions. Next slide, please.

So, the biodiversity integrity standards support projects in the market to deliver real, credible and measurable improvements for Australian biodiversity. The integrity standards are legislative requirements that all methods in the market must meet. They are set out in Section 57 of the Nature Repair Act. Project proponents are not required to interpret the integrity standards directly.

Compliance is built into approved methods that proponents must follow. Only methods that comply with all of the integrity standards can be approved for use in the market. The integrity standards can be divided into 3 themes. Project impact design and delivery, biodiversity measurement and assessment, and information on the register and certificate. Next slide.

The first theme relates to project impact, design and delivery. This includes the first 4 integrity standards. These are about ensuring biodiversity outcomes that would be unlikely without the project, avoiding significant impacts on protected biodiversity, ensuring locally

appropriate environmental outcomes, and ensuring that projects must deliver biodiversity the outcomes that can be measured, assessed, and verified. Next slide.

The next 3 integrity standards relate to biodiversity measurement and assessment. These conditions and requirements related to measurement and assessment and methods must be supported by clear and convincing evidence and appropriate to the project area, enable adaptive management where appropriate so projects can respond to changing conditions or species responses. So far as reasonably practicable, be consistent with relevant Indigenous knowledge and values relating to biodiversity and cultural heritage. Next slide.

The last 2 integrity standards relate to information and statements being made about projects and information that is recorded on the register and certificates. This includes requiring statements or information included on the register or on a biodiversity certificate to be supported by clear and convincing evidence and reasonably certain to the extent that it involves an estimate, projection or assumption. Next slide.

Nature Repair Market legislation tools and systems help ensure methods meet the integrity standards and projects achieve high integrity biodiversity outcomes. The biodiversity assessment instrument, including the variable biodiversity project characteristics, sets requirements and methods to assess and describe project outcomes in a transparent, consistent and comparable way. Tools and systems developed by the department in partnerships with experts can be referenced by or integrated into a method. These include the Ecological Knowledge System and the Platform for Land and Nature Repair (PLANR). These tools and systems provide a transparent and authoritative source of information, biodiversity assessment and forecasting capability. They make it easier for market participants to access relevant ecological information. They help ensure the requirements and conditions and methods are evidence-based and informed by reliable scientific research and data. Next slide, please.

Next, we'll look at the consultation questions the committee will be asking in relation to the ENV method. As Alison mentioned, in providing advice to the minister, the committee must consider whether the method meets the integrity standards. This is why the committee's consultation questions focus on the ENV's methods compliance with these standards. The consultation on the ENV questions on the ENV method include how well does the proposed ENV method meet the BIS in relation to project impact design and delivery? How well does the proposed ENV method meet the BIS in relation to biodiversity and

assessment? And how well does the proposed ENV method meet the BIS in relation to information on the register in certificates? And if not, what gaps have you identified and what changes would you suggest to the method to ensure it meets the integrity standards? We have also included an additional question which asks whether there are other matters you think the committee should know in relation to the proposed ENV method.

You'll note committee stakeholders, aren't being asked to respond to the last BIS 57 1(j). That's because no additional BIS requirement is currently specified in the Nature Repair Rules.

I'm going to hand over to my colleague, Ryan Wilson, who will now give an overview of the ENV method along with a summary of how it meets the integrity standards.

Ryan Wilson

I'm Ryan Wilson. I'm the Director looking after the development of the ENV method, the instrument itself. We'll go through a bit of a presentation here, sort of detailing the method. If we can go on the next slide, I can give a very quick overview.

So, there's quite a bit of detail in here. This is just a quick mud map of what we're going to go through. This is detailed in the consultation papers, but we will talk through some of the key features of the method, particularly, the starting state assessment, eligible regions, project activities, how we do the measuring and monitoring of the biodiversity project characteristics and how First Nations participation would work. We'll talk through the operation of a project and in general but also talk a bit about what offset capable projects would look like. And as Bec just mentioned, we will summarise how the ENV method meets the integrity standards. So, we can go on to the next slide.

Just by way of background, I guess some of you have probably been following the journey along with this method for a while, but for those who haven't, this is, I guess, a bit of a potted history of how we got to where we are. So, the ENV method builds on the Replanting method. The Replanting method is the first method under the Nature Repair Market, but the ENV method allows for a much wider range of potential projects. In developing that, we've drawn on quite a lot of technical advice and input, particularly

experts at the ANU, also involving CSIRO, state and territory government, experts within the department.

There's been a long history of consultation activities around the Nature Repair Market that some of you may have been involved in, in designing the Nature Repair Market's, primary legislation, the Nature Repair Act, and one of the instruments, the key instrument about setting requirements for assessment of biodiversity. So, even though they weren't about the method, a lot of those historical consultations have continued to inform the department in the way we develop a method. And the agriculture stewardship pilots, which started some years back, particularly one on Enhancing Remnant Vegetation, have also been informative as well as a review that we did of those pilots.

The ENV method is not an Indigenous-led method, but we have obviously been working with a range of First Nations representatives and experts to provide feedback on method design and policy as we go through the development of the method.

Most recently, the department held a Have Your Say consultation in October 2025, which had quite a bit of detail on the proposed ENV method design itself and a lot of detail from that has informed the decisions the department has made in how the ENV method is actually designed. More recently, in April, there was some more general consultation on activating offsets under the Nature Repair Market and around the threatened species characteristic that we've included in the ENV method. So, those have been particularly useful in, continuing to design this method and develop the legislative instrument that has been published for consultation.

If we go on to the next slide, this is a bit of an overview of what, the method actually does. Basically, the objective of it is really about, biodiversity projects that enhance and protect native biodiversity across the modified landscapes. Basically eastern, southern and southwestern Australia where there has been historical land clearing and there is some, you know, fragmentation of habitats, a lot of threatened species and so on. The eligible area, as I'll show you in a minute, is the same as the Replanting method.

The list down there on the left gives you, at least in a broad sense, the kind of work it's really designed to do. The method is basically about enhancing the condition of remnant

vegetation, maintaining the condition of moderate to high quality, high condition remnant vegetation or revegetating areas that don't have remnant vegetation.

So, you can see that provides quite a wide range of activities, and a wide range of objectives you can achieve through using this method. It's an integrated design.

It's designed to have a broad scope. You can do quite a few different things in an integrated way through the method. You can have different combinations of management interventions, you can target native vegetation in different condition states, so high condition and low condition. And often, a project will have a mixture of those in a given area.

This gives you the ability to build that connectivity and have holistic projects that achieve different things in different parts of the project area. It does allow different ambition levels but also gives limits on the choice to things that are realistically achievable over a 25-year period based on scientific evidence. There's a flexibility to describe biodiversity in the different sorts of biodiversity gains you can get. This is because it's a vegetation method and it is very much centred around ecosystem condition, using vegetation improvement as the indicators for ecosystem condition, but it also does allow, for First Nations focused projects that enable Culturally Significant Entities or threatened species projects or threatened ecological community sort of focused projects. So, it does have a bit of flexibility in there. And as flagged in the previous consultations, this will be the first method that allows projects that can be used, or that can elect to be capable of being used for offsets. So, if we head on to the next slide.

That's the map that I mentioned. So, for those who have looked closely at the Replanting method and the paperwork around that, you can see that's the same region that the Replanting method is based on. You can see that basically it's targeting, modified landscapes with that history of land clearing, habitat fragmentation and threatened species. But within that, it does allow for quite a wide range of vegetation types as well ranging from, rainforests, vine thickets, forests, woodlands, grasslands, heathlands, shrublands, forblands, and palustrine wetlands, so essentially vegetated areas that do become a wetland sometimes. It's really focused on improving terrestrial biodiversity. So, if we head on to the next slide.

I think I've touched on this broadly, but this sort of covers in more detail what we call, variable biodiversity project characteristics. So, it's basically how do you measure the types of biodiversity outcomes that a project can achieve. The first there on the left is ecosystem condition, and basically under the way the scheme is set up, that is required to be in all methods. So that is what this particular method focuses on.

And, I mentioned there's indicators which we'll talk about in more detail later in the presentation. The culturally significant entities is an option that's in the method. Projects can use that if they have the right consent and involvement and engagement from the relevant Indigenous representatives. They can include that sort of activity within a project.

The next one with the koala is the capacity to support the threatened species and ecological communities which we'll talk in more detail about that as well. So that's an option to include in a project. But if you are proposing to do an offset, that will be a mandatory thing if you're offsetting threatened species or threatened ecological communities.

And this is also the first time the method has included that characteristic as well as the commitment to protection characteristic. Commitment to protection is required as part of an ENV project, but it limited just to a simple desktop assessment that shows the increase in commitment to protection as a result of putting a Nature Repair certificate on a project.

So, if we pop over to the next slide, this is where we talk about what can you actually do, what are the activities that you can use in the method. Because of the quite wide range of areas and project types we are looking to enable through the ENV method, we've got a variety of activities, and these ones are the principal activities.

So, really the main aim of these is about, achieving that ecosystem condition improvement and they're designed and enabled by the method because these are the things where there's a good body of science and evidence and practise out there that these things, if you do these things in an appropriate way for the site, have a high chance of being able to improve the ecosystem condition. The indicators that we use for ecosystem condition, which my colleague Jo will talk about in a later slide.

So basically, any project has to have one or more of these principal activities and they need to be selected, because they are most likely to enhance the native vegetation condition on

the site. Like the Replanting method, we have a suitably qualified person, who's role is to be involved in working out what the appropriate, activities are that should be occurring on that particular site.

So just very quickly then, the principal activities. Enhanced grazing control - what that essentially means is reduction of livestock grazing pressure as part of enhancing the biodiversity condition. That might not always be appropriate, so there are other ways that grazing may or may not be involved and there are limits around that. Enhanced weed control, and enhanced pest control, I think they're fairly self-evident, but those two do need to be done over and above what the requirements of law would be. So, there is a certain, I guess, general requirements of law around pest and weed management and then this is really about using those activities over and above what you would normally be required to do as a landholder. Infill planting is for where you might be missing a layer of vegetation, for example you might have, the shrub layer missing.

Infill planting would be about, reintroducing that shrub layer. And then revegetation that could either be through environmental plantings or facilitated regeneration, is where there is a bit of regeneration capacity that can occur, on the particular site. So yes, as mentioned, there's a degree of flexibility in choosing the right mix of those and that can change over time for a given site.

That's the adaptive management part of the method. So, the reality is as the seasons vary, weed control might become more important over for a couple of years and pest control might be more important at another time. So yeah, if you pop on to the next slide.

The method also makes a distinction between principal activities and complementary activities. Complementary activities are defined broadly as being things that you do that support the principal activities and help you achieve the biodiversity outcome from the project. They can't reduce the chance of success and they can't cause damage, but they can be things that do help. There might be a few potential ways in which you can have complementary activities in a project, but there are certain ones that will be most commonly used in a project.

The method sets a few, broad rules around the use of those complementary activities, so they're done in a way that's more likely to benefit biodiversity and less likely to cause harm

to biodiversity, which is one of the things under the Nature Repair Act, you know, a method needs to be designed in that way.

Some common complementary activities include the use of fire. That could be, ecological burning or Indigenous fire practises that, enhance a culturally significant entity, say, and so in that case fire can be used. There are a few provisions in there, depending on the vegetation type about, how frequently the fire can occur or how much of the project area can be burnt at any one time. The idea is to enable that, but also to provide some, general purpose safeguards so that we're not, inadvertently, leading to projects with bad fire practices, essentially.

Habitat enhancement is another complementary activity where, particularly if you're doing a threatened species focused project, you might be installing nesting boxes, or other sorts of habitat enhancement, so rocks and coarse body debris are the others. They're specified in the method.

Now livestock grazing is the other one. There's a large body of evidence that there are situations in which livestock grazing can be helpful for biodiversity management, and then there are situations in which it can be unhelpful. And so the combination of putting livestock grazing here as a defined complementary activity, as well as the reduction in grazing pressure as a principal activity, the combination of those two things is designed to, strike the right balance of allowing and enabling the use of grazing as part of a good project but also providing again, some safeguards that reduce the chance of, causing damage as a result of the project. I think that's probably all to say about that. So, if we go on to the next slide.

The method instrument itself for those who are not into legislation, is probably not a super accessible document. So, this gives a bit of an overview of what it sort of looks like. It's very much in summary form, but this gives a little bit of an overview of what running a project actually looks like.

So, you can scope and plan the project using PLANR, which I'll talk about on the subsequent slide, which is a portal and a web tool that we have that can help with scoping and planning of the project. There are certain things under the method you need to do using PLANR. You involve a suitably qualified person, which is broadly defined in the method to allow, people

with relevant experience and skills and qualifications in a very broad sense to be involved in the project, while also not being too prescriptive about exactly what that means other than just there needs to be a degree of qualifications and experience.

You then essentially develop the details of the project, you do the stratification, so basically dividing the project into the different activity areas that will each have a set of activities and defined targets that you want to meet in that area.

There's a site assessment report at step 4 and a project plan at step 5. So, the site assessment report is giving you that, okay, this is where everything is at the moment, giving you that really clear baseline about the starting state of a project area.

The project plan sets out in detail how you would actually conduct the project which is really important information for the Clean Energy Regulator in deciding whether or not to approve the project. Step 6 there, you have project registration.

So, the CER will go through that. They go through their registration processes. They might ask for more information. And once they're satisfied that the project is, likely to achieve the biodiversity outcomes and other things that the CER needs to be satisfied under the legislation for the scheme they approve the project and then you go about it. It doesn't quite say it here, between 6 and 7, but you obviously commence the program of activities that you've set out in your project plan, and then you engage in periodic monitoring and reporting.

And then, as your project gets to the point where you've met the targets and the indicators of ecosystem condition and any other indicators, as you've met those, you can apply for a certificate and have that issued. And once you have the certificate, you then continue the monitoring and reporting to demonstrate that you've maintained that improvement in the project area.

And yeah, this sort of glosses over a little bit of detail, but there is a fair bit of detail here and standard documentation that really helps with that approval process and provide confidence that the project is likely to succeed.

So, if we pop on to the next slide here, I mentioned PLANR. So very quickly, PLANR basically brings a bunch of tools together for mapping, you know, assessing, condition, estimating costs and forecasting biodiversity benefits through NBAS the National Biodiversity Assessment System. I think in that previous slide I was talking about, you know, estimating how much gain you're expecting from your project. So, this is a really a required tool for certain steps in developing your project. And in the image, there, you can see what a sort of a mock-up project would look like.

If we jump on to the next slide, I think at this point, I'll hand over to my colleague Jo Osborn, who will talk more about and unpack more detail of the ecosystem condition and some other elements of the method. So, thanks, Jo. Over to you.

Jo Osborn

Thanks, Ryan. Hi everyone. I'm going to talk through the framework in the method for assessing and measuring the ecosystem condition of native vegetation in activity areas. It's quite detailed and quite technical. I'm going to go kind of fast, because we've only got limited time, so please forgive me. It's a lot of information.

So, the ENV method defines the ecosystem condition of an activity area as the quality of its ecosystem measured in terms of its biotic and abiotic characteristics in comparison with the reference ecosystem. Ecosystem condition also represents the capacity of an area to support the native species naturally expected to occur in that area's reference ecosystem in an intact or reference state.

The ecosystem of native vegetation in ENV project activity areas is measured and assessed using 11 ecosystem condition indicators for different vegetation layers and life forms. Comparison of ecosystem condition indicator values to undegraded reference benchmark values is used to assess ecosystem state and determine certificate issuance thresholds.

Repeat measures of indicator values are required for the permanence period to track and monitor project performance, to satisfy conditions for certificate application and issuance, and to monitor the achievement and maintenance of the biodiversity outcome. And combinations of ecosystem condition indicators are used to assign starting ecosystem states to activity areas. Based on the starting state and ecosystem type, the proponent can select from a range of permitted restoration target states. State and transition models

developed in the EKS are used to define eligible starting and target ecosystem condition states for the ENV method.

The ecosystem condition starting and target state for an activity area determines the ecosystem condition scores for activity areas and for the project as a whole. Ecosystem condition scores are calculated using the NBAS, and so ecosystem condition scores range from zero meaning ecosystem integrity is extinguished, or the ecosystem is completely removed to a maximum score of one, meaning ecosystem integrity is in its reference condition.

The NBAS provides a nationally consistent approach to assessing the state of biodiversity and forecasting the expected biodiversity benefits of a given project. The NBAS integrates information from ecosystem models in the EKS, national spatial data sets and on-ground project data.

The NBAS estimates ecosystem condition scores at the project level, and also the project's contribution to biodiversity persistence scores at a system or national level. The NBAS settings document, which is published on the consultation webpage for the draft ENV method, specifies the settings and the information NBAS requires to assign these scores. Next slide. Thanks.

So, this goes to a bit more detail for those ecosystem condition indicators. So, a field assessment of the indicators is required at project commencement and then at least every five years for each reporting period and for the duration of the permanence period. The indicators measure aspects of the structure, composition and function of native vegetation communities in activity areas. The indicators for different layers and life forms are combined to determine the starting ecosystem condition states for the defining and complementary layers.

The indicators that apply to an activity area depend on the major vegetation group structural group, to which the major vegetation group, or MVG, in the activity area belongs. This ensures that indicators are suitable to the MVG in which they are applied. The procedures for the collection and measurement of relevant data and variables of ecosystem condition are consistent with approaches used in Commonwealth, state and territory biodiversity markets and schemes and other voluntary schemes.

This promotes national consistency for suitably qualified persons carrying out ecosystem condition assessment and enables benchmark values for ecosystem condition indicators to be derived from state and territory vegetation data sets. Because the starting ecosystem condition state for an ENV project can vary so widely, the method requires assessment of ecosystem condition indicators from multiple vegetation layers. Combining the indicators into two layers, the complementary and the defining layers, supports consistency with the EKS and recognises that vegetation layers can be modified independently.

This ensures differences in the likely trajectory of vegetation layers can be considered when forecasting project benefits, and proponents can focus management interventions on one or both vegetation layers depending on their objectives. Indicators for the different vegetation layers are classified, as I said, between the defining complementary layers. The defining layer means the ecosystem layer reflected in the name or characterisation of the ecosystem type, for example, the tree layer in forests and woodlands, or the shrub layer in shrublands, or the ground layer in grasslands. The defining layer also generally contributes the majority of biomass across layers when ecosystems are in their natural condition. Next slide, thanks.

The starting ecosystem condition state and the condition class of the defining and complementary layers respectively, and the major vegetation group, determines the permitted restoration target states that a proponent can pursue for an activity area. So, the extent to which a project can enhance or maintain the condition of native vegetation is partly a function of its starting condition and vegetation type. In other words, only certain transition pathways are eligible, while others are unlikely or impossible depending on the ecosystem, starting state and available management interventions.

For example, the closer a site is to its reference condition, the less scope there will be for improvement. Similarly, generally, it is not possible for a highly degraded site to be restored to reference condition in project level time frames of 25 years. To reflect these biophysical constraints, the method contains restrictions on the restoration target states that proponents can adopt for activity areas, based on the relevant MVG structural group and the starting ecosystem condition state. The transition between the starting state and the target state must be characterised as one of either an M1, M2, E1 or E2 transition type.

The transition types signify the extent to which the project is aiming to maintain or enhance the condition of the vegetation in the activity area through targeted management of one or both of the native vegetation layers. This helps communicate the nature of the effort and the level of ambition associated with restoration of native vegetation in an activity area.

The use of transition types also provides the basis for the assignment of certificate issuance thresholds and ensures the method provides a clear indication of the level of certainty and confidence associated with project outcomes. By selecting appropriate and achievable restoration targets during project planning, the likelihood of a registered project being issued with a biodiversity certificate can accurately be assessed by the Clean Energy Regulator. Next slide, thanks.

So here we've got a hypothetical ENV project, which aims to, enhance the ecosystem condition of a grassy eucalypt woodland ecosystem. The combination of the starting and the target ecosystem condition states determines an ambitious E2 transition type for the activity area and sets the thresholds for certificate issuance.

The starting ecosystem condition state on the left, has a close to reference tree layer with modified complementary layers. The proponent sets out in their project plan a program of actions, including reduced grazing pressure, infill planting and enhanced weed control, with the aim of moving the complementary layers from modified to close to reference. And then their target state would be 2.1. Next slide, thanks.

I'm just going to move on to talk about the culturally significant entities as enabled in the ENV method. Proponents can or have the option of considering whether to enhance or protect one or more culturally significant entities as part of their ENV project. Before making a nomination for a culturally significant entity, the proponent must engage with relevant First Nations people and determine that the entity is of cultural significance to them.

The proponent must demonstrate and document with culturally appropriate evidence that they have identified and engaged with the relevant persons and obtained appropriate consent for the use of Indigenous knowledge and values. A culturally significant entity could be a thing, matter, place or process of cultural importance to First Nations people. For example, benefits to country from cultural fire management which may support the maintenance of songlines and dreaming tracks.

Habitat enhancement that could benefit an animal or plant that is important for ceremony or bush tucker. Project activities that enable access to culturally managed trees, water holes or other significant areas for the traditional owners, facilitating connection to Country and cultural activities. The method sets out requirements to ensure that processes and requirements for the nomination of a Culturally Significant Entity respect the knowledge, values and traditions of the relevant First Nations people.

The method includes requirements to protect Indigenous knowledge and values and ensure their use in a project is guided by the owners of that knowledge and underpinned by free, prior and informed consent. These requirements aim to ensure that the custodians of that knowledge determine if and how cultural knowledge is shared with the Clean Energy Regulator and the project proponent and what information goes on the public Biodiversity Market Register.

In practice, the level of evidence needed to demonstrate these requirements will depend on whether the proponent is a representative of the Traditional Owners or not, and how the cultural knowledge is being used. This approach seeks to limit unintended administrative burden on Indigenous proponents. Next slide, please.

The method sets out the process for nominating a Culturally Significant Entity and the nomination can be made before or after registration. The expectation is that the traditional owners for the project would initiate and lead the process to identify Culturally Significant Entities even if they are not the proponent. To make the nomination, the proponent must have established how the entity will be identified and described, how the project activities will protect or enhance the entity, and how change will be assessed. When where the project is not a representative of the Traditional Owners, this process of establishing and documenting must be done in a way that is consistent with Traditional Owner requirements.

The proponent must be able to demonstrate and document that they have engaged appropriately, obtained permission and agreed to culturally appropriate verification process. They must also have negotiated how and what information will be provided to the Clean Energy Regulator and what will go on the register. The enhancement or protection of any culturally significant entities needs to be monitored in accordance with the requirements of the Traditional Owners. The process to identify and describe indicators for the culturally

significant entities and the approach for the culturally appropriate verification of change is not set out in the method.

The process needs to be tailored to the needs of the relevant First Nations people and could follow an Indigenous-led standard or framework. This flexibility enables project-specific application to suit different circumstances and cultural priorities or needs. This could include a peer-to-peer First Nations verification framework, an Indigenous developed framework for monitoring cultural and heritage values, or a culturally appropriate identification and verification approach guided by Indigenous research. Next slide, please.

This is my final slide, talking about the conditions for certificate application. So, the Nature Repair Act enables biodiversity certificates describing biodiversity outcomes to be created, purchased, transferred, claimed, used, and publicly tracked. A biodiversity certificate would remain valid for the life of the project, unless relinquished or cancelled.

Once a proponent has met conditions set out in the ENV method for certificate application, including that threshold values for each ecosystem condition indicator has been met, have been met and maintained over 2 consecutive reporting periods, then they can apply for a biodiversity certificate to be issued for their project. The proponent may not apply for a certificate less than 5 years after registration. The period of 5 years before an application can be made is intended to provide a high degree of confidence that the project is well established and the program of actions set out in the project plan are likely to result in the achievement and maintenance of the restoration target state.

Any ENV project applying other characteristics like threatened species, culturally significant entities, and commitment to protection must meet certificate issuance thresholds for all of those characteristics, including and as well as ecosystem condition, before they submit their application for a certificate.

And now, I'll hand over to Danielle to talk about the threatened species characteristic. Thanks. Over to you, Danielle.

Danielle McKenzie-McHarg

Thanks Jo. So, I'm going to talk about the threatened species characteristic and then our commitment to protection characteristic as well. So, this slide sets out how outcomes are measured for threatened species and threatened ecological communities in ENV projects.

So, projects can deliver benefits in 3 main ways, and that is enhancing or maintaining ecosystem condition of native veg, managing threats to biodiversity, or enhancing habitat features, if relevant, for fauna species. So that refers to aspects of the habitat that meet the species' needs for that habitat, like shelter, nesting, or feeding.

And these 3 factors are our indicators for the threatened species characteristic. And to apply the characteristic to a species or a threatened ecological community, our project needs to forecast a meaningful improvement in at least one of those areas.

So then on the other side of this slide, we have our activities. The principal activities, as Ryan and Jo have taken us through, are prescribed in the method and one or more must be undertaken in each activity area. And as we've heard, these activities pertain to ecosystem condition and threat management, which are relevant to threatened species here as well.

And then there are also the complementary activities and for the threatened species characteristic, this might include additional threat management activities or habitat enhancement activities. For instance, installing nest boxes or planting specific feed species, and these complementary activities are recommended by the suitably qualified person or SQP.

And that recommendation is based on conservation planning documentation or other authoritative relevant information. And the suitably qualified person plays a really critical role in recommending activities and management interventions, as well as certifying reports and other information. So, in some circumstances, you might have a project where the principal activities will be all that's required for the threatened species and the threatened ecological communities relevant to that project. But where additional complementary activities are required, the suitably qualified person can recommend those based on the conservation planning documentation.

And I think this is a key place where the threatened species characteristic differs from ecosystem condition, which is the focus of the ENV. So where activities and on-ground

measures are prescribed for ecosystem condition, for this characteristic, because there are so many threatened species and threatened ecological communities, which are potentially relevant to a single project and region, the method relies on the suitably qualified person to tailor those project activities and therefore the project indicators to the species and the habitat requirements that those species have of the project area. So, just on to the next slide, please.

So, this slide explains what is meant by a relevant species and outlines the assessment process. So, for a species to be deemed a relevant species, it must occur in an ecosystem, and either be present now, that's a type A species, or be reasonably expected to occur due to the project activities, so into the future, due to the project, and that's a type B species. So, it needs to be appropriate to the reference ecosystem, and it needs to have or gain through the project those relevant habitat features that it needs, so if it's a fauna species, and it needs to be likely to benefit from the project activities.

So those 3 things make a species a relevant species for an ENV project. And again, we distinguish between type A species as the ones that are already present and type B species as the ones that are expected to return as a result of the project. And relevant species receive a species scorecard on the register for the project. And we'll take a look at those in a minute actually. And then down the bottom here are the steps for establishing the list of relevant species and developing the project plan. And those 2 steps, which are sort of, so my far-left box and my far-right box, they're a little bit iterative and you sort of take into account all these pieces of information to determine both your plan for the project and which species are therefore going to be relevant to the project.

So first we develop a list of candidate species and then we determine which of those candidate species are going to be the relevant species for the project. And we, do that by reviewing conservation documents for each species or community, and that tells us about what the species or community needs from the project area, what its habitat features are, and what the key threats might be.

We also conduct the starting state assessment, so we go out on site, and we see what's there. We measure the relevant indicators for ecosystem condition, for habitat features and identify threats and measure threats. We also assign a category of habitat importance to the project area or activity area for each species or community.

And so those categories are just high, medium, or local. And we take all of that into consideration when we develop our project plan, which outlines our activities. And at that step, you might actually decide that these activities that I'm planning for my project benefit more species than I originally thought and so more of my candidate species become relevant species. Or you might decide on fewer relevant species because the activities required for some of those species are not right for your project. And in that project plan, we also determine the forecast and threshold values for the relevant sub indicators. And again, this is a really key role for the suitably qualified person.

They assess and provide evidence for the candidate and relevant species lists, as well as indicator selection, the starting forecast and threshold values for the indicators and the expected benefits. And so is done, they're supported in doing that through a suite of guidance that the department is developing to make sure that they're making those decisions in a consistent way and they're interpreting the method in a consistent way. Okay, and my next slide. Thank you.

So, this slide talks about the species tick. And the species tick is an optional feature for each species or community that is relevant to a project. It could be relevant species or a candidate species, no matter either type A or type B. And the species tick indicates that a proponent is not only improving the condition of the native vegetation and habitat and monitoring that, but also directly monitoring outcomes for the species or community itself.

So, where the species tick appears on the register, this means the species is being monitored directly in the project area and that the project has provided a measurable benefit to the species or ecological community. So, this might be noting that the population size is increasing for a type A species, or it might be confirming the presence in the project area for a type B species or community. And the species tick is dynamic in that it can come and go on the register throughout the project, indicating the species or community status at the time of monitoring. And so, for each species tick, the super qualified person recommends what species to monitor and defines the appropriate metrics. So that might be abundance or stocking rate, and they also set the targets to be achieved by the project to achieve that species tick. And importantly, the species tick is unrelated to certificate issuance or potential relinquishment of certificate in the event of a significant reversal.

So, certificate issuance is based on the project, just meaning that it's indicator values for threshold values for ecosystem condition, habitat features and threat management. The species tick is separate from that and additional and again optional for each species or community within a project. OK, and on the next slide.

So, this is an example of our species level scorecard. So, the idea here is the method lays out a clear and structured picture for each threatened species or community and how it will benefit from a project.

So, the scorecard captures starting conditions and forecast improvements, including increases in habitat area and extent, improvements in ecosystem condition, increased availability of habitat features and stronger threat management.

The scorecard also includes the contextual information like listing status and habitat importance, and each species that's relevant to the project receives its own scorecard for the project on the register. And on the next slide.

This steps up a level from that individual species scorecard to a project level scorecard and this summarises the outcomes across all the relevant threatened species and ecological communities for the project. So, it includes the number of species involved, the conservation status, the total area managed and the amount of new habitat created, as well as the highest level of importance of the site across all species and communities. So, while the species level scorecard has more of the detail, the project level scorecard is sort of the summary that allows us to compare more easily between projects.

Okay, so that's my last slide on the threatened species characteristic. And now I'll just move on to the commitment to protection.

Commitment to protection characteristic is intended to be mandatory for all ENV projects and that's because the minimum 25-year permanence period under ENV itself represents a substantial commitment to protection. So ENV projects measure the level of commitment to protection through 2 indicators, duration of protection, which is our permanence period, and also the security arrangements. And the security indicator is measured based on 3 components.

The status of an agreement so is there any security agreement in place, the termination provisions for that agreement, and the impact that a change of ownership would have on the agreement, and proponents are required to assess the level of commitment to protection, through security and the duration indicators as part of the starting state assessment. And that's done through a simple desktop assessment. And on the next slide. This is the matrix. So, to measure a starting commitment to protection score and a forecast commitment to protection score, the two indicators are combined in this matrix. So again, by default, all ENV projects meet the minimum thresholds for certificate issuance, for their forecast just by virtue of having an ENV project.

So, the minimum 25-year permanent period for an ENV project scores a forecast of medium for security and the 25-year duration. So, proponents can choose obviously to increase their CTP score if they further register a 100-year permanence period, which would score very high, or by registering a conservation covenant that meets the requirements of the National Reserve System, which would be the benchmark or the highest possible score. Okay, and now I'm handing back to Jo. All right.

Ryan Wilson

Thanks, Danielle. That was great. So, we've got a couple of more slides to go, but I'll sort of whiz through them in the interest of time. I mentioned before, the ENV method allows for projects to be nominated as offset capable. It doesn't mean they will be used for an offset, but they can be used as an offset.

A key feature in there is the use of the threatened species characteristic for threatened species in ecological communities. But if it's for protected matters other than those, then there are still provisions in the method about project design features, I guess, to provide integrity around the nature of the biodiversity improvement that the method is providing and allowing an offset decision maker to make a decision about whether or not that project is suitable for a given offsetting purpose, because that is really still the decision to be made by the offset decision maker under these arrangements.

So, the EPA or any other offset decision maker would be the one that chooses if a project is suitable or not as an offset, but the method provides the assurances and the details that the project is achieving, you know, certain biodiversity improvements. And the method itself doesn't prevent the use of an ENV project as a state or territory offset either.

So, if we look on to the next slide, the other thing just to mention is that the Nature Repair scheme has rules as well that sit under the Nature Repair Act. So, there will be some changes to the rules and there's department-led consultation coming up on the rules this month. So, watch this space.

But essentially there'll be some elements in the rules that are designed to support projects being registered as offset capable that would essentially work in conjunction with the method.

So, it's basically things about certain types of information that have to be provided for offset capable projects, certain notification requirements, like when a project is used for offsetting or if it's been nominated.

There are publication requirements, for the register about offset capable projects, and there are certain, notification and voluntary or unilateral cancellation provisions. There's a set of provisions around there that will be in the rules. I just wanted to mention that really just for awareness and to watch out for that consultation when it opens a little bit later this month.

If we go to the next slide, as mentioned earlier in the early presentations, the focus of the consultation is about advice supporting the committee in determining whether or not the method meets the biodiversity integrity standards. The next couple of slides provide the department's analysis of how we see that the method is meeting the biodiversity integrity standards.

I think we've peppered in a few of these things throughout the presentation, so really this is sort of, I guess, that summary analysis showing the main features. It's not all the features because the way a method is designed, it has there's a lot of different ways that it meets those integrity standards, really throughout all the design features.

On this slide, it's showing that there are certain design features in the method that help meet multiple integrity standards. So essentially, principal activities, I think I talked about that before, having well-established links to ecosystem condition enhancement and maintenance. The use of counterfactual scenarios, with a very clear definition of counterfactual scenarios that helps you be sure that what the project is doing is improving the condition of the area relative to what would have happened otherwise.

There's a range of features, as we've mentioned, that enable the use of Indigenous knowledge and values, with obviously appropriate engagement and consent provisions in there. The ecosystem condition in particular, using a range of Commonwealth, state and territory vegetation classifications, so very clear what the project gains being achieved. The transitions of ecological conditions, when you improve native vegetation from one state to another, or you maintain it in a particular state, that's based on a very science driven knowledge system called Ecological Knowledge System developed in partnership with CSIRO especially, and the ecosystem models that sit within that. And then the involvement of the suitably qualified person to provide certain certainty and confidence and particularly because there's so many different types of projects, that person is helping provide confidence that there's locally specific or a location relevant advice coming into the development of that project.

On the next slide, I'll talk through some of those in a little bit more detail. So those integrity standards that relate to outcomes that would be unlikely to be achieved without the project. I've mentioned a couple of those already - the conservative use of counterfactuals, principal activities, certificate issuance where you have to achieve certain thresholds or maintain certain thresholds, but there is a minimum 5 years before you can apply for a certificate. And what I mentioned before about exceeding the pest and weed management obligations. There's a couple of provisions in there around avoiding adverse impacts on protected biodiversity, so you need to identify the threatened species and ecological communities or culturally sensitive areas that are within the site.

You need to have risk management measures built into that, careful planning, and limits around the activities that you'll be choosing in there. So, there's provisions in the method around that.

The use of reference ecosystems is a key setting for local specific advice, as well as assessing the historic drivers of change. And I think on the right there, I've mentioned before the starting state assessments, the ongoing progress, monitoring of progress for indicators across the project, and on the next slide, there's a range of provisions in there, which I've mentioned, like ecological models. You use scientific principles and vegetation classifications to ensure there's clear and convincing evidence, the ability to modify plans and there's trigger points in the project to encourage adaptive management and change plans if it is required for the project.

The Indigenous values side of it we have mentioned before. There's a lot of transparency, so documentation and publication of information on the register. There's conservative assumptions built in and you can only choose realistic targets for improving in a project. The clear and convincing evidence, I think I've mentioned that there's a bunch of stuff there that sits on the register and the use of ecosystem monitoring. And reasonably certain. I think I mentioned that before earlier as well in that a bunch of these provisions about giving confidence that the project is likely to succeed.

So, a lot of the data collection, the choice of restoration target states and management intervention, that's all based on allowing the CER to choose and register a project that is reasonably certain to succeed. And then the next slide. I think, I think at this point, I hand over to Alison.

Alison McMorrow

Brilliant. Thank you, Ryan, and thank you everyone who presented today. There is a lot of detail there, so thank you for webinar participants patience as we worked through that.

Just a reminder, we will be, like we have recorded it, and we will be publishing this webinar on our Have Your Say page. So, you can revisit if there's particular aspects you'd like to go through again. Just really quickly on next steps. So, consultation closes on the 29th of July.

As Ryan said, we are in parallel doing some department-led rules consultation. So, the method is undergoing consultation by the Nature Repair Committee. The rules is department-led consultation. That consultation will open I think by the end of this week but stay tuned on that one.

Then the Nature Repair Committee considers the submissions on the method and provides their advice to the minister. We're aiming to have the method made before the end of this year. And in parallel, we are continuing to work on a Protect and Conserve method and there is some information on our Have Your Say page if you want to delve into that particular method.

And in terms of what's next after ENV and Protect and Conserve, we are working with some partners, technical partners, research partners to inform what could be the next method, including some Indigenous led projects that could be the future methods.

So might move to the next slide, which is just, I think, a placeholder. There's some links, there's a QR code. And I think at this point we have, I hope, managed to work through our technical issues with our esteemed Chair of the Nature Repair Committee.

So, I might ask Steve if he can try toggling his camera on and joining us and maybe saying a few remarks. I do apologise that we weren't able to get you linked up at the beginning, but thank you, Steve, over to you.

Stephen McCutcheon

Thanks, Alison. And can you hear me? I just want to check to make sure that side of things is working. Excellent.

Alison McMorrow

I can hear you.

Stephen McCutcheon

So, thank you for filling in. And look, I'd like to acknowledge my fellow committee members on this call. So, James, Brendan and Siobhan, noting the apologies, of course, for Fiona and Tyrone. And also, I'd really like to thank the department for all the work that you've done to date in bringing us to this stage of the process, where we're going out for, from a committee's point of view, our consultation on the draft ENV method.

Just by way of background, the first method that we did, did not have a departmental consultation round. So the first time you really saw that method was when the committee released it for public comment. But this time round, at least you've had one chance to look at the work the department's been doing. And so now, hopefully when you see this next draft, we've already seen it, I guess, it's been released since 1 July, you'll notice that obviously, there's been some further work done since the department released it for public consultation.

The committee's considered it and what you see now is the committee's approved version of that, the latest piece of work on this. So, look, I'd just in short, I'd really encourage you to consider the draft paperwork and to make submissions. The committee really does value that and we look forward to seeing those roll in between now and the end of July. So that's all I wanted to say. Thank you, Alison. I'll hand back to you.

Alison McMorrow

Okay, thank you, Steve. All right, we're going to try and get through as many questions as we can in the time available. There's not much time left. We might let the webinar run over for those who can stay, but we won't be able to get to them all. But your questions do give us insights into areas of interest. So, I might ask my presenters to come back on screen and drop the slides if you don't mind, Carlie, and we'll get straight into it.

So, I'll start off and some of the questions, the questions that were submitted with registration, so you might not see all of them on that Q&A button. So, I will start, I'll try and do 2 for the price of one. We've got a question around sort of project size under the method.

So, one question around does the ENV method have a role in urban areas as well as agricultural areas? And it's kind of related from the Byron Shire Council.

In Byron Shire, many landholders are interested in these opportunities, but land parcels are relatively small, and restoration sites are small, less than one hectare. Can they play? Can they come and use this method, and would it be economically viable to include in this market? So, I might ask Ryan to address this question.

Ryan Wilson

Yeah, essentially, the method sets a minimum project size, so an overall project area needs to be a minimum of 5 hectares, but individual activity areas within that need to be no smaller than 0.2 of a hectare. And that's really designed to ensure, you're getting the genuine biodiversity improvement you expect from a project. If it's too small, it starts to become uncertain and it's all kind of what they call edge effects. So yeah, so essentially it can be used where anywhere that's eligible land that can satisfy that. But obviously when you're talking about smaller parcels of land, it's harder for an individual landholder to do that. You know, there might be ways for multiple small landholders to get together, for example, it does get a little bit harder. It's not prevented, it's more that there is that minimum threshold just to do with the design and integrity of the method overall.

Alison McMorrow

Thanks, Ryan. I might ask Zoe Sinclair to pop on screen also from our Nature Repair Market. And we've got a popular question from Helen. At this stage, is there an example case study

showing whether the costs of preparing to submit a project plan and then if approved, the costs of monitoring and reporting have any prospect of exceeding the likely revenue earned from the Nature Repair Market? It's a specific question, but it goes to that cost of running the project.

Zoe Sinclair

Thank you, Alison, and thank you, Helen, and others who've asked some related questions, and I'll bundle in a few of those as well. So, there are also questions about where does demand come from as well, and that's obviously very relevant to cost.

And so, as you have heard, the environment law reforms mean that under the market, it can now provide offsets. So that's another source of demand. So that can come from proponents under the EPBC Act. And also under those reforms, there is the restoration contributions holder, which can also invest in offset capable Nature Repair Market Projects.

Demand can also come from other sources, such as organisations looking to make a positive contribution to the environment, and also those that are looking for co-benefits that are related to ACCU scheme projects, because under many circumstances it will be possible to stack a Nature Repair Market project and an ACCU scheme project. So that's where a lot of the demand can come from.

In terms of price, it's always likely to be very variable and dependent on that interplay between demand and supply, development costs, and it's going to vary depending on what ecosystem you're in and land value and a lot of other super variable characteristics. So, we can't give lots of guidance on that. But we do have a really great tool, which is PLANR, which is up on the Nature Repair Market website. And it has a cost estimator on that. So that is really useful. And I think we've got approximately 1,000 or more land managers already using that. So, it is really, really popular.

And the other question that we have was around investment, similar. We don't have visibility of all of the commercial details of projects and it's really early days in the market. But all of the details of those first 2 projects are available on the Biodiversity Market Register on the Clean Energy Regulator's website. Thanks.

Alison McMorrow

Thank you, Zoe. Might go back to Ryan on a question around significant events and significant reversals. That is a question we get a lot.

So, the question is, what happens if a significant event happens, such as a bushfire burning through a project and the ecosystem condition is severely degraded? Does a project proponent face penalties or obligations?

Ryan Wilson

Yeah, no, that's a good question. So, the scheme is really designed, I guess, to provide options in that event. I mean it depends on what the damage is to a project. So, I think, with a degree of fire, you have to really assess what is the damage to the condition of the project.

So, I think once you understand that and then you can devise a bit of a plan, you can make revisions to the project plan. You would obviously need to notify the Clean Energy Regulator. There are provisions around when is something significant enough, this is within the rules particularly, that you need to notify the regulator and that becomes a conversation with them about what is the damage, what are the sort of remedial actions you would be taking.

If it is going to take a bit longer as a result of that to achieve your targets, you then would have the option of an extension to the permanence period of the project just to allow that sort of time. And there are other options in there, like if it is too significant a damage, you can contemplate cancelling the project.

So, there are a few different options there, and the CER has a lot of ways of working with and supporting proponents through the course of that. So, like I say, it's a bit situation specific, but there are a range of options. You know, worst case scenario, obviously, you might need to cancel the project, but there's a lot in between there, which you can look at how do you reverse that and take a bit of extra time to get your project to where you're hoping to.

Alison McMorrow

Great. Thanks, Ryan. And a really good example of where there are settings and requirements in the method, but also, I do encourage when the department led rules

consultation comes out, that there are also some proposed new rules around significant reversals and notification to the CER. So, I encourage you to have a look at that. Ryan, I might stick with you and stick with the theme of fire but pivoting it a little bit.

There's a question from Ella around how do you distinguish fires which are an indicator of good ecosystem condition or ecosystem function from fires which are an indicator of ecosystem dysfunction?

Ryan Wilson

Yeah, no, that's an excellent question. Essentially, the sort of general-purpose restrictions are in the method are fairly broad, so it really allows a reasonable amount of flexibility within those parameters to design a fire regime that is appropriate for the project that you're doing.

So, where that would really come into play is that one of the provisions in a project plan is to include essentially a fire management plan and to provide the relevant evidence about what is the appropriate fire regime in there. So, there are sources of information, I mean, particularly obviously Traditional Knowledge around what is the right fire sort of regime for an area.

Some of the state governments, I believe, publish guidelines around what is appropriate sort of fire in the area. So, it is really about the project proponent finding what the relevant evidence is they can present to say this is the sort of fire regime we need in an area. So that's really the way to go about that. But it is really about that project specific design.

Alison McMorrow

Thank you. I might move back to you, Zoe. There's a few questions related to sort of the offset angle with this method in the market, so I'll try and cover a few.

So, there's a couple from Mat Hardy, thank you, around offset projects. Will offset projects be required to have a permanent protection mechanism? And I'll just ask the second one. How will offset projects be distinguished from non-offset projects? And will this be publicly available? We'll start with those.

Zoe Sinclair

Great, thanks. Yes, so Ryan mentioned some of what the rules will be doing. And one of those is making sure that there is a nomination of whether a project is going to be offset capable at project registration. And then that then goes on the biodiversity market register. And that lets investors and others know that that's the intent with that project, as it develops and it's used for an offset, all of that information will be updated.

So again, just trying to really make sure that we continue to have lots of transparency around the projects in the Nature Repair Market.

On the permanent protection mechanism piece, so under the market, we are trying to ensure that offset capable projects are aligned as much as possible with requirements for environmental offsets. And so, the key thing there is the draft offset standard, which is being developed under the EPBC Act. And it includes things like a security principle. And so, we're ensuring that we align as much as possible there.

The market already has really strong mechanisms for that principle. So, it has strong permanence periods and manages the activities through the regulator. But there will also be the additional layer of an offset decision maker. So, for example, that could be the national EPA. And if there's any additional security that they want at project registration, that's ultimately up to the offset decision maker.

Alison McMorrow

Great. Thank you, Zoe. I'm going to flip back to Ryan and come back to the ENV method. So, we've got a question around how we balance improvement, ecosystem condition improvement or restoration and protection.

So, the question is, how is the balance between improvement and protection considered under the method? It seems like it's only the latter. To answer that one. Thanks.

Ryan Wilson

The method is designed to enable both of those things, so you can choose and you can choose between different types of, you know, you might be looking to maintain and protect an area, or you might be looking to enhance an area in some way, in a more or less ambitious kind of way. So, the method enables those different sort of things, you know, those different types of projects to be done. And really, it's part of the project planning and

scoping phase where you look at the area that you've got, you do your starting state assessment, and you might have some really good quality stuff over here and some stuff over here that needs a bit of work enhancing it. And you could put both of those or multiple things into a project and really and do the different things that you need to do in those spots.

So, the ENV method very much is designed to enable that and to do that in a project site-specific way, based on the names of your particular site.

Alison McMorrow

Thanks, Ryan. I'm going to stick with you and go to a question that was submitted as part of the registration from Stan Forestry. It's around stacking. We often get a lot of questions around stacking, Nature Repair, ACCU, etc.

So, the question is, will it be possible to overlap or stack a Nature Repair project registered under this method, the ENV method, with existing carbon projects registered under a plantation method and then attach those co-benefits to ACCU, so there's a lot in that, but it's around some of that stacking.

Ryan Wilson

Yeah, certainly our ambition is that this method is stackable with relevant vegetation methods from the ACCU scheme. We do need to do some technical work over the next little while just to make sure that is, workable and possible. So, it is still I guess, subject to those final technical checks because, you know, the stackability is quite a technical kind of thing in the details.

The other thing is, I mean, the sort of general answer is that as long as a project meets the requirements of both of the methods, like the ENV method as well as the relevant ACCU method that can be done, that should be able to be done. It will depend like, and that will be, you know, that sort of, that's a key question in which you sort of do need to work through that.

So, for example, like the ENV method is all about restoring vegetation back towards the reference ecosystem, so what is the vegetation that it was and should be on that particular area before it was cleared or before the degradation has occurred or maintaining it in that

reference ecosystem. So, if you have an area that might be under an ACCU method that has vegetation that's not native to that area, then that's probably not going to be possible.

But if it is vegetation that is native to that area and you want to build on that, then there should be ways to do that. I'm speaking generally, obviously, but because the details really will be project specific and subject to final technical checking at our end that the definitions and the mechanics within the guts of the method are actually compatible.

Alison McMorrow

Thanks, Ryan. I might go to a question on certificate applications. It might be for you, Ryan, or maybe even Joanna, if she wants to pop on screen.

A question from Mat around certificate application, which is do the thresholds have to meet, do the thresholds have to be met across all parts of the project for a certificate to be issued? And I should be clear, maybe Joanna, do you want to have a go at this one?

Joanna Osborn

Thanks, Alison. Thanks, Mat.

So for the threshold values for ecosystem condition indicators, the method requires that where an activity area is less than 10 hectares in size, each threshold value for an indicator must have been reached in 100% of permanent sampling plots in the activity area, and where the activity area is 10 hectares or more in size, each threshold value for an indicator has been reached in 75% of permanent sampling plots in that activity area.

But that aside, the proponent must be satisfied that for each activity area, each indicator for ecosystem condition has reached the threshold value and that those threshold values have been maintained over 2 consecutive monitoring reports.

Alison McMorrow

Thank you, Joanna. So, I might have to call it one more question because we have gone over. But I might ask to go to some of the tools that we've mentioned through the webinar. So, I might ask Ian Warren if he can pop on screen.

There's a question from Graham Cook around, will there be a monitoring platform for measuring the impact of the projects and how will the impacts be verified?

Ian Warren

So, we have the biodiversity market register. If you Google that, and I think I'll put it in the chat. So, the market is extremely transparent. We've got all the data, the spatial data, the activity areas, the site assessment, the records and the monitoring plots all available on that register. And so, the ability to be able to kind of see that and pick up that data and reuse it is all very open.

We also have data submission guidelines and mapping submission guidelines, so that kind of standardises the way the data comes in. And at the moment, it's an Excel spreadsheet template. That's super. It's very cheap and cheerful at the moment, but certainly once we have a few more projects and we understand the kind of the realm of the data and we have a few more resources and time to be honest, to kind of think about how we want to display and kind of amalgamate that monitoring data into something that's useful, and we've only got two projects in the moment, is something that we'll look at and noting that we will, once the monitoring happens for each of the projects, that will also be established on the register.

So yeah, looking forward to getting a bit more data in there and then we can start thinking about how we operationalise it for broader use.

Alison McMorrow

Awesome. Thank you, Ian. So again, I apologise that we couldn't get to all the questions.

Thank you for those webinar participants who stayed on the line. I can see the numbers dropping a bit, but there's still 90 odd folk on the line.

So, look, again, I will close the webinar. Thank you very much for your time. Please go check out the consultation materials. There's different levels of complexity in there.

And yeah, we do have an email address which will be on that website as well. So, you can get in touch and yep, have a fabulous day everybody. Thank you.