




**THE HON CHRIS BOWEN MP
MINISTER FOR CLIMATE CHANGE AND ENERGY**

MS24-000742

Professor Karen Hussey
Chair
Emissions Reduction Assurance Committee
C/o Emissions Reduction Assurance Committee Secretariat

ERAC@dceew.gov.au

Dear Chair

 Pursuant to paragraph 105 (d) of the *Carbon Credits (Carbon Farming Initiative) Rule 2015*, I am requesting that the Emissions Reduction Assurance Committee (the Committee) provide advice to me on expressions of interest (EOIs) received under the proponent led method development process for the Australian Carbon Credit Unit (ACCU) Scheme.

I request the Committee to advise me on the following:

- whether EOIs are likely to meet the offsets integrity standards (OIS) set out in paragraph 133 of the *Carbon Credits (Carbon Farming Initiative) Act 2011* (CFI Act) when fully developed, based on the information submitted; and
- for methods that are likely to meet the OIS, how they compare when assessed against the triaging criteria set out below.

The Committee's advice will assist me to prioritise new methods and method variations for development under the ACCU Scheme. This approach to selecting new method priorities supports implementation of the recommendations of the Independent Review of Australian Carbon Credit Units.

In providing its advice, I request the Committee provide a description of its assessment approach, and assessment against the OIS and triage criteria, and the reasons for its advice. The Committee may wish to provide its own recommendation of which methods I should prioritise based on its assessment.

Assessing EOIs using triage criteria will ensure a consistent and transparent approach to prioritisation of methods that align with the government's climate change policy objectives. Pursuant to paragraph 105(b) of the *Carbon Credits (Carbon Farming Initiative) Rule 2015*, I nominate the following triage criteria the Committee should consider when advising me on the EOIs. These criteria have been informed by feedback on draft criteria provided by the Committee to the Department of Climate Change, Energy, the Environment and Water.

The primary triage criteria are:

- The scale of potential carbon abatement under the method.
- The proposal complexity (how easily the proposal could be developed into a method).

The secondary triage criteria are:

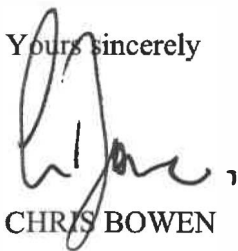
- Whether the proposal incentivises innovation.
- Whether the proposal could generate social, environmental, economic, or cultural co-benefits, including for First Nations peoples.
- Whether the activities in the proposal could have any adverse environmental, economic or social impacts, and how these are proposed to be managed.

Pursuant to subparagraph 105(d)(i) of the *Carbon Credits (Carbon Farming Initiative) Rule 2015*, I also welcome your advice on matters relating to the any of the EOIs I prioritise, as they are subsequently developed. I note that prioritisation of an EOI does not guarantee the method will be made. As required under the *Carbon Credits (Carbon Farming Initiative) Act 2011*, I will request your advice before deciding whether to make a method, including whether it meets the OIS.

To foster transparency, I will publish your advice alongside my decision on the Department's website.

Thank you for your consideration of EOIs and your ongoing important role in ensuring the integrity of ACCU Scheme methods. I look forward to receiving your advice.

Yours sincerely



CHRIS BOWEN

cc: Assistant Minister for Climate Change and Energy
Senator the Hon Jenny McAllister