

DOMESTIC OFFSETS INTEGRITY COMMITTEE

Notice of Decision to Endorse Methodology Proposal

Measurement Based Methodology for Reforestation Projects - Version 4.5 (2012RF022)

Under paragraph 112(14)(a) of the *Carbon Credits (Carbon Farming Initiative) Act 2011* (the Act), notice is given that on 12 February 2014 the Domestic Offsets Integrity Committee (DOIC) decided to endorse the above methodology proposal.

Reasons for endorsement

The DOIC is satisfied that:

- the proposed methodology provides a credible way of measuring, reporting and verifying abatement from the relevant sequestration offsets projects;
- there is a sufficient degree of certainty that abatement credited under the proposed methodology would not have occurred in the absence of the incentive provided by the Carbon Farming Initiative; and
- if the Minister were to make a methodology determination to give effect to the proposal, the determination would meet the requirements specified in subsection 112(3) of the Act (see Table 1 for further details), including the offsets integrity standards (see Table 2).

The reasons for endorsement of the above proposal will be published on the Department's website in accordance with subsection 112(14A) of the Act.

Further information

As required by section 112(5) of the Act, the proposal was published on the Department's website for a 40 day public consultation period from 9 May 2012 to 18 June 2012. Four public submissions were received and considered by the DOIC in making their endorsement decision.

Table 1 – Requirements that must be met for methodology proposals to be endorsed by the DOIC

Section*	Requirement	Statement
112(3)(a)	Complies with the offsets integrity standards.	See Table 2 below.
112(3)(b)	Does not specify a kind of offsets project by reference to a State or part of a State.	Complies.
112(3)(c)	Complies with regulations made	No regulations have been made for the purpose of

	for the purpose of s106(4)(e).	s106(4)(e).
112(3)(d)	Includes calculation of a baseline for a project.	The methodology proposal adequately specifies the process for identifying the project baseline. The baseline assumes that the land use existing over the five years prior to tree planting involved agricultural activities and would have continued unchanged. Project proponents must provide evidence of that pre-existing land use. For projects based on this methodology, the baseline is set at zero carbon stock change and net greenhouse gas removals are assumed to be zero.
112(3)(g)	Applies methods specified under the <i>National Greenhouse and Energy Reporting Act 2007</i> (NGER Act) where appropriate.	Measurements of emissions that are covered by the NGER Act are consistent with that Act, including emissions from fuel use.

* Section of the *Carbon Credits (Carbon Farming Initiative) Act 2011*.

Table 2 – Offsets Integrity Standards

Section*	Requirement	Statement
133(1)(a)	Covered by the additionality test regulations.	The activities in the proposal are covered by the following additionality test regulations: 3.28(1)(a), which specifies “the establishment of permanent plantings on or after 1 July 2007”; 3.28(1)(n), which specifies “the establishment of a new farm forestry plantation”; and 3.28(2)(a), which specifies “a forestry project accredited under the Commonwealth Government’s Greenhouse Friendly™ initiative”.
133(1)(b)	Estimations of emissions reduction, sequestration and emissions are measurable and capable of being verified.	Appropriate equations are specified for the calculation of emissions reduction and project emissions. Appropriate methods to enable verification of these estimations are specified for data collection, monitoring and reporting.
133(1)(c)	Methods specified in the methodology are not inconsistent with the methods set out in the National Inventory Report.	The methods set out in the methodology proposal are not inconsistent with the methods in the National Inventory Report.

133(1)(d)	The methodology is supported by relevant scientific results published in peer-reviewed literature.	The methodology proposal is supported by credible scientific data published in peer-reviewed literature.
133(1)(e)	Net abatement is calculated after deducting the emissions generated as a result of carrying out the project.	Complies. Abatement is calculated as the increase in carbon in tree biomass (and litter and coarse woody debris if elected) as a result of the project, less emissions from fuel use and fire events.
133(1)(f)	Methods related to sequestration projects should provide for adjustments that take account of cyclical variations.	Complies. Above-ground project-tree carbon stocks (and litter and coarse woody debris if elected) are estimated using a sampling approach which accords with the Guidelines for the Development Of Field-Based Reforestation Methodologies (the Guidelines), and the below-ground project tree carbon stocks are either estimated using a sampling approach which accords with the Guidelines or based on estimates used in the national inventory. These approaches provide for the estimation of variation and the calculation of the Probable Limits of Error for the estimate of carbon stocks for the project at the end of the reporting period. This must be less than 20% and, if in the range 10-20%, a conservative estimate at the lower 90% confidence limit must be reported. The maximum abatement which can be claimed for projects intending to harvest is limited to an estimate of the 100 year average carbon stocks, estimated using the Full Carbon Accounting Model, under the proposed harvest regime.
133(1)(g)	Estimates, projections or assumptions included in the methodology are conservative.	The assumptions and estimates are conservative. The net abatement estimate is conservative.
133(1)(h)	Applies methods specified under the <i>National Greenhouse and Energy Reporting Act 2007</i> (NGER Act) where appropriate.	Measurements of emissions that are covered by the NGER Act are consistent with that Act, including emissions from fuel use.

* Section of the *Carbon Credits (Carbon Farming Initiative) Act 2011*.