THE LAND RESTORATION FUND

The Land Restoration Fund Co-benefits Standard

Version 1.4

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Contents

1 Introduction

The Queensland Government's Land Restoration Fund (LRF) is focused on growing the carbon farming industry by supporting carbon projects that deliver priority co-benefits for Queensland.

This document, the Land Restoration Fund Co-benefits Standard (the LRF Co-benefits Standard), is the framework that specifies how co-benefits generated from a carbon project are to be measured, reported, and verified for the purposes of the LRF.

This framework helps to deliver on the Queensland Government's objectives for the community:

- supporting good secure jobs in our traditional and emerging industries - including through backing small business and investing in skills;
- delivering better services across Queensland – including through driving economic benefits, improving social outcomes and creating greater social inclusion; and
- protecting and enhancing the Queensland lifestyle as we grow - including through protecting and enhancing our natural environment and heritage for future generations, growing our regions, creating opportunities for First Nations Queenslanders, and achieving a 70% renewable energy target by 2032 and net zero emissions by 2050.

2 The LRF Co-benefits Standard

The primary objective of the LRF Co-benefits Standard is to ensure there is rigour and a strong evidence base for measuring, reporting, and verifying co-benefits generated by projects registered under the LRF.

In the context of the LRF, a LRF registered project:

- is a set of activities consistent with an approved Emissions Reduction Fund (ERF) carbon method (i.e. a land sector carbon method listed in Appendix 1);
- meets the eligibility requirements for registration with the Clean Energy Regulator as a declared project under the *Carbon Credits (Carbon Farming Initiative) Act 2011* or is already registered (but not yet commenced), or in the process of being registered; and
- meets the requirements for investment under the LRF, which includes being located in Queensland and delivering co-benefits (environmental, socio-economic and First Nations) alongside carbon abatement in the form of Australian Carbon Credit Units (ACCUs).

The LRF Co-benefits Standard sets out how project proponents are required to measure, report and verify the co-benefits that attach to ACCUs generated by a project registered under the LRF.

The primary categories of co-benefits that the LRF currently supports are:

- Environmental co-benefits – improved biodiversity, habitat for threatened species and healthier soils, wetlands, and water;
- Socio-economic co-benefits – improving the resilience and prosperity of regional communities by supporting jobs and skills and generating economic benefits for local communities; and
- First Nations co-benefits – a broad range of co-benefits including customary, cultural, economic and business development benefits, such as providing new on-country and service delivery business opportunities and supporting cultural and customary connections.

Projects registered under the LRF may seek to generate co-benefits from one or more of the co-benefit categories listed above. Additional co-benefit categories may be supported in future versions of the LRF Co-benefits Standard.

2.1 How to use the LRF Co-benefits Standard

2.1.1 Co-benefit categories

The LRF Co-benefits Standard sets out how co-benefits generated by LRF projects are to be measured, reported and verified for each of the three co-benefit categories.

For environmental co-benefits, the LRF Co-benefits Standard details:

- the classes of co-benefits and eligible co-benefit outcomes;
- the required approach to providing assurance for the co-benefits being delivered; and
- the mechanisms for data collection and reporting.

For socio-economic co-benefits, the LRF Co-benefits Standard details:

- the classes of co-benefits and eligible co-benefit outcomes;
- the approach to providing assurance for the co-benefits being delivered; and
- the mechanisms for data collection and reporting.

For First Nations co-benefits, the LRF Co-benefits Standard details:

- the types of First Nations co-benefits that might be generated by carbon farming projects;
- the classes of co-benefits and eligible co-benefit outcomes;
- the approach to providing assurance for the co-benefits being delivered; and
- the mechanisms for data collection and reporting.

2.1.2 Structure of the LRF Co-benefits Standard

The Standard provides information on the process for measuring, verifying and reporting co-benefits derived from an LRF project and is structured as follows:

- Section 1 describes the purpose of the Standard, and how the co-benefits framework described in the Standard helps to deliver on the Queensland Government's objectives for the community;
- Section 2 discusses overarching concepts, including co-benefits, assurance, the scope and application of the Standard, the regulatory context of the LRF, the LRF Register and related LRF documents;
- Section 3 addresses environmental co-benefits;
- Section 4 addresses socio-economic co-benefits;
- Section 5 addresses First Nations co-benefits; and
- Section 6 outlines the procedural and other administrative matters associated with LRF projects, including reporting and information management.

2.1.3 Version to use

LRF project proponents are to use the version of the LRF Co-benefits Standard that is current at the time the project is first contracted by the LRF.

There will be regular reviews and updates of the LRF Co-benefits Standard. As the LRF Co-benefits Standard is reviewed and updated, contracted LRF project proponents may elect to move to the latest published version.

2.1.4 Scope and application

This LRF Co-benefits Standard applies to the environmental, socio-economic and First Nations co-benefits that are generated from carbon farming projects contracted by the LRF. It outlines the required approaches for measuring, reporting and verifying the co-benefits delivered by LRF projects and all projects that are contracted by the LRF must use the LRF Co-benefits Standard.

LRF project proponents can choose which co-benefits classes they wish to claim as part of their project, depending on which classes they are eligible to claim. There is no requirement to claim all eligible co-benefit classes. However, LRF project proponents must deliver the co-benefit outcomes for which they have been contracted and must use the assurance level specified in the LRF Co-benefits Standard for the co-benefit classes being claimed.

Co-benefit claims are made and assured at the project level, irrespective of whether all ACCUs from a project are contracted to the LRF.

2.2 Co-benefits

Co-benefits under the LRF are the positive environmental, socio-economic and First Nations benefits generated by LRF projects.

The LRF is currently using the *Accounting for Nature® Framework*[1] as a basis for the measuring, reporting and third-party certification of environmental outcomes to verify environmental co-benefits under the LRF Co-benefits Standard. Future versions of the LRF Co-benefits Standard may specify other applicable frameworks as the range of verification and certification options increases.

The Aboriginal Carbon Foundation's *Core Benefits Verification Framework*[2] verifies the cultural, social and environmental value of Aboriginal carbon farming projects and is the first work of its kind for Traditional Owners in Australia. The *Core Benefits Verification Framework* is one way of documenting and providing evidence of First Nations co-benefits from LRF projects.

For details on other ways of documenting and providing evidence for First Nations co-benefits, as well as documenting and providing evidence for socio-economic co-benefits, see section 5 and section 4, respectively.

2.3 Related LRF documents

The LRF Co-benefits Standard should be read in conjunction with:

- The LRF's Priority Investment Plan, which documents the range of co-benefits the Queensland Government is prioritising for investment;
- If applying under a LRF Investment Round, the relevant Investment Application Guidelines and Project Investment Agreement;
- Approved external frameworks supporting third-party assurance of co-benefit verification, listed under Appendix 2; and
- Information about the Australian Government's framework for ACCUs (the Emissions Reduction Fund) including the legislative carbon methods for carbon farming projects.

[1] Wentworth Group of Concerned Scientists, 2016. *Accounting for Nature®: A scientific method for constructing environmental asset condition accounts*, Sydney, https://wentworthgroup.org/wp-content/uploads/2017/07/Wentworth-Group-2016-Accounting-for-Nature.pdf accessed March 2023.

[2] Aboriginal Carbon Foundation, 2019, *Core benefits verification framework: for the environmental, social and cultural values of Aboriginal carbon farming*, Cairns, Queensland, Core Benefits Verification Framework (www.qld.gov.au) accessed March 2023.

2.4 Assurance

Assurance in the context of the LRF Co-benefits Standard refers to confidence in the integrity of co-benefits delivered by LRF projects; that is, assurance that the co-benefits are real. Assurance is a result of the combined requirements for co-benefit eligibility, verification and reporting that are set out in the LRF Co-benefits Standard.

Annual reporting that includes data to substantiate claims of co-benefits which are in the process of being delivered is fundamental to managing the quality of the co-benefits generated and providing assurance that co-benefits are genuine.

The LRF will keep a register of its projects (the LRF Register) to provide summary information suited to high-level third-party assessment of project performance. The LRF Register will also identify verified co-benefits and the relevant assurance approach that was used.

Measures to ensure the quality of co-benefits verified in accordance with the LRF Co-benefits Standard include:

a) the types of land use changes (ERF carbon methods) that are eligible under the LRF framework (Appendix 1);
b) assessment of the potential for negative impacts of a project on Matters of State and National Environmental Significance; and
c) assurance options for environmental co-benefits (i.e. proponent assurance and third-party assurance) based on the likelihood of a carbon method providing the co-benefits being claimed.

There are two levels of assurance for documenting, monitoring and ultimately verifying co-benefits under the LRF Co-benefits Standard:

Proponent assurance: Co-benefits are verified based on Co-benefit Reports provided to the LRF annually. Proponent assurance is required for all LRF projects as part of annual reporting processes. Proponent assurance is the only level of assurance required for verifying socio-economic and First Nations co-benefits.

Proponent assurance is also required for verifying environmental co-benefits. However, some environmental co-benefits may also require third-party assurance, depending on the co-benefit being claimed and the carbon method being used. For LRF projects where there is sufficient evidence of a direct correlation between the carbon method being used and the environmental co-benefit being claimed, only proponent assurance is required (for example, claiming a Native Vegetation co-benefit as part of a Reforestation by Environmental or Mallee Plantings project).

Appendix 3 provides information on the relationship between carbon methods, environmental co-benefits and proponent assurance, and sections 3, 4 and 5 of the LRF Co-benefits Standard detail the assurance requirements for environmental, socio-economic and First Nations co-benefits.

Co-benefit claims made by LRF projects using proponent assurance will be assessed by independent experts, including government and non-government experts, providing advice to the LRF.

Third-party assurance: Co-benefits are verified based on evidence certified by an approved third-party framework provided to the LRF in the first year of the project and at least once every five years thereafter, for the life of the project, in addition to annual proponent assurance. Third-party assurance provides greater confidence in the co-benefit outcomes being claimed.

Approved third-party frameworks currently available for assurance of co-benefits are the *Core Benefits Verification Framework* for First Nations co-benefits, and certified environmental accounts under the *Accounting for Nature® Framework* for environmental co-benefits.

Third-party assurance is not required for verifying socio-economic and First Nations co-benefits. However, LRF project proponents can elect to provide third-party assurance of their First Nations co-benefits.

Third-party assurance may be required for assurance of environmental co-benefits, depending on the co-benefit being claimed and the carbon method being used. Where there is not sufficient evidence of a direct correlation between the carbon method being used and the environmental co-benefit being claimed, third-party assurance may be required in addition to proponent assurance (for example, claiming a Native Vegetation co-benefit as part of a soil carbon project).

Appendix 3 provides information on the relationship between carbon methods, environmental co-benefits and proponent assurance and sections 3, 4 and 5 of the LRF Co-benefits Standard detail the assurance requirements for environmental, socio-economic and First Nations co-benefits. Where third-party assurance is not required for verifying environmental co-benefits, LRF project proponents can elect to provide third-party assurance of their environmental co-benefits.

Co-benefit claims made by LRF projects using third-party assurance will be assessed by independent experts, including government and non-government experts, providing advice to the LRF.

Environmental accounts under the *Accounting for Nature® Framework* must hold and maintain "Certified" status under the *Accounting for Nature® Framework* and use a method that has been assigned either a Level 1 (Very High) or Level 2 (High) Confidence Level (as outlined in the Framework). A certified account must be provided to the LRF in the first year of the project and at least once every five years thereafter, for the life of the project. LRF projects using the *Accounting for Nature® Framework* must also provide an Accounting for Nature® Annual Certification Compliance Report as part of their annual reporting.

LRF projects using third-party certified environmental accounts to provide third-party assurance of environmental co-benefits should generate accounts at the same time points as making a claim to the Clean Energy Regulator for ACCU delivery. Auditing of the ACCU project component and the co-benefits may be aligned to reduce audit costs.

Under the *Core Benefits Verification Framework*, certified evaluations of First Nations co-benefits must be provided to the LRF. In the years where an evaluation of co-benefits is not undertaken, evidence of continuation of co-benefits must be provided by the proponent to the LRF as part of their annual reporting.

2.5 The LRF Register

2.5.1 Purpose and content of the LRF Register

The purpose of the LRF Register is to provide a public record of the status of co-benefit outcomes an LRF project is delivering to the LRF, in addition to ACCUs.

The LRF Register is maintained, published and periodically updated by the LRF.

LRF project proponents must agree to the LRF publishing the project information listed below in the Register, unless that information is classed as sensitive, such as cultural or personal details. In such circumstances, the information can be withheld from publication through agreement between the project proponent and the LRF.

The LRF Register:

- lists individual carbon farming projects contracted by the LRF, including a description of contracted projects as agreed in the Project Investment Agreement;
- denotes and links to the ERF project identifier once projects are registered;

- contains a copy of the validated Monitoring and Reporting Plan for a project and copies of the annual Co-benefit Reports once these reports have been approved by the LRF; and
- provides the status of all co-benefits being claimed once annual Co-benefit Reports have been reviewed by the LRF.

2.5.2 LRF Register information use

The primary uses of the data collected via proponent and third-party assurance are to verify the delivery of co-benefits, and to report publicly on the LRF's investments consistent with expectations of the use of government funding.

If LRF project proponents are shown to have made false or misleading claims in an annual Co-benefit Report or in the original application, corrective action will be managed in accordance with existing legislative provisions and any contractual agreement between the project proponent and the LRF.

The information contained in the LRF Register is used by the LRF to report on project commitments and outcomes. The LRF takes no responsibility for any other use of this information by third parties. Any other use of this information by third parties is at their own risk.

2.6 Regulatory context

2.6.1 Australian Government Framework

The Australian Government's Emissions Reduction Fund (ERF) is established under, and enabled by, the *Carbon Credits (Carbon Farming Initiative) Act 2011* (the CFI Act) and the *Clean Energy Regulator Act 2011*. The CFI Act provides for the declaration of eligible carbon offsets projects and the issuance of ACCUs, as well as the development and approval of carbon methods.

Projects delivering carbon credits with co-benefits to the LRF must use the Australian Government's regulatory framework for calculating and verifying ACCUs.

2.6.2 Matters of State or National Environmental Significance

LRF projects using the LRF Co-benefits Standard are required to identify and manage risks of likely negative environmental outcomes. Carbon projects, like many land use change activities, have the potential for negative outcomes for particular environmental matters. For example, restoring a wetland to its formerly wooded state may impact on its existing value as habitat for threatened species of waterbirds.

LRF projects will be required to apply the standard frameworks for environmental assessment to determine any significant residual impacts on Matters of State Environmental Significance (MSES) or Matters of National Environmental Significance (MNES) under the *Environmental Protection and Biodiversity Conservation Act 1999*. LRF project proponents will be required to assess whether there are significant impacts on MSES or MNES as part of the application process.

LRF projects that could directly affect a Matter of State Environmental Significance (MSES) must undertake assessment against criteria in the current significant residual impact[3] (SRI) guideline for MSES. The SRI is a policy tool developed to support Queensland's Environmental Offset Policy[4].

A project directly affects MSES if its footprint intersects MSES mapping[5]. When applying the SRI criteria, LRF projects that would, in the course of successful implementation, remove the MSES value are treated as 'clearing' the MSES. For example, commencing a reforestation project on a grassland that is a MSES in regulated vegetation, such as an endangered or of concern regional ecosystem, would alter its character and would be treated as clearing when applying the SRI criteria. Similarly, changing an MSES wetland into a dryland should be treated as clearing when applying the SRI criteria.

Potential for negative outcomes for Matters of National Environmental Significance must be assessed using the current guidelines for MNES.

3 Environmental co-benefits

3.1 Assurance specific to environmental co-benefits

Environmental co-benefits may be verified through two levels of assurance – proponent assurance and third-party assurance.

Proponent assurance is required for all LRF projects and co-benefits, including environmental co-benefits. Under this level of assurance, co-benefits are verified based on Co-benefit Reports provided to the LRF annually.

Some environmental co-benefits may also require third-party assurance, depending on the co-benefit being claimed and the carbon method being used. Under this level of assurance, co-benefits are verified based on evidence certified by an approved third-party framework and provided to the LRF in the first year of the project and at least once every five years thereafter, for the life of the project, in addition to annual proponent assurance. Third-party assurance provides greater confidence in the co-benefit outcomes being claimed.

Third-party assurance of environmental co-benefits is required where there is not sufficient evidence of a direct correlation between the carbon method being used and the environmental co-benefit being claimed. For example, many studies indicate that native vegetation restoration is likely to provide a native vegetation benefit. Therefore, LRF projects involving native vegetation restoration, such as using the Reforestation by Environmental or Mallee Plantings or Avoided Clearing of Native Regrowth carbon methods have the option to verify native vegetation co-benefits through annual proponent assurance. In contrast, an LRF project using the Beef Cattle Herd Management carbon method has a far wider range of likely outcomes for vegetation condition, depending on the project's specific activities. Therefore, a claim that a Beef Cattle Herd Management project will benefit native vegetation is

[3] Queensland Government, 2014, *Significant residual impact guideline (for MSES and prescribed activities assessable under the Sustainable Planning Act 2009),* Brisbane. https://environment.des.qld.gov.au/__data/assets/pdf_file/0017/90404/significant-residual-impact-guide.pdf accessed March 2023.

[4] Queensland Government, 2019, *What is an environmental offset and when is it required?* Brisbane. https://www.qld.gov.au/environment/pollution/management/offsets/what-when accessed March 2023.

[5] Queensland Government, 2019, *Matters of state environmental significance—mapping method*, Brisbane. https://environment.des.qld.gov.au/management/planning-guidelines/method-mapping-mses, accessed March 2023.

more contestable. As a result, Beef Cattle Herd Management projects contracted by the LRF require third-party assurance for verifying a native vegetation co-benefit, in addition to annual proponent assurance.

LRF project proponents can elect to provide third-party assurance of their environmental co-benefits, even if third-party assurance not required under the LRF Co-benefits Standard.

Further information on which LRF projects have the option to use proponent assurance can be found below. In addition, Appendix 3 outlines the relationships between carbon methods and co-benefits, and the requirements for proponent assurance.

3.2 Environmental co-benefit classes

There are seven environmental co-benefit classes that can be claimed and verified under this version of the LRF Co-benefits Standard: soil health, the Great Barrier Reef, wetlands, coastal ecosystems, threatened ecosystems, threatened wildlife (including plants) and native vegetation.

The co-benefit classes are not mutually exclusive, and it may be possible for LRF projects to claim co-benefits under several or all co-benefit classes. Co-benefit monitoring and reporting focuses on the condition of vegetation and soil to underpin verification for all environmental co-benefit classes. That is, all of the environmental co-benefits are required to be verified through demonstrating an improvement in the condition of soil or vegetation or both. However, project eligibility for co-benefit classes is defined in terms of other environmental asset types including wetlands, catchments and species.

3.2.1 Soil Health

Eligibility: To claim a Soil Health co-benefit, LRF projects must result in a verified improvement to soil condition.

Assurance: Proponent assurance for Soil Health co-benefits is only an option for LRF projects employing a soil carbon method (see Appendix 3). Under proponent assurance, Soil Health co-benefits will be verified based on Co-benefit Reports provided to the LRF annually for the duration of the project.

All LRF projects using other eligible ERF land sector carbon methods (Appendix 1) will require third-party assurance (certified accounts) of the condition of soil assets, in addition to proponent assurance, for verifying Soil Health co-benefits. These accounts must be certified under the *Accounting for Nature® Framework*. A certified account must be provided to the LRF in the first year of the project and at least once every five years thereafter, for the duration of the project.

3.2.2 The Great Barrier Reef

Eligibility: To claim a Great Barrier Reef co-benefit, LRF projects must result in:

a) a verified improvement to native vegetation in pre-clearing wetlands in a Great Barrier Reef catchment;

and/or

b) a verified improvement to both native vegetation condition and soil condition within a Great Barrier Reef catchment that has a sediment target in the Reef Water Quality Improvement Plan[6].

[6] Reef water quality improvement plan current at time of Land Restoration Fund project registration. See https://www.reefplan.qld.gov.au/ for the most up-to-date plan, accessed March 2023.

Pre-clearing wetlands are Regional Ecosystems (REs) that are classified as estuarine, palustrine or riverine wetlands within the catchment of the Great Barrier Reef[7]. Riverine wetlands include riparian vegetation within 50 metres of drainage lines shown on the vegetation management watercourse and drainage feature map on land zone 3 (riverine wetlands). The vegetation management watercourse and drainage feature map for land zone 3 can be accessed by creating a watercourse identification map using Queensland Globe or QSpatial.

Assurance: Proponent assurance for vegetation and soil condition for Great Barrier Reef co-benefits (co-benefits a) and b)) is only an option for LRF projects using the following eligible carbon methods: Human-Induced Regeneration of a Permanent Even-Aged Native Forest V1.1 (Human Induced Regeneration), Native Forests from Managed Regrowth, Reforestation by Environmental or Mallee Plantings – FullCAM (Environmental Plantings) or Avoided Clearing of Native Regrowth (Avoided Clearing).

Proponent assurance for soil condition under Great Barrier Reef co-benefit b) is an option for projects using the following eligible carbon methods: Estimation of soil organic carbon sequestration using measurement and models or Estimating sequestration of carbon in soil using default values (model-based soil carbon) (Appendix 3), noting that third-party assurance would be required for vegetation condition under this co-benefit if using a soil carbon method. Under proponent assurance, Great Barrier Reef co-benefits a) and b) will be verified based on Co-benefit Reports provided to the LRF annually for the duration of the project.

All LRF projects using other eligible ERF land sector carbon methods (Appendix 1) will require third-party assurance (certified accounts) of the condition of vegetation assets for Great Barrier Reef co-benefit a) and vegetation and soil assets for Great Barrier Reef co-benefit b), in addition to proponent assurance, for verifying Great Barrier Reef co-benefits. These accounts must be certified under the *Accounting for Nature® Framework*. A certified account must be provided to the LRF in the first year of the project and at least once every five years thereafter, for the duration of the project.

3.2.3 Wetlands

Eligibility: To claim a Wetlands co-benefit, LRF projects must result in:

a) a verified improvement to the condition of wetland native vegetation;

and/or

b) a verified improvement to the condition of non-wetland vegetation and soil within 100m of a wetland in an Aquatic Conservation Assessment[8] rated as natural or near natural, and as of high or very high significance.

Wetland native vegetation includes pre-clearing REs that are palustrine, estuarine or riverine wetlands[9]. Riverine wetlands include riparian vegetation fringing watercourses on land zone 3 and all areas within 50m of drainage lines shown on the Vegetation Management watercourse and drainage feature map. The vegetation management watercourse and drainage feature map for land zone 3 can be accessed by creating a watercourse identification map using Queensland Globe or QSpatial.

[7] Department of Environment and Science, Queensland (2021) What are wetlands?, Wetland*Info* website. https://wetlandinfo.des.qld.gov.au/wetlands/what-are-wetlands/, accessed March 2023.

[8] Department of Environment and Science, Queensland (2020) Aquatic Conservation Assessments (ACA) and AquaBAMM, Wetland*Info* website. https://wetlandinfo.des.qld.gov.au/wetlands/assessment/assessment-methods/aca/, accessed March 2023.

[9] Department of Environment and Science, Queensland (2021) What are wetlands?, Wetland*Info* website. https://wetlandinfo.des.qld.gov.au/wetlands/what-are-wetlands/ accessed March 2023.

Assurance: Proponent assurance for vegetation and soil condition for Wetland co-benefits is only an option for LRF projects using the following eligible carbon methods: Human Induced Regeneration, Native Forests from Managed Regrowth, Environmental Plantings, or Avoided Clearing.

Proponent assurance for soil condition under Wetlands co-benefit b) is an option for projects using the following eligible carbon methods: Estimation of soil organic carbon sequestration using measurement and models or Estimating sequestration of carbon in soil using default values (model-based soil carbon) (Appendix 3), noting that third-party assurance would be required for vegetation condition under this co-benefit if using a soil carbon method. Under proponent assurance, Wetlands co-benefits a) and b) will be verified based on Co-benefit Reports provided to the LRF annually for the duration of the project.

All LRF projects using other eligible ERF land sector carbon methods (Appendix 1) will require third-party assurance (certified accounts) of the condition of vegetation assets for Wetlands co-benefit a) and vegetation and soil assets for Wetlands co-benefit b), in addition to proponent assurance, for verifying Wetlands co-benefits. These accounts must be certified under the *Accounting for Nature® Framework*. A certified account must be provided to the LRF in the first year of the project and at least once every five years thereafter, for the duration of the project.

3.2.4 Coastal Ecosystems

Eligibility: To claim a Coastal Ecosystem co-benefit, LRF projects must result in a verified improvement to native vegetation condition in coastal REs.

Coastal REs are pre-clearing REs on land zones 1, 2 or 3 in a coastal sub-bioregion (Appendix 4).

Assurance: Proponent assurance for Coastal Ecosystem co-benefits is only an option for LRF projects using the following eligible carbon methods: Human Induced Regeneration, Native Forests from Managed Regrowth, Environmental Plantings, or Avoided Clearing. Under proponent assurance, Coastal Ecosystem co-benefits will be verified based on Co-benefit Reports provided to the LRF annually for the duration of the project.

All LRF projects using other eligible ERF land sector carbon methods (Appendix 1) will require third-party assurance (certified accounts) of the condition of vegetation and soil assets to verify Coastal Ecosystem co-benefits. However, proponent (rather than third-party) assurance for soil condition is an option for projects using the following eligible carbon methods: Estimation of soil organic carbon sequestration using measurement and models or Estimating sequestration of carbon in soil using default values (model-based soil carbon) (Appendix 3), noting that third-party assurance would be required for vegetation condition under this co-benefit if using a soil carbon method. Third-party accounts must be certified under the *Accounting for Nature® Framework*. A certified account must be provided to the LRF in the first year of the project and at least once every five years thereafter for the duration of the project.

3.2.5 Threatened Ecosystems

Eligibility: To claim a Threatened Ecosystem co-benefit, LRF projects must result in:

a) a verified improvement to native vegetation condition in an RE with a biodiversity status of "of-concern" or "endangered"[10];

and/or

[10] RE biodiversity status is listed in the Regional Ecosystems (REs) Description Database (https://www.qld.gov.au/environment/plants-animals/plants/ecosystems/descriptions/download), accessed March 2023. REs must be of-concern or endangered either at project registration or in the current version of REDD for threatened ecosystem co-benefits to be claimed.

b) a verified improvement to native vegetation condition in an RE listed as containing threatened ecological communities under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

RE biodiversity status is listed in the Regional Ecosystems Description Database (REDD). REs must be of-concern or endangered either at project registration or in the current version of REDD for threatened ecosystem co-benefits to be verified.

A list of REs that contain listed threatened ecological communities under the EPBC Act is available on the Department of Environment and Science website.

Assurance: Proponent assurance for Threatened Ecosystem co-benefits is only an option for LRF projects using the following eligible carbon methods: Human Induced Regeneration, Native Forests from Managed Regrowth, Environmental Plantings, or Avoided Clearing. Under proponent assurance, Threatened Ecosystem co-benefits will be verified based on Co-benefit Reports provided to the LRF annually for the duration of the project.

All LRF projects using other eligible ERF land sector carbon methods (Appendix 1) will require third-party assurance (certified accounts) of the condition of vegetation and soil assets to verify Threatened Ecosystem co-benefits. However, proponent (rather than third-party) assurance for soil condition is an option for projects using the following eligible carbon methods: Estimation of soil organic carbon sequestration using measurement and models or Estimating sequestration of carbon in soil using default values (model-based soil carbon) (Appendix 3), noting that third-party assurance would be required for vegetation condition under this co-benefit if using a soil carbon method. Third-party accounts must be certified under the *Accounting for Nature® Framework*. A certified account must be provided to the LRF in the first year of the project and at least once every five years thereafter for the duration of the project.

3.2.6 Threatened Wildlife

Eligibility: To claim a Threatened Wildlife (which includes fauna and flora) co-benefit, LRF projects must result in:

a) a verified improvement to native vegetation condition within areas that meet the definitions of matters of state environmental significance (MSES) for wildlife habitat or matters of national environmental significance (MNES) for threatened species[11];

and/or

b) a verified improvement to native vegetation condition of REs that are potential habitat[12] for threatened species other than highly mobile fauna.

MSES or MNES for threatened wildlife include habitat for:

a) Threatened wildlife under the *Nature Conservation Act 1992* (NCA);
b) Threatened wildlife under the *EPBC Act*;
c) Special least concern animals under the NCA, including the echidna and platypus; and
d) Special least concern animals under the NCA and EPBC Act[13] – migratory birds under international agreements including:

[11] See mapping guidelines and principles for "Wildlife habitat" in https://environment.des.qld.gov.au/management/planning-guidelines/pdf/mses-methodology.pdf, accessed March 2023. Restrictions on MSES mapping of remnant or regrowth vegetation do not apply for this Standard.

[12] Potential habitat means an area indicated as potential habitat for one or more species in the collection "*Modelled potential habitat for selected threatened species – Queensland*" published by the Department of Environment and Science (https://data.qld.gov.au/dataset/modelled- potential-habitat-for-selected-threatened-species-queensland), accessed March 2023, or an area identified as "high risk" on the protected plant flora survey trigger map.

[13] Department of Environment and Energy, 2019, *Migratory Birds*, Australian Government, Canberra, https://www.environment.gov.au/biodiversity/migratory-species/migratory-birds accessed March 2023.

- Japan-Australia Migratory Birds Agreement (JAMBA)
- China-Australia Migratory Agreement (CAMBA)
- Republic of Korea-Australia Migratory Bird Agreement (ROKAMBA)
- Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention)
- Ramsar Convention on Wetlands
- Agreement on the Conservation of Albatrosses and Petrels (ACAP).

Potential habitat means:

a) an area indicated as potential habitat for one or more threatened species (listed under the NCA or EPBC Act) in the Department of Environment and Science collection: Modelled potential habitat for selected threatened species – Queensland.

or

b) an area identified as "high risk" on the protected plant flora survey trigger map administered by the Queensland Department of Environment and Science.

Assurance: Proponent assurance for Threatened Wildlife co-benefits is only an option for LRF projects using the following carbon methods: Human Induced Regeneration, Native Forests from Managed Regrowth, Environmental Plantings, or Avoided Clearing. Under proponent assurance, Threatened Wildlife co-benefits will be verified based on Co-benefit Reports provided to the LRF annually for the duration of the project.

All LRF projects using other eligible ERF land sector carbon methods (Appendix 1) will require third-party assurance (certified accounts) of the condition of vegetation and soil assets to verify Threatened Wildlife co-benefits. However, proponent (rather than third-party) assurance for soil condition is an option for projects using the following eligible carbon methods: Estimation of soil organic carbon sequestration using measurement and models or Estimating sequestration of carbon in soil using default values (model-based soil carbon) (Appendix 3), noting that third-party assurance would be required for vegetation condition under this co-benefit if using a soil carbon method. Third-party accounts must be certified under the *Accounting for Nature® Framework*. A certified account must be provided to the LRF in the first year of the project and at least once every five years thereafter for the duration of the project.

3.2.7 Native Vegetation

Eligibility: To claim Native Vegetation co-benefits, LRF projects must result in verified improvement to native vegetation condition.

Assurance: Proponent assurance for Native Vegetation co-benefits is only an option for LRF projects using the following carbon methods: Savanna Fire Management 2018 - Emissions Avoidance (Savanna Burning – Emissions Avoidance) and Savanna Fire Management 2018 – Sequestration and Emissions Avoidance (Savanna Burning – Sequestration and Emissions Avoidance), Human Induced Regeneration, Native Forests from Managed Regrowth, Environmental Plantings, or Avoided Clearing. Under proponent assurance, Native Vegetation co-benefits will be verified based on Co-benefit Reports provided to the LRF annually for the duration of the project.

All LRF projects using other eligible ERF land sector carbon methods (Appendix 1) will require third-party assurance (certified accounts) of the condition of vegetation and soil assets to verify Native Vegetation co-benefits. However, proponent (rather than third-party) assurance for soil condition is an option for projects using the following eligible carbon methods: Estimation of soil organic carbon sequestration using measurement and models or Estimating sequestration of carbon in soil using default values (model-based soil carbon) (Appendix 3), noting that third-party assurance would be required for vegetation condition under this co-benefit if using a soil carbon method. Third-party accounts must be certified under the *Accounting for Nature® Framework*. A certified account must be

provided to the LRF in the first year of the project and at least once every five years thereafter for the duration of the project.

3.3 Reporting for all environmental co-benefit projects

All LRF projects seeking to claim environmental co-benefits under the LRF Co-benefits Standard must submit annual Co-benefit Reports for publication in the LRF Register. This is a requirement for all LRF projects, regardless of whether third-party assurance is also required. LRF projects using *Accounting for Nature® Ltd* to verify co-benefits will also need to register their project in the Accounting for Nature® Environmental Account Registry (as a requirement of certification).

For all LRF projects, annual Co-benefit Reports are the basis for verifying co-benefits through proponent assurance. LRF projects required to provide third-party assurance for verification of environmental co-benefits additional to proponent assurance must also provide electronic copies of environmental accounts and an Information Statement certified by Accounting for Nature® Ltd. These accounts must be generated and submitted in the first year of the project and at an interval not longer than five years thereafter for the duration of the project.

Annual Co-benefit Reports may be reviewed by independent assessors, including government and non-government experts, appointed by the LRF to verify the environmental co-benefits. The LRF will also undertake a formal evaluation of a sample of projects providing proponent assurance in order to assess the performance of proponent reporting at the portfolio scale, using the more rigorous third-party assurance procedures.

Proponents are responsible for warranting that the information provided in the annual Co-benefit Report to the LRF is true and correct to the best of their knowledge.

For third-party assurance, third-party certification of environmental accounts involves third-party audits as detailed in the *Accounting for Nature® Framework*. Certified environmental accounts will be reviewed by independent assessors, including government and non-government experts, appointed by the LRF to verify environmental co-benefits.

Section 6.5 details the information required to be provided in annual Co-benefit Reports.

3.4 Environmental accounting for third party assurance

Under the LRF Co-benefits Standard, the verification of co-benefits through third-party assurance will require third-party certified environmental accounts.

Projects using the LRF Co-Benefits Standard (Version 1.4) will use Accounting for Nature® Ltd – an independent, not-for-profit organisation – to certify their environmental accounts.

The *Accounting for Nature® Framework* enables measurement of, and reporting on, the condition of five environmental asset classes (native vegetation, native fauna, freshwater, soil, marine), which can be linked to carbon, through a consistent, credible and auditable system of environmental accounts.

Methods for measuring the condition of native vegetation and soil are available to LRF project proponents. LRF project proponents may elect to use the *Accounting for Nature® Framework* for measuring, reporting, and verifying the condition of other environmental assets, such as freshwater, marine, and native fauna, over above the vegetation and soil accounts that may be required under the LRF Co-benefits Standard.

In developing their environmental accounts, project proponents may use any of the LRF-approved Accounting for Nature® Ltd methods[14] that have a confidence level of 1 or 2 and that are applicable to the co-benefit classes being claimed.

The LRF will assess the applicability of the Accounting for Nature® Ltd method/s proposed to be used for the development of environmental accounts as part of the assessment of the project application. Proponents wishing to use an Accounting for Nature® Ltd method that has not yet been approved by the LRF will need to contact the LRF prior to submitting an application. For all LRF projects requiring third party assurance, proponents are required to engage an independent, third party to certify their environmental accounts.

To ensure the LRF Co-benefits Standard remains flexible, additional independent verification and certification approaches may be approved in future versions.

3.5 Meaning of 'improving condition'

Under the LRF Co-benefits Standard, the condition of environmental assets is assessed at a point in time by comparing indicators of the asset's current state against benchmark values indicative of the un-degraded or reference state of that asset.

This approach is consistent with the *Accounting for Nature® Framework* and environmental condition assessment more generally. For example, Queensland's BioCondition tool[15], which is used to assess ecosystem condition for environmental offsets and impact assessments, also applies the un-degraded state as the reference state.

Condition improvement can be a long-term prospect for many ecological and soil assets. When using an environmental account to verify co-benefits that depend on 'improving' condition, the data generated must be assessed in terms of whether it is consistent with reasonable expectations for a 'successful' LRF project. This assessment is to be made in the context of:

- project duration;
- external influences such as recent weather impacts and projected climate change (information about these external influences can be accessed through websites such as the Long Paddock and Queensland Future Climate Dashboard); and
- relevant counterfactual (baseline) scenarios including condition trends for similar assets outside the project area.

The baseline for assessment of 'improvement' in environmental condition for an environmental co-benefit under the LRF Co-benefits Standard will be guided by the carbon method used, as the methods explicitly specify the relevant counterfactual scenarios. Therefore, most LRF projects will need to show ongoing improvements in environmental condition through time (according to the assurance requirements of the relevant co-benefit class) rather than basing benefits on avoided degradation or avoided loss.

As a project progresses, the LRF will expect to see increasingly clear evidence of improvement in the project's annual Co-benefit Reports for co-benefits to continue to be verified as 'delivered'.

[14] LRF-approved Accounting for Nature Ltd Methods are included in the relevant round guidelines. Please check the LRF website for the most recent round guidelines: https://www.qld.gov.au/environment/climate/climate-change/land-restoration-fund accessed March 2023.

[15] Queensland Government, 2021, *Biocondition,* Brisbane. https://www.qld.gov.au/environment/plants-animals/biodiversity/biocondition, accessed March 2023.

4 Socio-economic co-benefits

4.1 Socio-economic co-benefit classes

Socio-economic co-benefits are positive direct or indirect benefits for a person, community or regional economy resulting from a carbon farming project located close to that person or community or within that region.

There are two socio-economic co-benefit classes that can be claimed and verified under this version of the LRF Co-benefits Standard: Employment and skills benefits and Local community benefits.

It may be possible for LRF projects to claim co-benefits under both co-benefit classes.

Proponent-level assurance is currently the only assurance option for LRF projects claiming socio-economic co-benefits. However, this may change in the future as third-party assurance frameworks become available. Evidence to verify co-benefit delivery is required to be provided (where applicable) in the annual-Co-benefit Report. Annual Co-benefit Reports may be reviewed by independent assessors, including government and non-government experts, appointed by the LRF to verify the socio-economic co-benefits.

4.1.1 Employment and skills benefits

Eligibility: To claim Employment and Skills co-benefits, LRF projects must:

a) result in the employment of regional workers; and/or
b) deliver skills training to regional workers; and
c) deliver these co-benefits in regional Queensland.

Assurance: To verify that these co-benefits have been achieved, the following evidence can be provided:

- Evidence of employment of regional workers in regional Queensland.
- Evidence of skills training provided to regional workers in regional Queensland.
- Statements from project participants outlining employment and/or skills benefits resulting from the project.

For the purposes of this co-benefit class, ‘regional’ is defined as areas of Queensland outside the following Local Government Areas: City of Brisbane, City of Gold Coast, City of Ipswich, Logan City, Moreton Bay Region, Redland City, Shire of Noosa and Sunshine Coast Region.

4.1.2 Local community benefits

Eligibility: To claim Local Community co-benefits, LRF projects must:

a) be located in an area broadly defined as an area of relative socio-economic disadvantage (see definition below), taking into account people's access to material and social resources, and their ability to participate in society; and
b) generate economic and social co-benefits for the local community.

Assurance: To verify that these co-benefits have been achieved, the following evidence can be provided:

- Evidence that the project is located in an area of relative socio-economic disadvantage. This is determined by whether the project is located in a local government area identified within quintiles 1

and 2 in the 2016 Local Government Areas (LGA) map layer on the Australian Bureau of Statistics Index of Relative Socio-Economic Disadvantage[16].

- Evidence of economic benefit to local people through the use of businesses and suppliers within the local area. This could include receipts, certificates or signed statements.
- Statements from project participants and/or people benefiting from the project outlining the benefits to the local community which have resulted from the project.
- Evidence of local community participation and engagement in the project.
- Evidence of how the project aligns with and contributes to the objectives of a local environmental or NRM plan.

For the purposes of this co-benefit class, 'local' is defined as the area around the project within a 125-kilometre radius or within the boundaries of the Local Government Area, whichever is the larger. Suppliers and service providers need not be from the local area but could still provide a local benefit by using a local workforce or by using local businesses in the supply chain.

5 First Nations co-benefits

5.1 First Nations co-benefit classes

The LRF seeks to ensure that the important co-benefits that carbon farming projects can provide for First Nations peoples are recognised and valued. These co-benefits encompass a broad range of benefits including customary, cultural, business development and economic.

There are two First Nations co-benefit classes that can be claimed and verified under this version of the LRF Co-benefits Standard: First Nations benefits based on location and First Nations benefits based on participation.

It may be possible for LRF projects to claim co-benefits under both co-benefit classes.

Any information provided to the LRF to claim First Nations co-benefits that is of a personal or sensitive nature will not be published in the LRF Register (refer section 2.5).

Proponent assurance can be used by all LRF projects to claim First Nations co-benefits. However, LRF project proponents can elect to use the Aboriginal Carbon Foundation's *Core Benefit Verification Framework* to provide third-party assurance of First Nations co-benefits (Appendix 2). Evidence to verify co-benefit delivery is required to be provided (where applicable) in the annual-Co-benefit Report. Annual Co-benefit Reports may be reviewed by independent assessors, including government and non-government experts, appointed by the LRF to verify the First Nations co-benefits.

The way in which co-benefits may be recorded could differ from community to community and the LRF is committed to ensuring that First Nations voices shape policy that materially affects them. Accordingly, ongoing input from First Nations people and organisations on how these verification models may be improved or expanded is welcomed.

5.1.1 First Nations benefits based on location

Eligibility: To claim First Nations co-benefits based on location, LRF projects must:

[16] Australian Bureau of Statistics, 2016, *Socio-Economic Indexes for Areas (SEIFA)*, Canberra. https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/2033.0.55.001~2016~Main%20Features~IRSD%20Interactive%20Map~15, accessed March 2023.

a) take place on Indigenous land, which for the purposes of the LRF Co-benefits Standard may include:
   - Aboriginal freehold;
   - land with a native title determination;
   - land that is subject to a registered native title claim; or
   - land where there is an Indigenous Land Use Agreement (ILUA) in place, including where there is a benefit assigned for the use of the land for a carbon farming project (e.g. where there is a project being run by a pastoral leaseholder on land subject to a native title interest and under the ILUA the traditional owners receive a benefit from, or share of, the ACCUs generated); and

b) provide benefits to the relevant First Nations peoples for the land.

Assurance: To verify that these co-benefits have been achieved, the following evidence can be provided:

- evidence of the project located on Indigenous land, such as land title deeds to project land, Native Title Determination or claim, Prescribed Body Corporate involvement in the project, registration of a native title claim, and/or an ILUA.
- a statement that the project aligns with the priorities, and contributes to achieving the outcomes, of the relevant Healthy Country Plan or other community plans.
- copies of relevant agreements demonstrating First Nations participation, co-design or service provision. This may include, but not be limited to:
  - memoranda of understanding;
  - letters of agreement; and
  - protocols or early burn agreements.
- statements by First Nations peoples benefiting from the project.

5.1.2 First Nations benefits based on participation

Eligibility: To claim First Nations co-benefits based on participation, LRF projects must be owned by First Nations peoples or directly involve First Nations participation, such as through the provision of Indigenous fire management services or the involvement of Indigenous Rangers.

Assurance: To verify that these co-benefits have been achieved, the following evidence can be provided:

- a statement that the project contributes to achieving the priorities and outcomes of the relevant Healthy Country Plan or other community plans.
- copies of relevant agreements demonstrating First Nations participation, co-design or service provision. This may include, but not be limited to:
  - memoranda of understanding;
  - letters of agreement; and
  - protocols or early burn agreements.
- statements by First Nations project owners, participants or people benefitting from the project of:
  - what the carbon farming project means for the community.
  - how funding is being used for the benefit of an Indigenous community (for example payroll records, business investments, sponsorships).
  - cultural benefits associated with delivering the carbon farming project.

6 General LRF project requirements and processes

The use of the LRF Co-benefits Standard requires project proponents to provide information about the project to the LRF so that the co-benefits can be verified. This section outlines procedural and other administrative matters associated with LRF projects, including project requirements, reporting and information management.

6.1 Project location

LRF projects must be located in Queensland. They can be undertaken in any suitable location in the Queensland landscape, subject to meeting the requirements of the carbon method selected, eligible interest holder consents or other conditions under a LRF agreement.

6.2 Crediting period and co-benefits

LRF projects can claim co-benefits throughout the effective term of the Project Investment Agreement within the project's crediting period. The crediting period is the period of time over which a project can create ACCUs, and the associated co-benefits. Generally, emissions avoidance projects have a crediting period of seven (7) years and sequestration projects have a crediting period of twenty-five (25) years. After expiry of the crediting period, a project area can no longer generate ACCUs and associated co-benefits.

6.3 Monitoring and reporting

Project proponents must report to the LRF annually on the project's activities and outcomes. LRF project proponents will be responsible for submitting a Monitoring and Reporting Plan (refer section 6.4) for validation by the LRF prior to reporting on the delivery of co-benefits, and annual Co-benefit Reports (refer section 6.5).

LRF project proponents must retain records underpinning their reporting for the effective term of the project's Project Investment Agreement.

6.4 Monitoring and Reporting Plan

All LRF projects require a validated Monitoring and Reporting Plan that describes the project and the monitoring, reporting and verification that will occur for the duration of the project to verify the delivery of co-benefits. The Monitoring and Reporting Plan must take account of the information required to be submitted annually in the Co-benefit Report (refer to section 6.5 Annual Co-benefit Report).

The Monitoring and Reporting Plan includes the following mandatory information:

- Project particulars/details including:
  - project ID
  - project title
  - contracting party
  - Project Investment Agreement term
  - ERF project ID
  - version of the Co-benefits Standard the project is registered under
  - ERF carbon method/s being employed
  - project overview
  - location

  - lots on plan of project area
  - bioregion/s
  - property size/s
  - project area/s
  - Carbon Estimation Area/s (CEA)
  - site description
  - security mechanisms (eg. perpetual covenants, Nature Refuge agreements)
  - current land uses
- Co-benefits being claimed under the LRF Standard, including the type of assurance being undertaken, and the benefits to be delivered.
- Details on third-party assurance being undertaken (if applicable).
- Summary of the sampling effort including:
  - stratification of site/s
  - details relative to the co-benefits being claimed (eg. Assessment Unit/s, area/s, CEA/s, RE/s present).
- Project maps showing details such as topography, Assessment Unit/s, RE/s, CEA/s, environmental co-benefit classes, photopoint locations.
- Expectations of progress for environmental co-benefits including indicators, baseline condition and expected condition at project time periods.
- Environmental co-benefit activities, including location, timing, and forms of evidence that will be provided to demonstrate the activity has occurred.
- Environmental, socio-economic and/or First Nations co-benefit classes being claimed, and the relevant outcomes required under the LRF Co-benefits Standard, along with details of the evidence that will be collected and provided to demonstrate the co-benefit outcomes are being delivered.

The Monitoring and Reporting Plan is a key requirement for LRF projects, and co-benefits cannot be verified until the Monitoring and Reporting Plan has been validated. Once submitted by a proponent, the LRF will undertake an assessment of the Monitoring and Reporting Plan to determine whether it is valid and able to be registered as an LRF project under the conditions set out in the LRF Co-benefits Standard.

To be valid, and therefore eligible to be registered under the conditions set out in the LRF Co-benefits Standard, a Monitoring and Reporting Plan must provide the mandatory information outlined above, to the satisfaction of the LRF. If the draft Monitoring and Reporting Plan is assessed by the LRF as sufficient under the conditions set out in the LRF Co-benefits Standard, it will be validated and entered into the LRF Register.

Where a Monitoring and Reporting Plan submitted for assessment is not considered valid, the Monitoring and Reporting Plan will be rejected. The LRF project proponent will then be invited by the LRF to amend the Monitoring and Reporting Plan through a consultative process to ensure that the Plan can be validated and the project registered on the LRF Register.

The Monitoring and Reporting Plan must be validated by the LRF before annual co-benefit reporting can occur.

6.5 Annual Co-benefit Report

The annual Co-benefit Report is to provide:

- Project details
- Baseline condition for environmental co-benefits
- Expectations of progress for environmental co-benefits
- Progress report for environmental co-benefit activities

- Progress report for environmental co-benefit outcomes (see section 3 for evidence required to be provided to the LRF annually)
- Progress report for socio-economic co-benefit activities and outcomes (if applicable) (see section 4 for evidence required to be provided to the LRF annually)
- Progress report for First Nations co-benefit activities and outcomes (if applicable) (see section 5 for evidence required to be provided to the LRF annually)

For LRF projects claiming environmental co-benefits:

- Electronic copies of the Queensland Government's Environmental Report for Matters of State Environmental Significance for each year from commencement[17].
- Electronic copies of the Queensland Government's Forage Report for Ground Cover for each March and October from project commencement[18].
- Ground-based photo points: four frames per record, one for each cardinal direction, to provide an annual time-series of images, from at least three locations within each carbon estimation area, which must be plotted on a map. Photographs are to be taken in October. Departure from these requirements can be negotiated as part of the agreed Monitoring and Reporting Plan.
- Accounting for Nature® Annual Certification Compliance Report.
- Third-party certified environmental accounts for the contracted environmental co-benefit classes (where relevant), noting that environmental accounts must be provided to the LRF in the first year of the project and at least once every five years thereafter, for the life of the project.

For LRF projects claiming socio-economic co-benefits:

- Refer to the assurance requirements for each socio-economic co-benefit class being claimed (refer section 4.1).

For LRF projects claiming First Nations co-benefits:

- Refer to the assurance requirements for each First Nations co-benefit class being claimed (refer section 5.1).

6.6 Verification of co-benefit delivery

Verification of co-benefits will take place after an LRF project has commenced and will draw on a range of data sources to ensure the carbon farming project has genuinely delivered the benefits it claims to have delivered. The LRF will use remote sensing data (for environmental co-benefits), annual Co-benefit Reports, environmental accounts and other data sources (including new technologies) to keep track of outcomes and identify risks to the delivery of co-benefits.

All co-benefits will be verified by independent assessors, including government and non-government experts, appointed by the LRF. If the assessors approve the Co-benefit Report as demonstrating the outcomes required for each specific co-benefit, the LRF Register will be updated to show the project's status for those specific co-benefits as 'verified'. The LRF Register will include the annual Co-benefit Reports.

[17] Queensland Government, 2021, *Environment reports online*, Brisbane. https://apps.des.qld.gov.au/report-request/environment/, accessed March 2023.

[18] Queensland Government, 2019, *Request reports, The Long Paddock.* Brisbane. https://www.longpaddock.qld.gov.au/forage/, accessed March 2023.

Where the LRF is concerned about a project's delivery of co-benefits, it may request, in writing, further information from the LRF project proponent (additional to the annual Co-benefit Report) and may also request that an independent audit of the project be conducted.

6.7 Requests for further information

Further information on the LRF Co-benefits Standard can be requested by contacting the LRF team via email at carbonFarming@des.qld.gov.au

6.8 Compliance and dispute resolution

Project compliance and dispute resolution will be in accordance with the terms and conditions of an LRF contract.

6.9 Provisions for privacy and sensitive information

Participation in carbon farming and the LRF involves collection of private information and the public disclosure of certain types of information.

Information will be managed in accordance with the *Information Privacy Act 2009* and provisions in the *Carbon Credits (Carbon Farming Initiative) Act 2011*.

The annual Co-benefit Reports provided to the LRF Register will be publicly reported and published, except if that information can clearly be demonstrated as private, sensitive, culturally sensitive, or of a commercial-in-confidence nature.

Co-benefit Reports will not require the disclosure of financial data, personal details, or detailed location data regarding threatened or confidential species that the Queensland Government or landholder wish to suppress.

The content of LRF Co-benefit Reports is a balance between transparency and the right to privacy. The use of independent audits and certified accounts offers a confidential pathway for LRF project proponents to provide assurance without sharing detailed data with the Queensland Government. Auditors and independent assessors can view sensitive information in confidence and pass along generalised recommendations.

Appendix 1 – Eligible land sector carbon methods

Eligible land sector carbon methods are legislated carbon methods under the *Carbon Credits* *Carbon Credits (Carbon Farming Initiative) Act 2011*as follows:

Agricultural carbon methods

Livestock

- Reducing greenhouse gas emissions by feeding nitrates to beef cattle
- Beef cattle herd management
- Reducing greenhouse gas emissions by feeding dietary additives to milking cows

Cropping

- Reducing greenhouse gas emissions from fertiliser in irrigated cotton

Soil

- Estimation of soil organic carbon sequestration using measurement and models
- Estimating sequestration of carbon in soil using default values (model-based soil carbon)

Savanna burning carbon methods

- Savanna fire management 2018 – emissions avoidance
- Savanna fire management 2018 – sequestration and emissions avoidance

Vegetation carbon methods

- Human-induced regeneration of a permanent even-aged native forest V1.1
- Avoided clearing of native regrowth
- Native forest from managed regrowth
- Plantation forestry
- Measurement based methods for new farm forestry plantations
- Reforestation and afforestation V2.0
- Reforestation by environmental or mallee plantings - FullCAM

Further information on opportunities for the land sector is available from the Clean Energy Regulator.

Appendix 2 – Third party assurance providers

1. **Environmental co-benefits**: Accounting for Nature®'s *Accounting for Nature® Framework*
2. **First Nations co-benefits**: Aboriginal Carbon Foundation's *Core Benefits Verification Framework*

Appendix 3 – Carbon methods, co-benefits and proponent assurance

Information on carbon activities and monitoring sourced from the Australian Government's Clean Energy Regulator.

Carbon method: Soil carbon - measurement only or assisted with modelling *(Estimation of soil organic carbon sequestration using measurement and models)*

Carbon method activity requirements	Carbon method monitoring requirements	Co-benefit classes available via proponent assurance (summary)
Land eligibility requirements: **Eligible land:** • Land previously used for pasture, cropping, bare fallow or forested land used for agricultural production. • It is reasonably expected that soil carbon can be increased through carrying out eligible land management activities. • It is possible to sample the soil consistent with the requirements of the method. **Ineligible land:** • Forest land which was cleared during the baseline period or is part of another ERF sequestration method other than a soil method. • Buildings cover more than 1% or 5 hectares of the CEA (whichever is smaller). • The land was subject to clearing of forest cover or draining of a wetland, within 7 years prior to registration application. • Land containing organosols (commonly referred to as peat soils). **Eligible management activities:** • The proposed activity must be either new or materially different from previous activities. • Eligible activities include: - Soil remediation: correcting nutrient deficiencies by applying fertilizer: remediating acid soils by applying lime; remediating sodic or magnesic soils by applying gypsum. - Land remediation: erosion control; surface water management; drainage flood/control; alleviating soil compaction.	Projects must determine the soil carbon stocks at the project site before the new management actions are implemented and at regular intervals during the project using specified soil sampling-measurement method, alone or in conjunction with modelling, to estimate carbon sequestration. **Two ways of measuring soil carbon changes:** ***Measurement only approach:*** • Determine baseline estimates of soil carbon levels using soil sampling and estimate project emissions from farm records. • Calculate carbon credits from changes in soil carbon levels and project emissions deducting carbon inputs from biochar and non-synthetic fertiliser. • Apply discounts: risk of reversal discount of 5% of net abatement for all projects; and permanence discount of 20% of net abatement for projects with a 25-year permanence period. • Maintain carbon in soil for a period of either 25 or 100 years (permanence period). • At least 3 audits are required over the 25-year crediting period. ***Hybrid approach:*** • Determine baseline estimates of soil carbon levels using soil sampling and estimate project emissions from farm records. • Use models to either: - Reduce the sampling density required to obtain precise estimates of soil carbon, or - Estimate carbon stocks at intervals of 1 to 5 years using sampling in some CEAs and modelling in the others. As a result, sampling is only required every 10 years for individual CEAs and the number of soil samples is reduced.	• Projects using this method can verify **soil health co-benefits** through proponent assurance. • Proponent assurance enables co-benefit verification through Co-benefit Reports without third-party certified accounts of asset condition change. • The link between the method and co- benefit classes selected for proponent assurance is based on soil carbon as an integrative indicator of soil health. • Monitoring of carbon outcomes supplements Co-benefit Reports as evidence of soil health benefits. • Projects are encouraged to undertake third-party assurance if they aim to provide high reliability co-benefits.

- Applying new or additional irrigation. - Establishing, and permanently maintaining, a pasture where there was previously no pasture, such as on cropland or bare fallow. - Using legume species in cropping or pasture systems. - Retaining stubble after a crop is harvested. - Converting from intensive tillage practices to reduced or no tillage. - Promoting soil vegetation cover and /or improving soil health through using a cover crop; altering stocking regimes. **Excluded activities:** • Some activities, such as permanent termination of animal stocking and addition of coal or coal-based products at >100kg C/ha/yr, are specifically excluded.	• Calculate credits as per measurement method. • Apply discounts: risk of reversal discount of 5% of net abatement for all projects and 20% of net abatement for projects with a 25-year permanence period. • Maintain carbon in soil for a period of either 25 or 100 years (Permanence period). • At least 3 audits are required over the 25-year crediting period.	

Carbon method: Soil carbon default values *(Estimating sequestration of carbon in soil using default values (model-based soil carbon)*		
Carbon method activity requirements	**Carbon method monitoring requirements**	**Co-benefit classes available via proponent assurance (summary)**
• Soil carbon is primarily made up of decomposing organic material. In agricultural systems, the roots, stems and leaves of crops or pasture grasses can be cycled into the soil and broken down, where some remains as soil carbon. Management practices that increase the amount of biomass incorporated into the soil, and/or reduce the amount of organic matter that is released from soils, can lead to improvements in soil carbon levels. • For this method, landholders may undertake one or more project management activities: - Increasing biomass yields (sustainable intensification) on crop or pasture areas by optimising fertiliser, applying lime, introducing irrigation, or pasture renovation (pasture only). - Converting land under crops to pasture (conversion to pasture). - Retaining crop residue in field rather than burning or baling it (stubble retention). • The following requirements need to be met to ensure a project is eligible under this method: - The project must take place on agricultural land that has been cropped, grazed or bare fallowed at least once in the five years before the project application date. Eligible agricultural land can be identified using the sequestration values maps. - The land for the project must be divided into one or more carbon estimation areas (CEA). One of the three project management activities may be undertaken on each CEA. - For sustainable intensification, the relevant CEA must have deficient soil that can be improved by undertaking two of the management actions. - For conversion to pasture, the relevant CEA must be under crops and/or bare fallowed for five years before the land is established as pasture. • For stubble retention, no burning or baling can occur in the relevant CEA more than once every	• This method requires monitoring of soil and emission sources to ensure that the activities are undertaken in accordance with the method. • CEAs must also be monitored every three months to ensure that no less than 70% vegetation ground cover is maintained for more than three consecutive soil monitoring periods during the project. • Project records are critical because they will be used to calculate the abatement that has been achieved by the project. • Projects are required to submit a report to the Clean Energy Regulator every one to five years. • Projects must be audited by a registered greenhouse and energy (NGERS) auditor. A list of registered auditors is available on the Clean Energy Regulator website	• Projects using this method can verify **soil health co-benefits** through proponent assurance. • Proponent assurance enables co-benefit verification through Co-benefit Reports without third-party certified accounts of asset condition change. • The link between the method and co- benefit classes selected for proponent assurance is based on soil carbon as an integrative indicator of soil health. • Monitoring of carbon outcomes supplements Co-benefit Reports as evidence of soil health benefits. • Projects are encouraged to undertake third-party assurance if they aim to provide high reliability co-benefits

five years while the area is under crops.		

Carbon method: Environmental plantings (*Reforestation by Environmental or Mallee Plantings – FullCAM*)		
Carbon method activity requirements	**Carbon method monitoring requirements**	**Co-benefit classes available via proponent assurance (summary)**
• Establish forest through planting tree species local to the project area. • The plantings must include tree or mallee species native to the local area. • Mallee species must only be planted where annual rainfall is under 600 mm. • The project area must have been clear of forest cover for at least five years prior to project commencement. • Projects are subject to permanence obligations. This means the project must be maintained for a nominated period of either 100 or 25 years. • The plantings must have the potential to reach forest cover (20 per cent crown cover consisting of trees that are at least two metres tall). • The trees may not be harvested except for in very limited circumstances such as hazard reduction. • Tree products such as firewood, fruits and nuts cannot be commercially harvested from the planting. • If the land has been lawfully cleared in the past, it must have occurred more than seven years ago, or five years ago if the land was cleared by previous holders. • Projects cannot be established on land that has been cleared unlawfully.	• Project area monitored for growth of seedlings and disturbances such as fire. • Projects require regular reporting (at least once every five years) to demonstrate project requirements are being met, and to report on carbon abatement. • Projects must also be audited by a registered national greenhouse and energy reporting (NGER) auditor.	The following co-benefit classes are compatible with proponent assurance for projects using this method: • **Great Barrier Reef co-benefit** - if project plants pre-clearing wetland in the Great Barrier Reef or plants within catchment targeted for sediment reduction • **Wetlands co-benefit** - if project plants pre-clearing wetland • **Coastal Ecosystems co-benefit** - if project plants pre-clearing coastal ecosystem • **Threatened Ecosystems co-benefit** - if project plants pre-clearing threatened ecosystem • **Threatened species co-benefit** - if project in potential habitat for specified species • **Native vegetation co-benefit** Proponent assurance enables co-benefit verification through Co-benefit Reports without third-party certified accounts of asset condition change. The link between the method and co-benefit classes selected for proponent assurance is based on established values of native species plantings as a pathway to ecosystem repair. Monitoring of carbon outcomes supplements Co-benefit Reports as evidence of ecosystem recovery. Projects are encouraged to undertake third-party assurance if they aim to provide high reliability co-benefits.

Carbon method: Human-induced regeneration (*Human-Induced regeneration of a permanent even-aged native forest V1.1*)		
Carbon method activity requirements	**Carbon method monitoring requirements**	**Co-benefit classes available via proponent assurance (summary)**
• Change land management practices to facilitate regeneration of a native forest through activities such as excluding livestock from the project area, managing the timing and extent of grazing, managing feral animals and non-native plants in the project area and stopping activities such as mechanical destruction of natural regrowth. • The method uses the Full Carbon Accounting Model (FullCAM) to work out the carbon captured by the project. Impacts of disturbances such as fires as also accounted for. • Projects are subject to permanence obligations. This means the project must be maintained for a nominated period of either 100 or 25 years. • Projects need to meet the following requirements to be eligible: - The project area has not had forest cover (20% crown cover consisting of trees of at least two metres in height) over the ten years before project commencement due to a suppression mechanism (i.e. grazing, mechanical destruction). - the area of regeneration must have the potential to attain forest cover. - the regrowth may only be grazed by livestock if the grazing does not materially impact the carbon stocks. - the project must establish forest cover through the promotion of natural regrowth of vegetation, and not through direct seeding or tree planting. - Since the method was varied in 2016, conservation land can be eligible for projects under a limited set of conditions. Projects on conservation land must undertake weed or feral animal control and demonstrate that management goes above and beyond what would occur under standard practice. - The regrowth must not be harvested except for in very limited circumstances such as hazard reduction.	• Projects required to monitor regeneration of vegetation and attainment of forest cover and to account for disturbances such as fire. • Projects must report regularly (at least once every five years) to demonstrate method requirements are being met, including progress to and eventual attainment of forest cover, and to report on carbon abatement. • Projects are required to: - follow the requirements of the Carbon Farming Initiative Mapping Guidelines and - take into account guidance on stratification, evidence and records for projects under Human-Induced Regeneration and Native Forest from Managed Regrowth methods (published by the Clean Energy Regulator). • Projects must also be audited by a registered national greenhouse and energy reporting (NGER) auditor.	The following co-benefit classes are compatible with proponent assurance for projects using this method: • **Great Barrier Reef co-benefit** - if the project is regenerating pre-clearing wetlands in the Great Barrier Reef, or is regenerating native vegetation within a catchment targeted for sediment reduction • **Wetlands co-benefit** - if the project regenerating native vegetation in a pre-clearing wetland • **Coastal Ecosystems co-benefit** - if the project is regenerating native vegetation in a pre-clearing coastal ecosystem • **Threatened Ecosystems co-benefit** - if the project is regenerating native vegetation in a pre-clearing threatened ecosystem • **Threatened species co-benefit** - if the project is regenerating native vegetation within an area of potential habitat for a threatened species • **Native vegetation** Proponent assurance enables co-benefit verification through Co-benefit Reports without third- party certified accounts of asset condition change. The link between the method and co-benefit classes selected for proponent assurance is based on the established value of natural regeneration and regrowth as a low-cost pathway to ecosystem repair. Monitoring of carbon outcomes supplements Co-benefit Reports as evidence of ecosystem recovery. Projects are encouraged to undertake third-party assurance if they aim to provide high reliability co-benefits.

• Projects cannot be established on land that has been cleared unlawfully.		

Carbon method: *Native forests from managed regrowth*

Carbon method activity requirements	Carbon method monitoring requirements	Co-benefit classes available via proponent assurance (summary)
• Projects under this method capture carbon by changing land management practices to regrow native forest on land where vegetation has been removed for grazing or cropping purposes. • Landholders promote regrowth of native forest by ceasing clearing of aboveground vegetation. In addition, landholders may exclude livestock, change the timing and extent of grazing, or manage non-native plant species or feral animals. • The method uses the Full Carbon Accounting Model (FullCAM) to work out the carbon captured by the regenerating forest. Impacts of disturbances such as fires are also accounted for. • Projects are subject to permanence obligations. This means the project must be maintained for a nominated period of either 100 or 25 years. • Projects need to meet the following requirements to be eligible under this method: - The land must have been subject to at least one comprehensive vegetation clearing for grazing or cropping use since European settlement of Australia. - The land must not have had forest cover in the 10 years before commencing the project. - Before the clearing occurred, there must have been forest cover (20% crown cover consisting of trees that are at least two metres tall) on the land. - The regrowth must have the potential to reach forest cover. - The regrowth may only be grazed by livestock if the grazing does not prevent the vegetation reaching or maintaining forest cover. - The regrowth cannot be harvested except in very limited circumstances such as hazard reduction. - The project must establish forest cover only through the promotion of natural regrowth of vegetation.	• Project proponents are required to monitor regrowth of vegetation and account for disturbances such as fire. • Projects must report regularly (at least once every five years) to demonstrate method requirements are being met and to report on carbon abatement. • Projects are required to: - follow the requirements of the Carbon Farming Initiative Mapping Guidelines and - take into account guidance on stratification, evidence and records for projects under Human-Induced Regeneration and Native Forest from Managed Regrowth methods (published by the Clean Energy Regulator). • Projects must also be audited by a registered national greenhouse and energy reporting (NGER) auditor.	The following co-benefit classes are compatible with proponent assurance for projects using this method: • **Great Barrier Reef co-benefit** - if the regrowth is native vegetation in a pre- clearing wetland in the Great Barrier Reef or is within catchment targeted for sediment reduction • **Wetlands co-benefit** - if the regrowth is native vegetation in a pre-clearing wetland • **Coastal Ecosystems co-benefit** - if the regrowth is native vegetation in a pre- clearing coastal ecosystem • **Threatened Ecosystems co-benefit** - if the regrowth is native vegetation in a pre-clearing threatened ecosystem • **Threatened species co-benefit** - if the regrowth is an area of potential habitat for specified species • **Native vegetation co-benefit** – if the regrowth is native vegetation Proponent assurance enables co-benefit verification through Co-benefit Reports without third-party certified accounts of asset condition change. The link between the method and co-benefit classes selected for proponent assurance is based on established values of regrowth as a pathway to ecosystem repair. Monitoring of carbon outcomes supplements Co-benefit Reports as evidence of ecosystem recovery. Projects are encouraged to undertake third-party assurance if they aim to provide high reliability co-benefits.

Projects cannot direct seed or plant trees. • Projects cannot be established on land that has been cleared unlawfully.		

Carbon method: *Avoided clearing of native regrowth*		
Carbon method activity requirements	**Carbon method monitoring requirements**	**Co-benefit classes available via proponent assurance (summary)**
• Landholders that have historically cleared native forest can instead maintain the forest. Emissions are avoided by not clearing the forest and carbon is stored in trees as they grow. • To calculate the amount of emissions that would be avoided by not clearing the forest, the method compares a projected baseline in which the project area is regularly cleared with the scenario in which the forest is protected. Emissions from fires and other natural disturbances are also accounted for when modelling emissions avoidance. • The method uses the Full Carbon Accounting Model (FullCAM) to work out the avoided emissions resulting from the project. • Projects are subject to permanence obligations. This means the project must be maintained for a nominated period of either 100 or 25 years. • Requirements for eligibility include: - The land on which the project will be carried out must have native forest cover (20% crown cover consisting of trees that are at least two metres tall). - There must be evidence that the land was cleared at least twice in the past since European settlement. - The project proponent must have the right to clear the land again without restriction. - The project proponent must be able to demonstrate an intention to clear the land again in the absence of participating in the Emissions Reduction Fund (or register a carbon project with the Clean Energy Regulator).	• Projects must monitor forest health in the project area and check for disturbances to forest cover such as fire. • Projects require regular reporting (at least once every five years) to demonstrate that project requirements are being met and to report on emissions avoidance. • Projects must also be audited by a registered national greenhouse and energy reporting (NGER) auditor.	The following co-benefit classes are compatible with proponent assurance for projects using this method: • **Great Barrier Reef (GBR) co-benefit** - if regrowth is native vegetation in a pre- clearing wetland in a GBR catchment, or if regrowth is native vegetation within a GBR catchment targeted for sediment reduction • **Wetlands co-benefit** - if regrowth is native vegetation in a pre-clearing wetland • **Coastal Ecosystems co-benefit** - if regrowth is native vegetation in a pre- clearing coastal ecosystem • **Threatened Ecosystems co-benefit** - if regrowth is native vegetation in a pre- clearing threatened ecosystem • **Threatened species co-benefit** - if regrowth is native vegetation in an area of potential habitat for threatened species, other than highly mobile species • **Native vegetation co-benefit** – if the regrowth is native vegetation Proponent assurance enables co-benefit verification through Co-benefit Reports without third-party certified accounts of asset condition change. The link between the method and co-benefit classes selected for proponent assurance is based on established values of regrowth as a pathway to ecosystem repair. Monitoring of carbon outcomes supplements Co-benefit Reports as evidence of ecosystem recovery. Projects are encouraged to undertake third-party assurance if they aim to provide high reliability co-benefits.

Carbon method: Savanna burning *(Savanna fire management 2018 - Emissions Avoidance)*		
Carbon method activity requirements	**Carbon method monitoring requirements**	**Co-benefit classes available via proponent assurance (summary)**
• This method is the oldest approach for savanna burning projects. It does not result in permanence of carbon storage obligations because it is an emissions avoidance model. • Greenhouse gas abatement is achieved by avoiding emissions of methane and nitrous oxide, by reducing the frequency and extent of area burnt, particularly in the late dry season, compared with the average over a baseline period. • In northern Australian savannas, higher intensity fires that release large quantities of greenhouse gases predominate late in the dry season when vegetation is very dry and is almost completely burnt when a fire occurs. • Lower intensity fires are more common early in the dry season when vegetation still contains some moisture from the wet season. In the absence of good fire management, fires tend to occur in the late dry season. • The method requires participants to undertake appropriate fire management in their projects to avoid emissions of methane and nitrous oxide from the burning of savanna. • Emissions reductions are calculated by comparing the emissions produced in each project year, with the average annual emissions produced during the baseline years for the project. • The method covers two geographic areas or rainfall zones. To be eligible, project areas must be located in one or both of these rainfall zones and contain vegetation fuel types defined in the method. The rainfall zones are defined by maps available on the Department of Environment and Energy's website.	• Savanna project owners must provide copies of the vegetation fuel type and fire maps used for calculating net emissions reductions. • Project owners must also provide: - validation results for the projects' vegetation fuel type map - a description of project activities - a declaration that domestic stock numbers in the project area are maintained following usual business practices and are not impacting emissions - evidence of calculations performed either using SavBAT 3 or manually • Projects must be audited by a registered greenhouse and energy (NGER) auditor. A list of registered auditors is available on the Clean Energy Regulator website.	• Savanna burning projects may verify co- benefits for **native vegetation** via proponent assurance. • Proponent assurance enables co-benefit verification through Co-benefit Reports without third-party certified accounts of asset condition change. • Savanna burning is linked to a native vegetation co-benefit because the activity demonstrably reduces the extent of late-dry season fires that impact fire sensitive species and habitats, and also tends to increase the extent of long unburnt vegetation. • Projects are encouraged to undertake third-party assurance if they aim to provide high reliability co-benefits.

Carbon method: Savanna burning *(Savanna fire management 2018 - sequestration and emissions avoidance)*		
Carbon method activity requirements	**Carbon method monitoring requirements**	**Co-benefit classes available via proponent assurance (summary)**
• This method, published in 2018, is a new approach to crediting savanna fire management activities. This sequestration and emissions avoidance method credits projects for carbon sequestered in dead organic matter in addition to credits received for emissions avoided. • One particularly important aspect of all sequestration methods is the requirement for sequestered carbon to be stored permanently. This means that projects must continue to store carbon in the landscape for at least the duration of their permanence period (either 25 or 100 years). There are a number of additional obligations with which project proponents must comply. • The method requires participants to undertake appropriate fire management in their projects so carbon dioxide is removed from the atmosphere by sequestering carbon in dead organic matter and to avoid emissions of methane and nitrous oxide from the burning of savanna. • Emissions reductions are calculated by comparing the emissions produced in each project year, with the average annual emissions produced during the baseline years for the project. • Sequestered carbon is accounted for in addition to emissions avoidance. • Sequestration is calculated by comparing the equilibrium level of carbon stored in dead organic matter during the baseline period, with the equilibrium stored carbon achieved during the project. The method then credits the difference between these equilibrium levels and spreads the credits over the crediting period. • A revised version of the Savanna Burning Abatement tool (SavBAT 3) calculates both emissions avoidance and sequestration abatement. • The change in net abatement resulting from the project (sequestration and emissions avoidance) may be calculated either manually or using SavBAT 3. Calculations account for variations in vegetation fuel types, fire seasons, fuel loads	• Savanna project owners must provide copies of the vegetation fuel type and fire maps used for calculating net emissions reductions. • Project owners must also provide: - validation results for the projects' vegetation fuel type map - a description of project activities - a declaration that domestic stock numbers in the project area are maintained following usual business practices and are not impacting emissions - evidence of calculations performed either using SavBAT 3 or manually. • Projects must be audited by a registered greenhouse and energy (NGER) auditor. A list of registered auditors is available on the Clean Energy Regulator website.	Savanna burning projects may verify co- benefits for **native vegetation** via proponent assurance. Proponent assurance enables co-benefit verification through Co-benefit Reports without third-party certified accounts of asset condition change. Savanna burning is linked to a **native vegetation co-benefit** because the activity demonstrably reduces the extent of late-dry season fires that impact fire sensitive species and habitats, and also tends to increase the extent of long unburnt vegetation. Projects are encouraged to undertake third-party assurance if they aim to provide high reliability co-benefits.

and regional rainfall.		

Appendix 4 – Coastal ecosystems

Coastal ecosystems are defined as pre-clearing Regional Ecosystems on land zones 1, 2 or 3 within the biogeographic subregions of Queensland listed below.

Bioregion	Subregion number	Subregion name
Gulf Plains	2.1	Karumba Plains
Gulf Plains	2.2	Armraynald Plains
Gulf Plains	2.3	Woondoola Plains
Gulf Plains	2.4	Mitchell - Gilbert Fans
Gulf Plains	2.7	Doomadgee Plains
Gulf Plains	2.8	Donors Plateau
Gulf Plains	2.10	Wellesley Islands
Cape York Peninsula	3.1	Coen - Yambo Inlier
Cape York Peninsula	3.2	Starke Coastal Lowlands
Cape York Peninsula	3.3	Cape York - Torres Strait
Cape York Peninsula	3.4	Jardine - Pascoe Sandstones
Cape York Peninsula	3.5	Battle Camp Sandstones
Cape York Peninsula	3.6	Laura Lowlands
Cape York Peninsula	3.7	Weipa Plateau
Cape York Peninsula	3.8	Northern Holroyd Plain
Cape York Peninsula	3.9	Coastal Plains
Wet Tropics	7.1	Herbert
Wet Tropics	7.2	Tully
Wet Tropics	7.3	Innisfail
Wet Tropics	7.6	Kirrama - Hinchinbrook
Wet Tropics	7.7	Bellenden Ker - Lamb
Wet Tropics	7.8	Macalister
Wet Tropics	7.9	Daintree - Bloomfield
Central Queensland Coast	8.1	Whitsunday
Central Queensland Coast	8.2	Proserpine - Sarina Lowlands
Central Queensland Coast	8.3	Clarke - Connors Ranges
Central Queensland Coast	8.4	Byfield
Central Queensland Coast	8.5	Manifold
Central Queensland Coast	8.6	Debella
Brigalow Belt	11.1	Townsville Plains
Brigalow Belt	11.2	Bogie River Hills
Brigalow Belt	11.14	Marlborough Plains
Brigalow Belt	11.18	Mount Morgan Ranges
Southeast Queensland	12.2	Moreton Basin
Southeast Queensland	12.3	Burringbar - Conondale Ranges
Southeast Queensland	12.4	Sunshine Coast - Gold Coast Lowlands
Southeast Queensland	12.7	Gympie Block
Southeast Queensland	12.8	Burnett - Curtis Coastal Lowlands
Southeast Queensland	12.9	Great Sandy
Southeast Queensland	12.10	Burnett - Curtis Hills and Ranges
Southeast Queensland	12.12	Southern Great Barrier Reef

Appendix 5 – Definitions

Aboriginal Carbon Foundation (AbCF): a 100% Aboriginal-owned not-for-profit company established in 2010. The vision of AbCF is to catalyse life-changing, community prosperity through carbon farming opportunities and strength-based community development. AbCF works with both Aboriginal and non-Aboriginal landholders.

Accounting for Nature® Audit & Verification Rules: describes the rules and procedures that underpin the auditing provisions as outlined in the Accounting for Nature® Standard.

Accounting for Nature® Annual Certification Compliance Reports: required to maintain certification of an environmental account annually and should outline any material changes in a Tier 1 - Certified or Tier 2 - Self-verified Environmental Account, and confirm that a base year recalculation is not required.

Accounting for Nature® Science Accreditation Committee: Accounting for Nature's® Ltd's committee for accrediting other organisations' standards, protocols and methods.

Accounting for Nature® Framework: refers broadly to Accounting for Nature's® (AfN) accounting framework for measuring, certifying, verifying, and communicating changes in the condition of the environment, as defined by the AfN Standard, AfN Audit & Verification Rules and other related documents.

Accounting for Nature® Ltd: an independent not-for-profit organisation established to operationalise environmental accounting in Australia and internationally. Accounting for Nature® Ltd provides expert advice, training and accreditation services related to environmental accounting.

Accounting for Nature® Certification Standard: outlines the framework for preparing environmental accounts.

Assurance: in the context of the Land Restoration Fund Co-benefits Standard, refers to confidence in the integrity of co-benefits; that is, assurance that the co-benefits are real. Assurance is a result of the combined requirements for co-benefit eligibility, verification and reporting that are set out in this Standard. There are two levels of assurance: proponent and third-party.

Australian Carbon Credit Unit (ACCU): a tradable financial product that represents one tonne of carbon dioxide equivalent abated. ACCUs are issued and regulated by the Clean Energy Regulator. The issuance of ACCUs is governed by the *CFI Act 2011*, the *Carbon Credits (Carbon Farming Initiative) Act 2011*and the *Carbon Credits (Carbon Farming Initiative) Rule 2015*.

Biodiversity: the variability among living organisms from all sources, including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part, and includes—(a) diversity within species and between species; and (b) diversity of ecosystems.

Bioregion: Bioregions represent broad landscape patterns that are the result of the interplay between factors including geology, climate and biota. Queensland has been divided into 13 bioregions and 132 subregions.

Carbon methods: for the purposes of the Land Restoration Fund Co-benefits Standard, are legislative instruments made under the *Carbon Credits (Carbon Farming Initiative) Act 2011*. Carbon methods detail eligibility and other requirements for how a Clean Energy Regulator registered project can generate ACCUs. Eligible carbon methods for Land Restoration Fund projects are listed in Appendix 1.

Cardinal directions: each of the four main points of a compass: north, south, east and west.

Certification: in the context of the Land Restoration Fund Co-benefits Standard, is a process for third party assurance of data related to co-benefit verification. For example, under the *Accounting for Nature® Framework*,

certification means an environmental account is fit-for-purpose, scientifically robust, based on quality data and contains appropriate measures of environmental condition.

Clean Energy Regulator: an independent statutory authority that administers schemes legislated by the Australian Government for measuring, managing, reducing, or offsetting Australia's carbon emissions.

Coastal ecosystems: pre-clearing Regional Ecosystems on land zones 1, 2 or 3 within the biogeographic subregions of Queensland listed in Appendix 4.

Co-benefits: the environmental, socio-economic or First Nations benefits arising from a Land Restoration Fund carbon offset project in addition to greenhouse gas abatement.

Co-benefit Report: an annual report published on the Land Restoration Fund Register, forming the basis for the verification of co-benefits, in conjunction with any evidence of third-party assurance, where required.

Condition: a measure of both the quantity and quality of an environmental asset. For example, the area of a forest and the diversity of plant and animal species that inhabit that forest.

Confidence level: reflects the robustness of the processes outlined in an Accounting for Nature® Accredited Method used to measure or estimate the condition of the environmental asset. The higher the confidence level, the greater the confidence in the accuracy of the condition assessment and the higher the confidence that the indicators can detect change. The three confidence levels under the *Accounting for Nature® Framework* are Level 1 (Very High), Level 2 (High), and Level 3 (Moderate).

Core Benefits Verification Framework (CBVF): an Indigenous-lead methodology, pioneered by the Aboriginal Carbon Foundation (AbCF), for the verification of the environmental, socio-economic and cultural co-benefits of carbon projects. The CBVF is a week-long process facilitated on-country between different groups of Indigenous rangers and Traditional Owners to determine the most significant environmental, socio-economic and cultural co-benefits of carbon projects. Importantly, the co-benefits identified are placed-based, recognising that communities and Traditional Owner groups have different perspectives of what is important to measure. This Indigenous-to-Indigenous methodology facilitates traditional knowledge sharing, skills development and the creation of Indigenous networks.

Counterfactual scenario: the scenario (for example, an asset condition trajectory) expected to occur in the absence of some defined action or set of actions. A 'counterfactual' scenario is a hypothetical state of the world, used to assess the impact of an action or project. In carbon and co-benefit projects, the relevant counterfactual scenario should describe the most likely outcome in the absence of a specific activity or the project.

Econd®: is an index developed by the Wentworth Group of Concerned Scientists that describes the current biophysical condition of an environmental asset on a scale between 0 and 100, where 100 is a measure of the asset in its appropriate un-degraded or best on offer reference state.

Emissions Reduction Assurance Committee (ERAC): an independent, expert committee that assesses whether methodology determinations (carbon methods) meet the requirements of the ERF. The ERAC helps ensure the ongoing integrity of carbon methods under the ERF.

Emissions Reduction Fund (ERF): the Australian Government's framework for crediting ACCUs, purchasing ACCUs through reverse auctions, and safeguarding the emissions reductions achieved.

Environmental accounts: keep track of the condition and trend of environmental assets. Under the *Accounting for Nature® Framework*, an environmental account is a compilation of consistent and comparable data and indicators for policymaking, analysis and research.

Environmental accounting: provides standardized, quantifiable assessments of the physical state of environmental assets such as soils, native vegetation, wildlife, rivers, and marine ecosystems. This enables natural resource managers, policymakers, investors, and customers to link the condition of environmental assets with economic decision making. Importantly, environmental accounting also seeks to determine the trend in environmental condition – that is, to show whether (or not) and at what rate a resource management activity and underlying investment is making a real and measurable difference on the ground.

Environmental account registry: a register on the Accounting for Nature® website that lists key information about all publicly registered Environmental Accounts and specifies their status as either 'Registered', 'Tier–1 - Certified' or 'Tier–2 - Self-verified.'

Environmental assets: any biophysical features in nature that can provide benefits to society. They can be an ecosystem such as a forest, a river, or an estuary; a natural resource that contributes directly to economic activities such as fish stock, agricultural soil, or a groundwater resource; they can be an individual species of mammal or bird; or any other feature in nature.

Environmental co-benefits: positive environmental outcomes associated with improving the condition of an environmental asset.

Environmental condition: a scientific measure of the capacity of an environmental asset to function and deliver benefits to society, and incorporates elements of both the quantity (e.g. the area of a forest) and quality (e.g. the diversity of species and structure of the forest) of that environmental asset.

Estuarine wetlands: wetlands with oceanic water that is diluted with freshwater run-off from the land. The "Wetland" field in the Regional Ecosystem (RE) description database can be used as a guide to identify regional ecosystems that are, or contain, estuarine wetlands.

First Nations: the preferred term to refer to Indigenous or Aboriginal and Torres Strait Islander peoples. By using the term First Nations, recognition is given to Aboriginal and Torres Strait Islander peoples as the sovereign people of Australia. Further, it recognises various language groups as separate and unique sovereign nations.

First Nations co-benefits: positive outcomes for a First Nations person, First Nations people or a First Nations community recognising culture, custom, environment, country and social connection.

Greenhouse gases: those gases defined as greenhouse gases under the *National Greenhouse and Energy Reporting Act 2007*.

Indicator: a quantitative or qualitative variable that provides a simple and reliable means to measure a particular phenomenon or attribute.

Indigenous Land Use Agreement (ILUA): an agreement, the details of which are entered on the Register of Indigenous Land Use Agreements.

Land zones: areas with significant differences in geology and associated landforms, soils and physical processes. They generally correspond to broad geological categories or groupings. Land zones are generally determined by amalgamating a range of geological, land system and/or soil mapping units. There are twelve different land zones in Queensland[19].

Land Restoration Fund (LRF): administered by the Queensland Government and is expanding carbon farming in Queensland by supporting land-sector carbon projects that deliver additional environmental, socio-economic and

[19] Queensland Government, 2016, *Landzone definitions*, Brisbane. https://www.qld.gov.au/environment/plants-animals/plants/ecosystems/descriptions/land-zones accessed March 2023.

First Nations co-benefits. The LRF supports landholders, farmers, and First Nations peoples to generate new, regular income streams through carbon farming projects whilst providing valuable co-benefits such as healthier waterways, increased habitat for threatened species, and more resilient landscapes.

Land Restoration Fund Register: a public record of the verified co-benefits classes a project delivers to the Land Restoration Fund in addition to ACCUs. The Land Restoration Fund Register is maintained and published by the Land Restoration Fund.

Method: under the *Accounting for Nature® Framework,* a method contains the detailed measurement, reporting and verification requirements for specific environmental assets and can be applied at different scales (regional, ecosystem, sub-region). The Land Restoration Fund methods for vegetation and soil contain indicators that are aggregative; that is, they can be combined with other indicators to produce single reports.

Matters of National Environmental Significance (MNES): encompass certain environmental values protected under Australian Commonwealth legislation, for example, but not limited to, threatened ecological communities and threatened species listed under the *Environment Protection and Biodiversity Conservation Act 1999*.

Matters of State Environmental Significance (MSES): encompass certain environmental values protected under Queensland legislation, for example, but not limited to, regulated vegetation under the *Vegetation Management Act 1999*, and protected areas under the *Nature Conservation Act 1992*[20].

Monitoring and Reporting Plan: the plan for monitoring and reporting co-benefits undertaken by the project proponent for the duration of the Land Restoration Fund project and consistent with the required assurance level. The Monitoring and Reporting Plan must be validated by the Land Restoration Fund and registered under the Co-benefits Standard before Land Restoration Fund projects can commence annual reporting.

Native vegetation: all indigenous terrestrial or aquatic plants in an area, incorporating all living and non-living components. This includes Australia's diverse natural vegetation and permanent native plantings for biodiversity and sustainable land management purposes[21].

Palustrine wetlands: vegetated, non-riverine or non-channel systems. They include billabongs, swamps, marshes, bogs, springs, soaks etc. and have more than 30% emergent vegetation. The "Wetland" field in the Regional Ecosystem (RE) description database[22] can be used as a guide to identify regional ecosystems that are, or contain, palustrine wetlands.

Permanence period: a period of time chosen by the project proponent, of either 25 years or 100 years, over which the project proponent must maintain the project's stored carbon. The permanence period forms part of a proponent's permanence obligations for ERF registered projects.

Pre-clearing regional ecosystems: the Regional Ecosystems (REs) present before European clearing.

Pre-clearing wetlands: Regional Ecosystems (REs) present before European clearing that are classified as estuarine, palustrine or riverine wetlands within the catchment of the Great Barrier Reef[23].

[20] Queensland Government, 2019, *Matters of state environmental significance—mapping method*, Brisbane. Matters of state environmental significance—mapping method | Environment | Department of Environment and Science Queensland (des.qld.gov.au) accessed March 2023.

[21] Australian Government, 2021, Native Vegetation in Australia, https://www.dcceew.gov.au/environment/land/native-vegetation, accessed March 2023.

[22] Queensland Government, 2019, *Regional ecosystem description database*, Brisbane, Download the Regional Ecosystem Description Database | Environment land and water | Queensland Government (www.qld.gov.au) accessed March 2023.

[23] Department of Environment and Science, Queensland (2021) What are wetlands?, Wetland*Info* website. https://wetlandinfo.des.qld.gov.au/wetlands/what-are-wetlands/ , accessed March 2023.

Project: a set of activities consistent with an approved carbon method that meets the eligibility requirements for registration with the Clean Energy Regulator and meets the requirements for investment under the Land Restoration Fund.

Project Area: in relation to an area-based carbon offsets project, an area of land on which the project has been, is being, or is to be, carried out.

Project proponent: the entity with the legal right to undertake a project under the Land Restoration Fund.

Proponent assurance: involves direct reporting by a project proponent and verification by the Land Restoration Fund. It is required for all LRF projects as part of annual reporting processes. For LRF projects where there is not sufficient evidence of a direct correlation between the carbon method being used and the environmental co-benefit being claimed, third party assurance will also be required in addition to annual proponent assurance.

Regional ecosystems (REs): vegetation communities in a bioregion that are consistently associated with a particular combination of geology, landform and soil (*Vegetation Management Act 1999*). REs are the primary ecosystem classification for planning and regulation in Queensland. Pre-clearing and remnant RE mapping are available statewide including through Queensland Globe[24]. Descriptions for REs can be accessed through the Regional Ecosystem (RE) description database (REDD)[25].

Relevant assets: in the context of environmental co-benefits under the Land Restoration Fund Co-benefits Standard, relevant assets are environmental assets included in the Land Restoration Fund Register against which the co-benefits are claimed (e.g. the specific threatened regional ecosystem for which a threatened ecosystem co-benefit is claimed).

Riverine wetlands: wetlands contained within a channel (e.g. river, creek or waterway) and their associated streamside vegetation. The "Wetland" field in the Regional Ecosystem (RE) description database can be used as a guide to identify regional ecosystems that are, or contain, riverine or 'fringing riverine' wetlands.

Socio-economic co-benefits: positive direct or indirect outcomes for a person, community, or regional economy from a Land Restoration Fund project located close to that community or within that region.

Significant residual impact (SRI) guidelines: set out processes to determine whether a project is likely to have a significant impact on matters of state[26] (MSES) or national[27] (MNES) environmental significance.

Standard: in the context of the Land Restoration Fund Co-benefits Standard, a standard is something set up and established by authority as a rule for the measure of quantity, weight, extent, value, or quality. The Land Restoration Fund Co-benefits Standard is a document that outlines the overarching process and requirements for measuring, verifying and reporting co-benefits for the purposes of the Land Restoration Fund.

Third-party assurance: involves third-party verification of the co-benefits being claimed. It is specifically required for Land Restoration Fund projects where there is not a direct correlation between the carbon method being used

[24] Queensland Government, 2019, *Queensland Globe*, Brisbane, Queensland Globe (information.qld.gov.au) accessed March 2023.

[25] Queensland Government, 2019, *Regional Ecosystem Description Database*, Brisbane, Download the Regional Ecosystem Description Database | Environment, land and water | Queensland Government (www.qld.gov.au) , accessed March 2023.

[26] Government, 2014, *Significant residual impact guideline (for MSES and prescribed activities assessable under the Sustainable Planning Act 2009),* Brisbane. https://environment.des.qld.gov.au/__data/assets/pdf_file/0017/90404/significant-residual-impact-guide.pdf, accessed March 2023.

[27] Australian Government, 2013, *Significant impact guideline 1.1. – Matters of national environmental significance*. https://www.dcceew.gov.au/environment/epbc/publications/significant-impact-guidelines-11-matters-national-environmental-significance accessed March 2023.

and the environmental co-benefit being claimed and must be submitted in the first year of the project and at least every five years thereafter, for the duration of the project.

Validation: refers to the checking and evaluation of a Land Restoration Fund project design, including the Monitoring and Reporting Plan, prior to its implementation, to ensure that the project is eligible and meets all requirements as laid out in applicable Standard and Method documents.

Vegetation management watercourse and drainage feature map (1:25000): defined by s20AB of the *Vegetation Management Act 1999*. This dataset contains watercourse and drainage features covering all local government areas except Brisbane, Moreton Bay, Gold Coast, Sunshine Coast, Noosa, Logan and Redlands, for all development applications to clear vegetation in Queensland, except in South East Queensland. It is also used for self-assessment under accepted development clearing codes and area management plans in Queensland, except in South East Queensland.

Verification: refers to the process of ensuring that the emission reductions and/or co-benefits delivered by the Land Restoration Fund project are genuine and are as reported by the proponent.