

Department of Climate Change,
Energy, the Environment and Water

Public consultation on the Nature
Repair Market: Protect and Conserve
method design

submission

December 2025





DCCEEW: Public consultation on the Nature Repair Market Protect and Conserve method design submission

The Carbon Market Institute (**CMI**) welcomes this opportunity to respond to the Department of Climate Change, Energy, the Environment and Water's (**DCCEEW**) public consultation on the Nature Repair Market's Protect and Conserve (**P&C**) method design, which opened on 17th November 2025. CMI supports a national Nature Repair Market that is aligned to and interoperable with the Australian Carbon Credit Unit (**ACCU**) Scheme to deliver carbon and nature goals in line with Australia's international targets and obligations. We particularly note the potential for these projects to drive investment into Australia's regions, delivering cultural, social and economic outcomes, alongside environmental ones.

CMI is an independent, member-based institute that promotes the use of market-based solutions and supports best practice in decarbonisation to limit warming to 1.5°C. Our membership includes 140+ primary producers, carbon service providers, First Nations organisations, legal and financial institutions, technology firms, emissions-intensive companies and nature & conservation organisations in Australia and Asia Pacific. The CMI Board updates CMI's Policy Positions annually, which draw on practical insights from—but are ultimately independent of—members.¹ CMI also administers the Australian Carbon Industry Code of Conduct (ACI Code), which was established in 2018 to steward consumer protection and market integrity.²

Earlier this year CMI co-authored the Carbon for Nature report with Natural Resource Management (**NRM**) Regions Australia, which explores the opportunities, challenges, and policy measures to leverage carbon farming investment to deliver additional benefits for nature..³ The report outlined how 'carbon for nature' projects are already delivering biodiversity benefits by increasing habitat extent and connectivity, improving habitat quality and building climate resilience but the ACCU Scheme could be better leveraged and optimised to deliver better outcomes for nature. The report outlined considerations for the Australian Government to develop better enabling conditions and investment to bridge the gap between a standard ACCU project and a nature-focussed project. Notably, the report surmised that investor confidence in ACCU projects' nature outcomes was likely to increase if there was a stacked project under the Nature Repair Market.⁴

Modelling undertaken this year by CMI with Climateworks Centre and Deakin University, further showed that there are significant carbon and nature opportunities through mixed-land uses.⁵ Utilising the Land Use Trade-Offs Model v.2 (LUTO2), this research demonstrates that Australia can meet its nature (Global Biodiversity Framework) and climate (Paris Agreement-aligned) targets and agricultural and food security goals, but it requires strategic, more ambitious and integrated carbon and nature policy settings. The land sector has a vital role to play in achieving these commitments with land management carefully managed to scale up agricultural production, while simultaneously increasing carbon sequestration and biodiversity outcomes. Interoperability between the ACCU Scheme and the Nature Repair Market is a key lever in achieving these necessary outcomes.

¹ CMI 2023, 'CMI Policy Positions', https://carbonmarketinstitute.org/app/uploads/2023/11/CMI-Policy-Advocacy-Positions_FINAL-2023.pdf.

² CMI 2024, 'Australian Carbon Industry Code of Conduct', <https://carbonmarketinstitute.org/code/>.

³ CMI and NRM Regions Australia 2025, 'Carbon for Nature: Leveraging carbon farming investment to deliver additional benefits for nature,' https://carbonmarketinstitute.org/app/uploads/2025/02/Carbon-For-Nature-Report_Final.pdf.

⁴ CMI and NRM Regions Australia 2025, 'Carbon for Nature: Leveraging carbon farming investment to deliver additional benefits for nature,' p. 40.

⁵ CMI, Climateworks Centre & Deakin University 2025 (pre-publication), *Modelling nature-positive net zero pathways*.



CMI is also in the process of upgrading the Carbon Farming Industry Roadmap⁶ to incorporate nature project prioritisation and outcomes. The refreshed Roadmap vision is one that encompasses a market that prioritises sufficient carbon sequestration to support Australia's transition to net-zero emissions, alongside driving the pace and scale of nature restoration under Australia's Nature Positive commitments. Both of these pieces of work recognise the critical importance of government leadership in the carbon and nature markets, ensuring that robust methods, integrity and consistency underpin critical outcomes.

Regarding the P&C method, CMI is supportive of a method that supports projects that establish new, or increase existing protected and conserved areas whilst improving biodiversity outcomes through enhanced management activities. While restoration and revegetation activities are important, equally important is the preservation of intact landscapes to support biodiversity and connectivity. CMI commends DCCEEW's consultation on the use of fire as a management tool in the P&C method, with specific requirements for relevant Aboriginal or Torres Strait Islander input. We also acknowledge the provision to assess projects against climate change vulnerability and the inclusion of a project plan (updated every 5 years throughout the permanence period) as an important tool in supporting active land management throughout the lifetime of the project.

CMI welcomes the Government's planned use of this method to contribute to its goal of protecting and conserving 30% of waters and 30% of lands by 2030 under the KMGBF. We note that DCCEEW is exploring how funds allocated under the Australian Bushland Program could be strategically utilised to support projects under the P&C method. The *Carbon for Nature* report makes a suggestion for a Government Nature Positive Fund to stimulate uptake of nature projects in the ACCU Scheme.⁷ Given the intended interoperability between the ACCU Scheme and the Nature Repair Market, this initial finance boost will likely set a demand signal for future government purchases, private investment and projects that are able to deliver strong outcomes for nature. To support interoperability, with both ACCU Scheme projects but also Nature Repair Market methods under development (e.g. ENV method), we underline the importance of projects registered under the Nature Repair Market being aligned with NRM Plans for the regions in which they operate, similarly to the requirements in the ACCU Scheme.

CMI has outlined some key considerations for DCCEEW regarding the P&C method below. Due to the volume of priority consultations, CMI has not been able to test the positions outlined with its membership.

Considerations for Government:

Review permanence period requirements to enable greater uptake through alignment with state and territory land laws.

The proposed P&C method is unique in that it is the first Nature Repair Market method to require a 100-year permanence period, with a 25-year option only available in limited circumstances, and to be accompanied by a conservation management commitment of at least 99 years. While CMI is supportive of projects that make meaningful long-term contributions to landscape-scale restoration and sequestration, we note that mandating these permanence period requirements may inhibit project uptake, particularly among Indigenous groups, or on lands where there is a Native Title or Aboriginal land rights claim.

⁶ CMI 2022, 'Australian Carbon Farming Industry Roadmap,' <https://carbonmarketinstitute.org/australian-carbon-farming-industry-roadmap/>.

⁷ CMI and NRM Regions Australia 2025, 'Carbon for Nature: Leveraging carbon farming investment to deliver additional benefits for nature,' p. 10.



This is a particularly pertinent consideration in the Northern Territory⁸ and Queensland⁹ where leases for land use are capped at 99-years under the respective Aboriginal land rights acts. CMI has heard from some of its Indigenous member organisations that the groups they represent would not undertake projects with a 100-year permanence period under the ACCU Scheme due to these laws, but also due to complexities of successional planning for benefit sharing agreements. The latter two considerations are equally relevant to landholders across regional Australia, given the impact of such a project on land use and sale opportunities, alongside long-term and ongoing monitoring requirements. Therefore, CMI suggests that the current permanence period requirements be reviewed to support greater uptake of projects under the P&C method.

Utilise government purchasing to strategically target ecosystem protection, increase and connectivity.

CMI notes the potential of the P&C method to preserve intact, high-value old growth ecosystems, and where accompanied by strategic projects under other ACCU and NRM methods, increase ecosystems under protection and support ecosystem connectivity. We also note the stated aim of contributing to the KMGBF 30 x 30 goal. As the *Carbon for Nature* report highlights, direct government investment can provide essential early-stage capital to stimulate private sector investment in the Market. It can also be a catalyst to support early movers through pilot pathways for example, a pilot framework for dual-market projects. We suggest that to support intended outcomes, any government financial support for P&C method projects are guided by a strategy that reviews project areas based on their likely impact and ability to enhance ecosystems and their connectivity. We note the P&C method potential to support the conservation and recovery of threatened species and ecological communities which may be a target for strategic government investment.

Provide further detail on notification requirements, and responsive action, should a project area condition score drop below the certificate threshold.

While the ACCU Scheme incorporates adaptive regulatory management to any avoidable reversal events through pauses on ACCU issuances, carbon maintenance obligations, fiscal penalties and more, CMI cautions that the single-issue certificate model of the NRM makes it unclear what happens if a project drops below the certificate threshold of its method. CMI asks that DCCEEW provide further clarity on the notification requirements, as well as possible risk management/clawback mechanisms to be engaged should a project's area condition score decline substantially.

We note that for projects enhancing ecosystem condition under P&C method DCCEEW is considering a delayed certificate issuance to ensure that changes can be measured. We are supportive of such a safeguard, and request further consideration be given to how projects that are maintaining ecosystem condition may be expected to respond in the instance of an avoidable decline in condition. Specific guidance should also be prepared to outline remediation processes in the instance of an avoidable decline in condition after a certificate has been issued.

Inclusion of areas already in the National Reserve System should be carefully considered for alignment with the Biodiversity Integrity Standards and ensure enhancement is mandatory.

The consultation paper proposes that the P&C method may be applicable to areas already included in the National Reserve System, as well as areas that are already recognised as conservation areas (Scenario 3). The

⁸ Department of the Prime Minister and Cabinet, *Aboriginal Land Rights (Northern Territory) Act 1976*, S19A(4), <https://www.legislation.gov.au/C2004A01620/latest/text>.

⁹ Queensland Government, *Aboriginal Land Act 1991*, s120(1), <https://www.legislation.qld.gov.au/view/whole/html/current/act-1991-032?utm>.



paper outlines that the method activity of “the commitment to protection score would recognise the mechanism of protection provided by the P&C project in addition to that provided by the covenant.”¹⁰

As with the ACCU Scheme’s Offset Integrity Standards, methods under the NRM are covered by the Biodiversity Integrity Standards, of which standard (a) ensures that the results from the project “would be unlikely to occur if the project was not carried out” (additionality).¹¹ CMI notes the importance of the Biodiversity Integrity Standards in ensuring that outcomes from NRM projects are robust and represent additional outcomes. We suggest careful consideration of how potential P&C projects on pre-existing reserve or covenant areas would meet the Biodiversity Integrity Standards, specifically the additionality clause.

Include a requirement for alignment of project activities with Natural Resource Management plans.

The *Carbon Credits (Carbon Farming Initiative) Act 2011*, which legislates the ACCU Scheme, includes an explicit requirement for projects to align with the relevant NRM Plans. The inclusion of this requirement is intended to mitigate the risk that an ACCU Scheme project will have adverse impacts on the local ecosystem in which it exists. We note that there is no such similar requirement for alignment with NRM plans under the *Nature Repair Act 2023* which enables the Nature Repair Market.

CMI suggests that consideration should be given to how, either at an Act level, or a method level, the Nature Repair Market could include a similar provision to support alignment of projects with NRM plans. We believe that this would ensure that project outcomes are better aligned with the regional aspirations for appropriate land use and restoration, while also facilitating greater interoperability with the ACCU Scheme.

Prepare guidance on ACCU Scheme interoperability for the Nature Repair Market, but especially for the Protect & Conserve Method.

We note that the Nature Repair Market is intended to be interoperable with the ACCU Scheme, enabling landscape scale ecosystem repair as well as carbon sequestration. However, given the newness of the market, industry would benefit from clear guidance from government regarding interoperability between schemes. A guidance paper on interoperability would signal whole-of-government alignment and thus better policy coherence and delivery. Interoperability enables more impact per hectare and more confidence per dollar invested. With the right structure and interconnected market architecture it can improve market efficiency through lower transaction fees and reduced duplication but also increase participation by potentially increasing financial viability of projects and diversifying revenue streams.

At present, a lack of consistent guidance risks fragmenting approaches across participants, with the potential to undermine scheme integrity through divergent project delivery. We recall that the Replanting native forest and woodland ecosystems method design explicitly states an aim of stacking with ACCU Scheme projects under the Reforestation by Environmental or Mallee Plantings method. However, there is no such similar comment in the P&C method consultation paper and CMI encourages parallel development of methods, where appropriate.

In order to facilitate greater uptake of stacked projects with dual carbon and nature benefits, a guidance document should clearly outline how projects can participate in both the ACCU Scheme and the Nature Repair Market in a manner that:

- Maintains the environmental integrity of each scheme

¹⁰ DCCEEW 2025, *Nature Repair Market Protect and Conserve method – proposed design*, p. 42, https://storage.googleapis.com/files-au-climate/climate-au/p/prj38f33b154aca085223e8d/page/Nature_Repair_Market_Protect_and_Conserve_method_proposed_design.pdf.

¹¹ DCCEEW, *Nature Repair Act 2023*, Div.3, s57(1)(a), <https://www.legislation.gov.au/C2023A00121/latest/text>.



- Prevents double counting and misleading claims
- Reduces unnecessary regulatory duplication and lower transaction costs thus facilitating landholder uptake
- Supports delivery of complementary carbon and nature outcomes

Such guidance could take a similar form to method guidelines in the ACCU Scheme, which provide further clarification on specific details of project implementation to support Scheme-level consistency. The Cassowary Credits Stacking Guide developed by Eco-Markets Australia also provides a higher-level reference point, with particular emphasis on timeline and process to ensure additionality and integrity in projects.¹² A well-structured guidance document could provide clear rules on: stacking versus bundling; additionality alignment and eligibility tests; permanence and risk management consistency; Measurement, Reporting and Verification interoperability (shared data collection, baselines); registry and tracking alignment; claims guidance for buyers; method development coordination. CMI would be willing to assist in the development of such guidance.

Should you wish to discuss CMI's submission in more detail, please contact Emily Tammes (emily.tammes@carbonmarketinstitute.org).

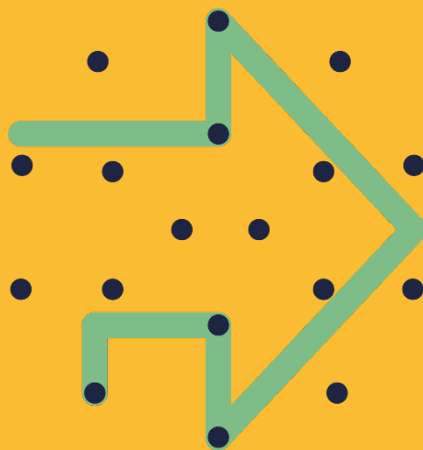
Yours sincerely

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¹² Eco-Markets Australia, *Stacking Cassowary Credit*, 2025, <https://eco-markets.org.au/wp-content/uploads/2025/05/Cassowary-Credits-Stacking-Guide.pdf>.



for more information please contact

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The Carbon Market Institute is at the centre of climate change policy and business in Australia. Independent and non-partisan, we bring business, policy makers and thought leaders together to drive the evolution of carbon markets towards a significant and positive impact on climate change.

Engaging leaders, shaping policy and driving action, we're helping business to seize opportunities in the transition to a low carbon economy.



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