Consultation Summary

Draft Greenhouse Gas Emissions Offsets Policy

# Engagement Program September 2021 - April 2022

|  |  |
| --- | --- |
| **Document title** | Consultation Summary |
| **Contact details** | Department of Environment, Parks and Water Security |
| **Approved by** |  |
| **Date approved** |  |
| **Document review** | N/A |
| **TRM number** |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Version | Date | Author | Changes made |
| 0.1 | 26 May 2022 | Environment Policy  | Draft  |

Contents

[Engagement Program September 2021 - April 2022 1](#_Toc106202437)

[Introduction 4](#_Toc106202438)

[1. Climate change impacts and action 4](#_Toc106202439)

[1.1. NT Government response 4](#_Toc106202440)

[2. Role of the Greenhouse Gas Emissions Offsets Policy 5](#_Toc106202441)

[2.1. NT Government response 5](#_Toc106202442)

[2.1.1. The role of offsets and the Emissions Offsets Policy 6](#_Toc106202443)

[2.1.2. Recommendation 9.8 6](#_Toc106202444)

[3. The Large Emitters Policy 7](#_Toc106202445)

[3.1. NT Government response 7](#_Toc106202446)

[4. Operation of the NT Offsets Framework 7](#_Toc106202447)

[4.1. NT Government Response 7](#_Toc106202448)

[5. Relationship to Commonwealth offset requirements 8](#_Toc106202449)

[5.1. NT Government response 8](#_Toc106202450)

[6. Policy application and scope 8](#_Toc106202451)

[6.1. NT Government response 8](#_Toc106202452)

[7. Offset determinations and decision making 9](#_Toc106202453)

[8. Eligible offset types and order of priority 10](#_Toc106202454)

[9. Offset delivery and compliance 13](#_Toc106202455)

[10. Other feedback 14](#_Toc106202456)

# Introduction

A draft Greenhouse Gas Emissions Offsets Policy (draft policy) was released on 1 September 2021 for public consultation. It was published on the Department of Environment, Parks and Water Security (DEPWS) website, with submissions sought by 15 October 2021.

In response to the release of the draft policy, DEPWS received a total of 68 written submissions; 33 from environmental, industry and community organisations, Aboriginal Land Councils, and 35 from members of the public. A number of face-to-face meetings with a range of stakeholders were also undertaken.

Stakeholders were generally supportive of the overarching structure and approach of the draft policy, however a range of issues and concerns were provided on many different aspects of the policy. Many stakeholders requested further opportunities to review and discuss a revised draft policy. In response, DEPWS developed a revised draft policy seeking to address stakeholder feedback, and undertook further engagement with stakeholders as requested. This involved a number of face-to-face stakeholder meetings, as well as one additional submission from the resources sector.

This report provides a summary of feedback provided during these consultation processes and outlines how the NT Government has addressed stakeholder views in a final Greenhouse Gas Emissions Offsets Policy (the Final Policy). Part One addresses feedback received on the draft policy as a whole and its role in achieving the net zero emissions target by 2050. Part Two presents the feedback received on specific elements of the draft policy.

Part One

# Climate change impacts and action

Stakeholders in the environment, community and public policy sectors highlighted widespread community concern about the impacts of climate change and the perceived lack of action at both Federal and Territory levels. A number of these stakeholders used the submission process and face-to-face engagement to highlight their disagreement with the NT Government’s net zero emissions by 2050 target and the approach to achieving the target. Many requested more ambitious targets, and were concerned about the absence of interim targets.

Stakeholders frequently referenced Intergovernmental Panel on Climate Change reporting, international commitments and other evidence of a changing climate and extreme weather events to encourage that more is done by governments to reduce emissions and prevent the climate becoming unliveable. The release of the draft policy for consultation was seen as a small and insufficient step by these stakeholders in the broader picture of a global climate change response.

Some stakeholders in the environment, carbon and indigenous sectors were concerned that the Emissions Offsets Policy would be released before the NT Government had released its broader Emissions Reduction Strategy (see Action 1.2.1 in the under the Climate Change Response: Three Year Action Plan).

## NT Government response

The NT Government’s target of net zero emissions by 2050 is consistent with that of the Australian Government and all states and territories.

The NT Government has enshrined its commitment to reducing emissions in legislation and Government Strategy:

* The Environment Protection Act 2019 (EP Act) requires the impacts of a changing climate to be accounted for when planning, assessing and carrying out a proposed action under the Act. The Petroleum (Environment) Regulations 2016 (PER) also include a mechanism to regulate new or expanding development on the basis of emissions and impacts to a changing climate.
* The ‘Northern Territory Climate Change Response: Towards 2050’2 (released in 2020) establishes the target of net zero emissions by 2050. The supporting ‘Delivering the Climate Change Response Three Year Action Plan’ commits to an NT Emissions Reduction Strategy.

The NT Government has developed, and is in the process of developing, a range of policies and guidance material to support achievement of the net zero emissions by 2050 target. The approach can be broadly categorised into two streams of work:

1. Development of an Emissions Reduction Strategy for the NT.
2. Early establishment of policy and guidance to support regulatory decision making in relation to emissions.

A key measure in the approach to achieving the net zero emissions by 2050 target will be the offsetting of unavoidable emissions, once all reasonable and practicable opportunities to avoid and reduce them have been implemented. Accordingly, the final Policy sits within the broader approach to achieving the net zero target and will play a critical role in achieving the target.

# Role of the Greenhouse Gas Emissions Offsets Policy

A significant amount of concern was generated in the environment, community and public policy sectors by a misunderstanding of the role of the Emissions Offsets Policy within the Territory’s regulatory framework for emissions management.

There was a perception that the Emissions Offsets Policy represented the NT Government’s approach to:

* satisfying Recommendation 9.8 of the Scientific Inquiry into Hydraulic Fracturing in the Northern Territory (the Hydraulic Fracturing Inquiry)
* achieving the Territory’s net zero emissions by 2050 target.

Many stakeholders saw the absence of references to the gas industry and Recommendation 9.8 in the draft policy as an indication that the NT Government was not intending to address or support commitments in relation to Recommendation 9.8. There were many recommendations to redraft the policy to require any onshore shale gas development in the Territory to offset all life cycle emissions immediately, including exploration and production projects. Some stakeholders stressed that if this action was not taken, the NT Government should ban onshore shale gas development in the Territory all together.

There was general confusion about how the net zero emissions by 2050 target related to the Emissions Offsets Policy, and the target set for offsets within the policy. There were also concerns that the Emissions Offsets Policy would not do enough to achieve the Territory’s overarching emissions targets.

## NT Government response

The Emissions Offsets Policy does not represent the NT Government’s response to Recommendation 9.8 or its full approach to achieving net zero emissions by 2050. It is one component in a suite of regulatory and policy tools that will contribute to and support the use of offsets in the achievement of the Territory’s overarching emissions related commitments.

The ‘Regulating GHG Emission in the Territory’ factsheet clarifies the role of the Emissions Offsets Policy within the Territory’s regulatory framework for emission management. The factsheet has been used to support ongoing stakeholder engagement and to clarify the relationship of the policy with Recommendation 9.8.

The role of the Emissions Offsets Policy has been clarified in the Final Policy and is described briefly below.

### The role of offsets and the Emissions Offsets Policy

Under the Territory’s current regulatory approach to emissions management, offset requirements can only be applied to projects that require an environmental authorisation to proceed, most commonly Environmental Approvals under the *Environment Protection Act 2019* or Environment Management Plans under the Petroleum (Environment) Regulations 2016. The extent of offsets required in these cases will be determined by the authorising Minister on a case-by-case basis in accordance with assessment and approval provisions and processes under Territory legislation, and informed by the expectations outlined in the ‘Greenhouse Gas Emissions Management for New and Expanding Large Emitters’ (the Large Emitters Policy).

It is the Large Emitters Policy that translates how the Territory’s net zero emissions by 2050 target applies to a project, and how offsets should be used to contribute towards the 2050 target. This includes an expectation that:

1. project proposals exceeding emissions thresholds of the Large Emitters Policy are accompanied by a Greenhouse Gas Abatement Plan (GGAP)
2. the GGAP demonstrates how emissions will be avoided, mitigated or as a last resort offset to achieve a project-level target of net zero emissions by 2050, or demonstrate why an alternative target is appropriate (for example, where the project ends before 2050).

Offset requirements will be applied to projects where the relevant decision makers support the offset proposals within a GGAP, or where additional offsets are determined as necessary as a result of the project’s assessment. Where offsets are determined necessary, offset requirements will be applied as conditions of approval to the environmental authorisation.

The primary role of the Emissions Offsets Policy is to guide the appropriate, consistent and transparent design and delivery of emissions offsets where a condition has been applied to an environmental authorisation under Territory legislation requiring offsets. It is not within the regulatory scope of the Emissions Offsets Policy to mandate offsets, or to direct or restrict decision makers in these statutory determinations.

The target for offsets established by the Emissions Offsets Policy simply highlights the link to the net zero emissions by 2050 target, and that offsets must make a material and meaningful contribution towards this target.

### Recommendation 9.8

The NT Government is continuing to work with the Commonwealth Government and industry to finalise its response to Recommendation 9.8. The Emissions Offsets Policy will apply to the gas industry in the same way it will apply to any type of development subject to emissions regulation under Territory legislation.

# The Large Emitters Policy

Many stakeholder submissions included feedback and commentary on the Large Emitters Policy. There was some confusion across stakeholder groups about the relationship between the Large Emitters Policy and the Emissions Offsets Policy.

A number of stakeholders in environment, community, indigenous and public policy sectors criticised the Large Emitters Policy, generally focusing on the emissions thresholds set by the policy which trigger expectations for a GGAP and prompt the potential use of offsets. There was a view that the thresholds were too high, resulting in potential development not being subject to emissions assessment and the potential application of offset requirements. Submissions recommended that the threshold for land clearing should be in line with other industrial activities. On this basis some stakeholders requested the Large Emitters Policy be reviewed.

Conversely, some industry stakeholders thought the emissions thresholds were too low and might unreasonably impact development.

## NT Government response

The relationship between the Large Emitters Policy and the Emissions Offsets Policy has been clarified in the Final Policy and further explained in the ‘Regulating GHG Emission in the Territory’ fact sheet. This relationship has also been clarified in ongoing stakeholder engagement on the Emissions Offsets Policy.

The policy positions established by the Large Emitters Policy were developed in consultation with a range of key stakeholder groups and were approved by the NT Government. The outcomes of this consultation is published on the DEPWS website, including a full [Consultation Report](https://depws.nt.gov.au/environment-information/large-emitters-policy/large-emitters-policy?SQ_VARIATION_1042148=0). The Large Emitters Policy has been in effect since 1 September 2021 and will be reviewed two years from commencement. The NT Government is working with industry to ensure the Large Emitters Policy is implemented effectively and its expectations are satisfied.

Importantly, while the emissions thresholds in the Large Emitters Policy inform when a GGAP is required to outline a proponent’s emissions management approach, the Northern Territory Environment Protection Authority (NT EPA) has the ability to assess projects with lower emissions under the *Environment Protection Act 2019* where this is considered appropriate.

# Operation of the NT Offsets Framework

Some stakeholders provided feedback in relation to other components of the NT Offsets Framework, including suggested amendments to the NT Offset Principles, and expedition of the development of the Administrative Guidelines to assist contemplation of the Emissions Offsets Policy. There was also some confusion about what Prescribed Acts are under the NT Offsets Framework.

## NT Government Response

The NT Offset Principles are in effect and will be reviewed two years after commencement. The Principles were developed in consultation with a range of key stakeholder groups and were approved by the NT Government. The outcomes of this consultation is published on the DEPWS website, including a full [Consultation Report](https://depws.nt.gov.au/__data/assets/pdf_file/0006/901878/nt-offsets-policy-draft-december2019.pdf).

The NT Government is developing Administrative Guidelines under the NT Offsets Framework to support implementation of the Emissions Offsets Policy and other types of offsets used under the NT Offsets Framework. These Guidelines will reflect feedback on the administration of offsets received in recent public and targeted consultation processes on offsets.

The Final Policy clarifies the meaning of Prescribed Acts under the NT Offsets Framework. Prescribed Acts are any Acts prescribed by the Environment Protection Regulations 2020 for the purpose of the NT Offsets Framework. This does not impact the NT Government’s ability to apply offset requirements to development. Rather, it signals that the NT Government will rely on the NT Offsets Framework to support the consistent, transparent and appropriate use, design and delivery of offsets under a Prescribed Act.

# Relationship to Commonwealth offset requirements

Many industry stakeholders recommended aligning the policy approach with Commonwealth offset requirements (namely the Safeguard Mechanism), to prevent duplication or inconsistencies. Some of these stakeholders supported the way the draft policy sought to prevent duplication with offset requirements under the Safeguard Mechanism. Other industry stakeholders were concerned that NT offset requirements would go over and above Commonwealth requirements, deviating from a National approach to emissions management.

## NT Government response

The NT Government needs the ability to apply offset requirements over and above Commonwealth requirements to support achievement of the Territory’s net zero emissions by 2050 target, and other emissions related commitments. The current Commonwealth approach alone is not sufficient to do this.

The NT Government supports the concept of a consistent national approach to emissions reductions and offsets that enables the Territory’s emission targets and commitments to be met.

The Final Policy continues to recognise offsets required to satisfy the Safeguard Mechanism, and is designed to prevent duplication so that multiple offsets are not required by different jurisdictional frameworks to offset the same emissions.

# Policy application and scope

A number of stakeholders in the environment, community, public policy and offset sectors requested that the draft policy be applied to a broader range of development. In particular, some stakeholders were concerned that the draft policy only applied to new or expanding projects requiring environmental authorisations to proceed. A number of recommendations were made to apply the policy to existing projects.

Many stakeholders recommended that the policy apply to scope 1, 2 and 3 emissions. Some submissions recommended that the policy apply to scope 3 emissions generated in Australia only, while others recommended applying to those generated overseas as well. Some industry stakeholders did not support applying the policy beyond scope 1 emissions.

## NT Government response

The Emissions Offsets Policy is applied through environmental authorisations granted under Territory legislation, and informed by the Large Emitters Policy. This means it applies to new or expanding projects requiring environmental authorisation and does not apply to emissions produced by existing development.

The Final Policy clarifies that it can be applied to offsets in relation to any scope of emissions that require offsetting under Territory legislation. It is not the role of the Emissions Offsets Policy to restrict the use of offsets to any particular scope of emissions.

Part Two

# Offset determinations and decision making

A range of feedback was provided on offset determinations across stakeholders in relation to the estimation of emissions, the mitigation hierarchy, significant residual emission terminology, decision maker discretion and offset triggers and quantities. This feedback, and the NT Government’s response, is summarised in Table 1 below.

Table 1: Offset determinations and decision making

| **Theme** | **Consultation feedback** | **NT Government Response** |
| --- | --- | --- |
| Emissions estimation | There were a range of suggestions across stakeholder groups about how emissions should be estimated and how this should inform offset determination processes.  | The process, methods and timing of the estimation of emissions is not established by the Emissions Offsets Policy. It is governed by the information requirements under the legislation under which a project is being assessed, and informed by the emissions estimation expectations in the Large Emitters Policy.  |
| The mitigation hierarchy  | A number of stakeholders recommended placing greater emphasis on the prerequisite that offsets are a tool of last resort and can only be applied where all reasonable steps have been taken to avoid and mitigate emissions, and residual emissions will remain. There were also some concerns about how this would be assessed. | The Final Policy includes some additional minor changes to emphasise that offsets are a tool of last resort. The assessment of whether avoidance and mitigation has been explored and applied to the greatest reasonable extent is governed by assessment provisions and processes under the legislation. These processes ensure that the use of offsets will only be possible where all reasonable steps have first been taken to avoid and mitigate emissions.  |
| Significant residual emissions terminology  | Many stakeholders in both environment and industry sectors were concerned about the lack of a definition for significant residual emissions and the ambiguity this created.  | This terminology has been removed from the Final Policy, as it was not critical to the operation of the policy and created unnecessary stakeholder concern. The decision to apply offset requirements to a project is based on assessment and approval provisions and processes under Territory legislation and informed by the Large Emitters Policy, and is not based on terminology in the Emissions Offsets Policy. |
| Decision making discretion  | Many stakeholders in both environment and industry sectors were concerned about the discretion that decision makers have in determining whether offsets are necessary and appropriate.  | The Final Policy clarifies that these determinations are made in accordance with assessment and approval provisions and processes under Territory legislation and informed by the Large Emitters Policy. These processes provide discretion to decision makers to assess and condition emissions on a case-by-case basis. The Emissions Offsets Policy cannot restrict these determinations; it can only highlight potential considerations that decision makers may take into account when making them. |
| Offset triggers and quantities | Many stakeholders in the environment sector were concerned about the absence of offset triggers, mandated offset quantities, or methodologies for these determinations.  | These determinations are made by the authorising Minister in accordance with assessment and approval provisions and processes under Territory legislation and informed by the Large Emitters Policy. The Emissions Offsets Policy cannot restrict these determinations; it can only highlight potential considerations that decision makers may take into account when making them. |

# Eligible offset types and order of priority

The majority of stakeholders expressed views about the types of offsets that should be eligible under the Emissions Offsets Policy. This feedback, and the NT Government’s response, is summarised in Table 2. below.

Table 2: Offset types and order of priority

| **Theme** | **Consultation feedback** | **NT Government Response** |
| --- | --- | --- |
| Offset credibility and robustness | Many stakeholders in the environment, community, public policy, indigenous and carbon sectors stressed the importance of robust and credible offsets that deliver real, long term emissions abatement. | The Final Policy restricts offsets to those recognised as credible and robust by the Australian Government. This includes Australian Carbon Credit Units (ACCUs) under the Commonwealth’s *Carbon Credits (Carbon Farming Initiative) Act 2011* or alternative emissions offset units under the Commonwealth Climate Active Carbon Neutral Standard.  |
| Australian Carbon Credit Units (ACCUs) | There was general support for ACCUs to be the primary type of offset used under the Emissions Offsets Policy, however this was accompanied by concerns across sectors about the limited supply of ACCUs generated in the Territory and Australia, and limited opportunities for new ACCU generating methods to suit the Territory’s context. Stakeholders in the land sector recommended the NT Government facilitate and support development of new ACCU generating methods that apply in the Territory in agricultural and forestry contexts.  | To address limitations in the supply of ACCUs, the Final Policy has enabled the use of offsets generated internationally under carbon credit schemes recognised as credible and robust under the Commonwealth’s Climate Active Carbon Neutral Standard. The Final Policy has retained the priority of Territory-generated offsets.The NT Government will continue to work with land, carbon, research and education sectors to facilitate research and development of new ACCU generating methods to suit the Territory’s context. |
| A number of concerns were raised about the ACCU surrender process and potential sale of ACCUs used to offset emissions in the Territory. | The Australian Government requires any ACCUs used to satisfy obligations of other jurisdictions, such as the Territory, to be surrendered back to the Commonwealth. This mitigates the risk that ACCUs will be used to meet offset requirements under Territory legislation, and then sold. To provide further certainty, the Final Policy clarifies that any ACCUs used to satisfy offset requirements under Territory legislation will no longer satisfy the requirements if they are sold. |
| Alternative emissions offset units  | While there were no explicit recommendations to remove alternative emissions offset units as an option, there was some uncertainty about the legitimacy of these alternative units and whether they were credible, robust and deliver real abatement and ‘additional’ outcomes. There was also some confusion about how they could be used by proponents in Australia.A number of industry stakeholders highlighted the importance of enabling the use of internationally generated carbon credits for the Territory’s industrial competitiveness.  | The Final Policy only enables the use of alternative emissions offset units generated using carbon credit schemes recognised as credible and robust under the Commonwealth’s Climate Active Carbon Neutral Standard. The schemes recognised by these Standards are subject to Commonwealth Government review based on similar standards of credibility, robustness, abatement and additionality that apply to ACCUs. This includes carbon credits that may be generated internationally. The Final Policy also clarifies how alternate emission offset units can be used to satisfy offset requirements under Territory legislation.  |
| Indirect offsets  | The majority of stakeholders in the environment, community, public policy, indigenous and carbon sectors expressed significant concerns about the concept of indirect offsets, which would have enabled a proportion of an offset requirement to be satisfied by funding research and development of new emissions abatement opportunities in the Territory. Most industry stakeholders were agnostic towards the concept, with the exception of some stakeholders in the agricultural sector who encouraged any support for new emissions abatement opportunities on agricultural land in the Territory.  | The NT Government originally proposed the concept of indirect offsets to broaden the availability of offsets and facilitate some additional emissions abatement and co-benefits where possible in the Territory. In response to stakeholder feedback, the concept has been removed in the Final Policy to ensure all offsets deliver actual direct emissions abatement, which is the primary policy objective. To broaden the availability of offsets beyond ACCUs, the Final Policy also enables the use of credible and robust offsets generated internationally under carbon credit schemes recognised under the Commonwealth’s Climate Active Carbon Neutral Standard. The NT Government will continue to work with land, carbon, research and education sectors to facilitate research and development of new ACCU generating methods to suit the Territory’s context.The financial impact to industry of removing the concept of indirect offsets is considered negligible as indirect offsets were based on the ACCU spot price at the time and would have resulted in similar financial burden as other offset options.  |
| Carbon Capture, Use and Storage (CCUS) | Many stakeholders in the environment, community and public policy sector expressed concerns about the use, robustness and credibility of offsets based on CCUS.  | The Final Policy restricts offsets to those recognised as credible and robust by the Australian Government. This includes ACCUs and alternative emissions offset units under the Commonwealth Climate Active Carbon Neutral Standard. Where ACCUs or alternative emissions offset units can be generated by CCUS, they will be eligible for use under the Emissions Offsets Policy.  |
| Order of priority  | The majority of stakeholders supported the prioritisation of offsets that delivered actual direct abatement. There were some preferences towards offsets generated in the Territory and Australia, and the use of ACCUs. The environment and indigenous sectors recommended prioritising offsets that deliver environmental and social co-benefits. Industry stakeholders generally recommended that the order of priority applying to offsets is simple and provides flexibility.  | The Final Policy includes a simplified order of priority for offsets that preferences those generated in the Territory, and then enables offsets generated outside of the Territory where necessary (including other parts of Australia or internationally). The preference towards Territory-generated offsets will deliver the associated co-benefits back to the Territory. It does not preference either ACCUs or alternative emissions offset units, as the use of both types is subject to similar standards of credibility and robustness by the Australian Government. |

# Offset delivery and compliance

There was a range of views and recommendations made in relation to offset delivery and compliance, including feedback on roles and responsibilities, accountability, timing, monitoring, reporting, adjustments and compliance and enforcement approach. This feedback, and the NT Government’s response, is summarised in Table 3 below.

Table 3: Offset delivery and compliance

| **Theme** | **Consultation feedback** | **NT Government Response** |
| --- | --- | --- |
| Roles and responsibilities | Stakeholders across sectors requested additional information and clarity about roles and responsibilities in the offsets approach.  | The NT Government is developing Administrative Guidelines under the NT Offsets Framework that will address this feedback. These Guidelines will reflect feedback on the administration of offsets received in recent public and targeted consultation processes on offsets. |
| Accountability  | Concerns were raised by stakeholders in the environment sector about the checks and balances applied to offset decisions and delivery, such as the assessment, monitoring, auditing and reporting of offset delivery. | Offset delivery will be governed by transparent offset plans assessed and approved by the NT Government. Offset plans may form a component of a GGAP under the Large Emitters Policy, or may be a separate document. The NT Government will only approve an offset plan where it satisfies the offset design and delivery requirements in the Emissions Offsets Policy and any approval conditions relating to the offsets. These processes will be guided by the Administrative Guidelines under the NT Offsets Framework to ensure offset delivery is consistent, transparent, appropriate and accountable.The Final Policy also clarifies how offset plans fit within offset delivery, and how the Emissions Offsets Policy informs the development and approval of an offset plan. |
| Timing  | Several stakeholders in the environment sector recommended that offsets should be delivered before or at the time that emissions are produced, with no discretion or ambiguity surrounding timeframes. In contrast, a stakeholder in the agricultural sector recommended that offset delivery should be able to be deferred for a number of years in some cases to enable a development to establish. | The Final Policy strikes a balance between certainty for the timing of offset delivery and flexibility to address particular circumstances. It requires that offset delivery is secured nominally within 12 months of the production of the relevant emissions being reported on or at a timeframe endorsed by the NT Government, where it can be reasonably justified.  |
| Monitoring and reporting  | A number of stakeholders in the environment sector recommended that emissions and offsets are estimated, measured, monitored and reported on annually. Multiple stakeholders recommended that offset conditions require annual public reporting. An industry stakeholder suggested that reporting requirements should align with Commonwealth NGER reporting to streamline administrative burden on proponents. | The Final Policy ensures that appropriate reporting is included in offset plans and the reporting approach is approved by the NT Government. Offset delivery will be updated in a Public Offsets Register under the NT Offsets Framework. This approach will also allow proponents to propose monitoring and reporting measures that is most appropriate for their development, which may include aligning their reporting measures with Commonwealth NGER requirements where possible to reduce administrative burden. |
| Adjustment  | Multiple stakeholders in the environment sector recommended that offsets should be required for the actual measured emissions produced by emitters, using processes to annually compare estimated emissions verse actual produced emissions.  | Proponents will need to monitor and report on their actual emissions as part of a GGAP under the Large Emitters Policy. Where their actual emissions exceed the estimations used to inform their approved emissions management approach, offsets may be used to address the excess residual emissions, so long as it can be demonstrated that all avoidance and mitigation measures were explored and applied. |
| Compliance and enforcement  | Multiple stakeholders in the environment sector requested more clarity about how offset delivery would be monitored and enforced by the NT Government, and made recommendations about the consequences of non-compliance. | The monitoring and enforcement of offset delivery will be undertaken in the same way as other approval conditions applied to environmental authorisations the Territory. The compliance and enforcement approach will depend on the Regulator responsible for the environmental authorisation. It is not the role of the Emissions Offsets Policy to restrict or expand on the Regulator’s compliance and enforcement approach.  |

# Other feedback

A range of other feedback was provided by stakeholders including implications for indigenous communities, tenure issues and carbon rights, and land clearing considerations. This feedback, and the NT Government’s response, is summarised in Table 4 below.

Table 4: Other feedback

| **Theme** | **Consultation feedback** | **NT Government Response** |
| --- | --- | --- |
| Aboriginal people  | A number of stakeholders made recommendations about considering or improving the way the Emissions Offsets Policy supports Aboriginal people.  | The Final Policy prioritises the use of ACCUs generated in the Territory. The vast majority of Territory ACCUs are generated by Indigenous-owned savannah fire management projects. The Emissions Offsets Policy will likely create increased demand for Territory-generated ACCUs resulting in premium prices on secondary carbon credit markets.The NT Government will continue to work closely with the Indigenous Carbon Industry Network and other relevant stakeholders to recognise the role Aboriginal communities play in emissions abatement in the Territory, and maximise the social benefits and economical opportunities for these communities through the Territory’s carbon policies and industry.  |
| One stakeholder raised concerns about how emissions offsets could impact Aboriginal communities, and recommended outlining steps to avoid such impacts. | In deciding whether to approve an offsets plan, the NT Government will consider whether there will be any negative impacts caused by the offsets. This will include any impacts to Aboriginal communities.  |
| Another stakeholder recommended fully recognising Aboriginal rights in the policy, including free, prior, informed consent to development, and the legislation that protects their rights. | These processes are recognised by the Commonwealth *Native Title Act 1993*. Offsets will not be approved by the NT Government unless they have satisfied relevant requirements and considerations of the legislation in relation to Aboriginal rights, consent and interests. The Emissions Offsets Policy does not impact or overlook these processes. |
| Land sector considerations | One stakeholder in the carbon sector suggested clarifying that the impacts of land clearing include the reduced long term carbon sequestration capacity of the land, in addition to the direct emissions released by the clearing. | It is acknowledged that land clearing may have this impact, with a range of variables affecting long term carbon sequestration capacity. No change was made to the Policy. |
| One stakeholder in the agricultural sector recommended that the NT Government undertake Territory-wide ‘benchmarking’ of emissions associated with different vegetation and soil types to underpin offset calculations. This stakeholder also suggested that the NT Government prepare ‘pre-approved’ offset plans for land releases to increase the attractiveness to development. | The NT Government is working to identify the emissions associated with clearing different types of vegetation. The NT Government is also working with industry to support implementation of the Large Emitters Policy from a land clearing perspective, which may include strategies for offsets in relation to agricultural land use.  |
| Land tenure and carbon rights  | Multiple stakeholders in the carbon and education sectors recommended that work is required to address tenure complexities (such as negotiations about ownership and interests in land), and to investigate and streamline carbon rights across jurisdictions. | The NT Government will continue to work closely with stakeholders to resolve issues and uncertainties in this space. |