

THE LAND RESTORATION FUND

Land Restoration Fund 2020 Investment Round Guide for Applicants of Intake 2

After reviewing all the applications from Intake 1, the Land Restoration Fund (the Fund) have created a guide to provide further information and assistance for completing applications. This may help or clarify sections within the application form.

Financial Viability information:

To demonstrate you have the financial capacity to meet all the requirements specified in the Investment Application Guideline, applicants are requested to provide financial viability documentation for review. Please ensure the documents provided contain figures and values that present evidence of your financial position. This should include completed business plans with projected and historical figures, forecast revenues, expenses, assets, liabilities, and cash flows over the project term. Examples of the information that we are requesting can be found on this [help sheet](#).

ERF Eligibility Questionnaire:

Please ensure the Emissions Reduction Fund carbon farming method chosen in the questionnaire matches the method selected in the Land Restoration Fund application form. This is for the purpose of encouraging applicants to work through the information provided on the Clean Energy Regulator website on designing a registrable carbon farming project as well as making an application to the LRF.

LRF Project Timeframes:

The following definitions may help you in identifying the timeframes relevant to a Land Restoration Fund project:

- ACCU Contract period: The contract period is the time agreed to supply credits for purchase to the Land Restoration Fund. The Land Restoration Fund is offering contracts up to 15 years for sequestration projects and up to seven years for emissions avoidance projects. The delivery of ACCUs within the contract period will depend on the method chosen, and the ACCU delivery schedule of the project once it is registered with the Clean Energy Regulator.
- Length of Project (see Project Expenses table): same as ACCU Contract period with the LRF. This is also the amount of years the co-benefit payment will be paid annually.
- Permanence period: Permanence periods apply only to sequestration (carbon storage) projects. Permanence refers to the period that the Clean Energy Regulator is confident that the carbon has been removed from the atmosphere. There are two permanence period options: 100 and 25 years. If a 25-year permanence period is selected, the Regulator applies a 20 percent discount to the number

of ACCUs the project can generate. Additionally, at this time, only a 25-year permanence period can be selected for projects being undertaken on pastoral leasehold land.

- The [Clean Energy Regulator](#) website provides detailed information on permanence and crediting periods.

Total Project Area:

Whilst there is no minimum land size for a LRF or ERF project, contracting to generate and sell ACCUs requires specific reporting and verification activities, including assessments and audits that can cost several thousand dollars. It is recommended that the potential volume of ACCUs and cost for verification is factored in when determining your financial position to commence a carbon farming project. The [Clean Energy Regulator](#) has tools and information to assist in estimating ACCU generation to help inform whether carbon farming is right for you. Also, you can use the CSIRO's [Looc-c calculator](#).

Project location data – Spatial data file:

Please ensure the spatial data file (e.g. Shapefile .shp) you provide is of your project area and **not** your entire property area. This project area boundary is required in order to estimate the future benefit of the project and is critical to the assessment of your project application. In addition, we will assess connectivity benefits that go beyond the project area to surrounding natural values but can only do so if the boundary of the project activities are provided.

One option for generating a shapefile for your project area is to use Queensland Globe. Instructions for drawing a polygon (a picture of the proposed project area) and downloading data can be found in the FAQs page on the [Queensland Globe](#) website.

Co-benefit selection:

To enable your project to be assessed, please ensure you select consistent co-benefits throughout your application. For all co-benefit classes you identify in the Co-benefits Description section, you need to identify the same co-benefits in the Co-benefits Activities and the Co-benefits Assurance section. This includes the socio-economic and First Nations co-benefits.

For more detail on co-benefit classes, outcomes and assurance see the [Land Restoration Fund Co-benefits Standard](#).

For tools and mapping applications to identify co-benefits, see the Land Restoration Fund, '[What are co-benefits](#)' page.

Advance Payment:

Successful applications can seek an Advance Payment following registration of the project with the Clean Energy Regulator, and the meeting of any other pre-conditions of the investment agreement. This is a pre-payment designed to assist with the set-up costs of the project and will be recouped against the future supply of ACCUs and co-benefits.

The Fund has a strong desire to keep Advance Payments, if requested, below 10% of the total project (LRF contract) value. However, requests for amounts greater than this will not rule an application invalid. Any Advance Payment amounts will be considered when project risk and value is assessed. Please note that the making of any Advance Payment will be entirely at the Fund's discretion.

Project Expense Table:

Please ensure all figures in the Project Expense Table are calculating correctly. Your 'Projected Project Totals' number needs to reflect the annual operational costs multiplied by the length of project and include the capital expenditure total. Once you have completed the Project Expense table, you will need to update the summary figures into Question (a) 'estimated overall project costs' of the "Funding/Financing plan" section.

Investment Priorities:

When identifying the Investment Priorities that your project addresses, ensure that the co-benefit classes selected will deliver the priority outcomes. See the priority indicators in the [Priority Investment Plan](#) and the [Co-benefits standard](#) for more information.

Changes to Project Investment Agreement Template:

If you are requesting departures from the Project Investment Agreement, please ensure to provide the specific details of your proposed change to the contract template. This will enable us to assess the impact of the proposed variations.

Research and assessments to support your project claims:

Please ensure to provide any reports, maps, data and analysis you have generated and/or received that has contributed to your project application. This material is required to inform the Land Restoration Fund assessment process and enable the external technical expert panel to evaluate the potential alignment to the Investment round priorities and benefit to the state.