

2021-22 CLEAN ENERGY REGULATOR COMPLIANCE AND ENFORCEMENT PRIORITIES

The Clean Energy Regulator (the agency) administers Australian Government programs for reporting and reducing Australia's carbon emissions. Responsibility for complying with scheme obligations always rests with the participants concerned. Our approach includes helping scheme participants to understand how to comply, educating those who want to do the right thing, and a commitment to deter, detect and respond to non-compliance and misconduct to ensure ongoing integrity of our schemes. We will continue to engage and work with other regulators and will take a proportionate, risk-based approach to regulatory burden to protect the public interest.

The annual compliance and enforcement priorities identify specific areas of focus for the agency. The priorities complement our data-driven and risk-based approach to managing compliance in each scheme. We will use our full suite of compliance and enforcement powers to protect the integrity of, and improve outcomes for, the schemes we administer as reflected in our [Compliance policy for education, monitoring and enforcement activities](#).



EMISSIONS REDUCTION FUND

Carbon service providers

Entities that provide carbon services, as a project proponent or authorised representative, must ensure that they remain fit and proper to participate in the Emissions Reduction Fund (ERF). The Clean Energy Regulator's determination as to whether a person is fit and proper will involve consideration of factors including the person's compliance with industry standards and codes, as well as the nature of their contractual relationship with landholders. More information on the agency's [fit and proper person posture test](#) can be found [on our website](#).

A failure to remain fit and proper will result in the revocation of projects and/or the suspension of a person's Australian National Registry of Emissions Units (ANREU) account.



RENEWABLE ENERGY TARGET

Accredited installer on-site checks

All accredited installers must meet their [on-site attendance obligations](#) for the installation of small-scale solar PV systems and make accurate written statements of small-scale technology certification eligibility. The agency will monitor and investigate false claims using specific technology to verify claims, and take action against installers who submit false claims. Installers who submit false claims may have their accreditation cancelled or face civil proceedings or criminal prosecution.

Investigations into false claims will also include the conduct of retailers or registered persons who are knowingly involved in the improper creation of certificates.



NATIONAL GREENHOUSE AND ENERGY REPORTING (NGER) AND SAFEGUARD MECHANISM

Registration of correct controlling corporations

Where a participant in the NGER scheme comprises more than one company, the participant must ensure that the correct controlling corporation reports under the NGER scheme. We will continue to verify data and where appropriate, such as instances of deliberate and consistent incorrect reporting, we will seek court ordered civil penalties.

ENDURING PRIORITIES

The agency is committed to minimising harm caused by non-compliance and will always regard certain deliberate illegal behaviour by scheme participants as a priority for appropriate enforcement action. Enforcement action will take the form of civil penalties or criminal prosecutions. The following categories will continue to attract specific attention by the agency.

EMISSIONS REDUCTION FUND (ERF)

Accuracy of Australian Carbon Credit Units (ACCUs) claims

The agency will take compliance action, in the form of administrative sanction or civil proceedings, against participants who have made claims for ACCUs based on false or misleading information.

Project proponents who submit inaccurate or late reports to support claims for ACCUs

Ensuring ACCUs are generated for genuine and additional abatement means the carbon industry is supported to grow and the ERF continues to contribute to Australia meeting its 2030 emissions reduction targets. Scheme participants who submit late or inaccurate reports will be subject to further action such as having their applications for ACCUs refused, being forced to relinquish ACCUs, or having to undergo a reassessment of their fit and proper person status to continue to participate in the scheme.

RENEWABLE ENERGY TARGET (RET)

Accuracy of creations of Renewable Energy Certificates (RECs)

The agency will take action against agents and nominated persons who make false or misleading claims for RECs. Action will include the suspension of registered persons from the RET, commencing civil proceedings for civil penalty orders, or seeking the prosecution of persons.

NATIONAL GREENHOUSE AND ENERGY REPORTING (NGER) AND SAFEGUARD MECHANISM

Reporters with a history of non-compliance

The agency will take action, including civil proceedings or the acceptance of an enforceable undertaking, against the small number of reporters who have a history of submitting inaccurate, incomplete, or late reports, particularly where data underpins safeguard obligations. The agency will also recognise voluntary disclosure and rectification of errors.

AUDITORS

Non-compliant auditors

The agency will deregister or suspend auditors who are non-compliant or performing poorly, who will be identified through review of audit reports and the annual auditor inspection program. Where appropriate we will publish the fact of the deregistration or suspension.

