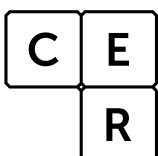




Australian Government
Clean Energy Regulator

CORPORATE PLAN 2023–27



**CLEAN
ENERGY
REGULATOR**

**Accelerating carbon
abatement for Australia**

Contents

Foreword by the Chair	3
Overview	5
The elements of our Corporate Plan	6
Our role	7
Our operating environment	11
Dynamic, global environment	11
Engagement with scheme participants, partners and stakeholders	11
Carbon markets	11
Technological development	12
International developments	12
Collectors and custodians of data	12
Our approach	13
Culture	13
Capability	13
Our performance	14
Objectives, priorities and initiatives	16
Objective: A trusted, relevant and expert institution	16
Objective: Efficient and effective administration	18
Objective: Engaged, active and compliant participants	20
Objective: Secure and enduring regulatory infrastructure	22
Our approach to risk	24
Governance	25
Our compliance priorities	26
Feedback	27



Foreword by the Chair



I am pleased to present the Clean Energy Regulator's (CER) Corporate Plan 2023–27, which covers the period 2023–24 to 2026–27 as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). This plan outlines how we are meeting our purpose and achieving our objectives, continuing to build relationships with our stakeholders and developing staff capability and flexibility in the context of a dynamic operating environment.

Our purpose, to accelerate carbon abatement for Australia, remains our key driver as we work to ensure the success of the recently enhanced Safeguard Mechanism and ongoing abatement schemes such as the Renewable Energy Target (RET) and the Australian Carbon Credit Unit scheme (ACCU scheme), formerly the Emissions Reduction Fund.

We will be focusing on maintaining the integrity and growth of these schemes as well as important development work to streamline carbon markets and develop a Guarantee of Origin program for low and zero emissions energy products. All of these measures will contribute to the target of 43% reduction in greenhouse gas emissions by 2030 and net zero emissions by 2050.

The CER manages the statutory requirements of the RET, ACCU scheme and the National Greenhouse and Energy Reporting (NGER) scheme, incorporating the Safeguard Mechanism.

We regulate scheme and carbon market participation and compliance, helping participants to understand and meet their obligations.

We also work to provide confidence in the market through the provision of information, systems, and tools to support the transparency and integrity of both supply of and demand for carbon instruments.

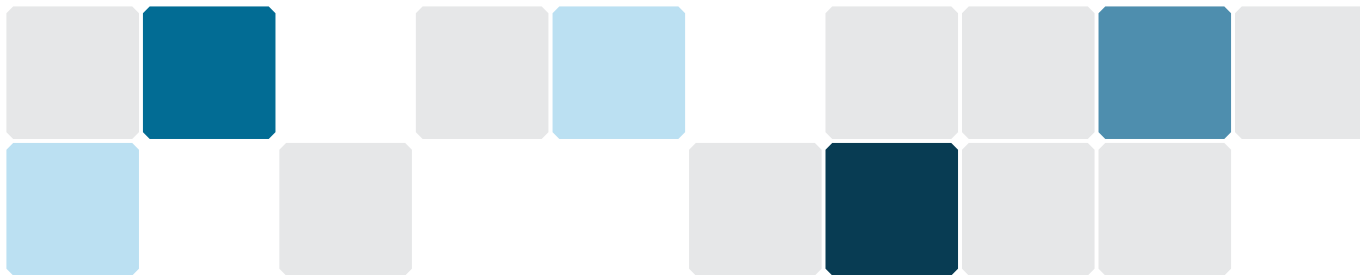
Administration of the reformed Safeguard Mechanism, incorporating declining baselines and the introduction of Safeguard Mechanism Credits (SMCs) to achieve a 28% reduction in net emissions from covered facilities by 2030, will be one of the CER's priorities over this corporate plan.

We will continue working with our participants to ensure they have the right information to support compliance and the high integrity of the programs we administer. Consultation with communities, experts, industry and government remains core to our operating process. We will work with stakeholders to maintain and further strengthen our engagement as we implement government policies and support innovation and new technologies.

Market efficiency measures will be completed during this corporate plan, with the Australian Carbon Exchange streamlining market participation, along with other important systems improvements to reduce handling times and strengthen assurance.

Market transparency and integrity will be enhanced through implementation of the Guarantee of Origin scheme. Guarantee of Origin will support low emissions technologies by providing certification of emissions intensity for low and no emissions energy products, commencing with hydrogen.

We will also continue to develop the Corporate Emissions Reduction Transparency (CERT) report introduced in 2022, which provides a standard independent reporting format for private



organisations to detail their emissions reductions outcomes. The design of the CERT report will evolve over the coming years, including to reflect the evolution of domestic and international mandatory and voluntary climate-related disclosure frameworks.

We will also be working with the Department of Climate Change, Energy, the Environment and Water to progress and administer the proposed Nature Repair Market, if the relevant legislation passes in 2023–24. The Nature Repair Market will establish biodiversity certificates aimed at assisting organisations to support biodiversity projects through a market mechanism.

We will be further enhancing engagement with communities involved in, or affected by, the schemes we administer during the period of this corporate plan, including specific engagement with First Nations communities across a range of activities.

In this exciting time of change for the CER, as we ramp up abatement and broaden our work, our people remain our greatest asset. My commitment to a vibrant and energised workplace with a strong inclusive culture remains as fundamental as ever.

I'm also committed to providing the CER team with the tools they need, through process and systems developments that further enhance our flexibility to respond to changes in scheme, policy and business environments.

With the countdown to 2030 now very much on, and with recognition of the extensive work required beyond 2030 to reach our mid-century net zero goal, this corporate plan is a key plank in supporting our purpose of accelerating carbon abatement in Australia by delivering effective administration of the schemes that will do some of the heavy lifting to get us to those goals.

Mr David Parker AM
Chair, Clean Energy Regulator
29 August 2023



Overview

The Clean Energy Regulator 2023–27 Corporate Plan covers the reporting period 2023–24 to 2026–27 and has been prepared as required under paragraph 35(1)(b) of the PGPA Act. Our performance against this plan will be reported in the Annual Performance Statement published in the CER Annual Report 2023–24.

The Corporate Plan serves as the agency’s primary planning document and informs our internal business planning processes. It expresses:

- our purpose and objectives
- challenges we face in achieving our purpose in the current operating environment
- planning priorities for each objective during the life of the plan
- key activities we plan to undertake to achieve our purpose, objectives and priorities
- how we will build capabilities to deliver our future direction
- high-level strategic risks we face in achieving our objectives, and
- how we will assess our performance in realising our purpose and objectives, utilising the Regulator Performance Guidelines.

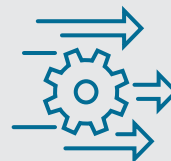
OUR PURPOSE



OUR OBJECTIVES



**A trusted, relevant
and expert
institution**



**Efficient and
effective
administration**

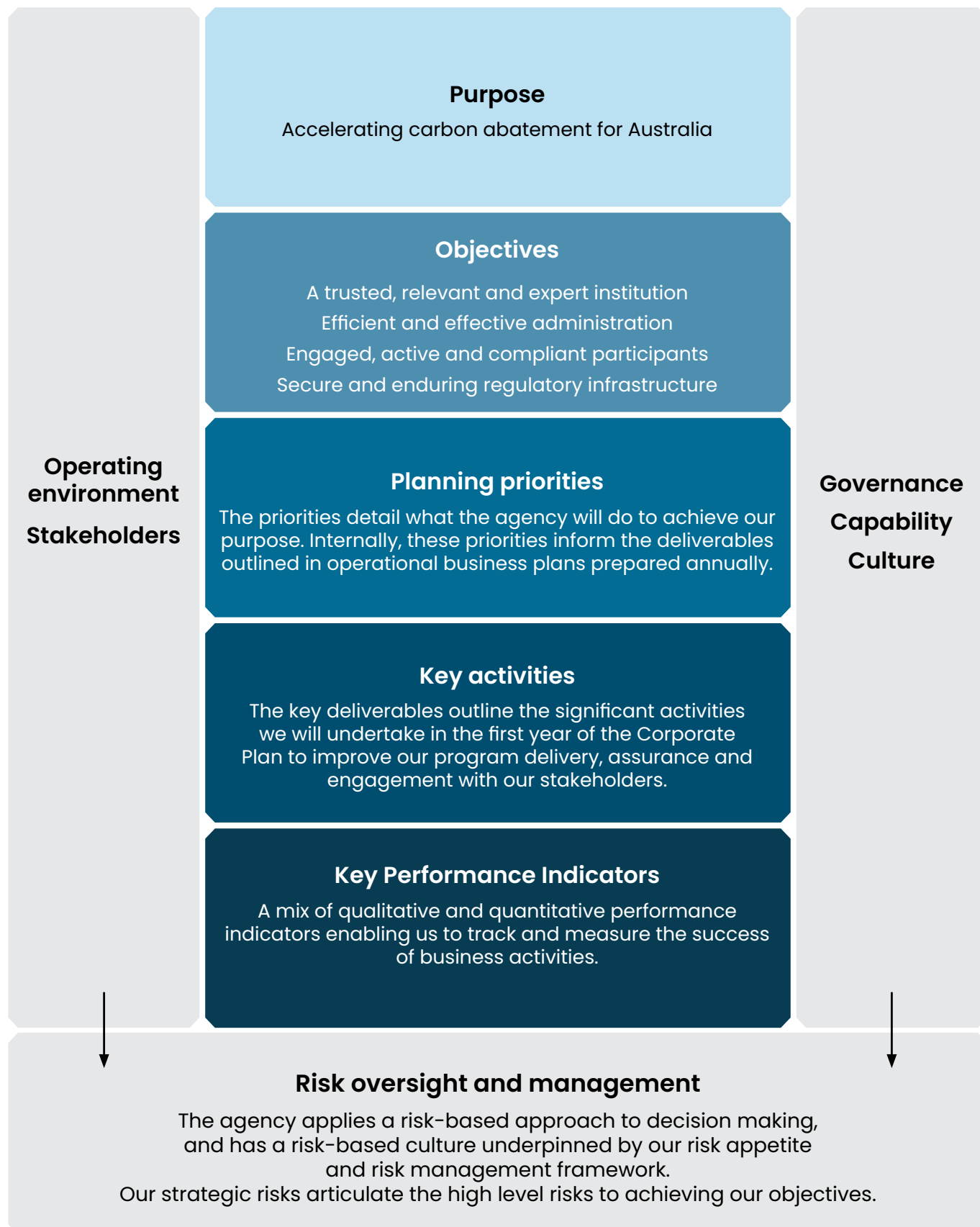


**Engaged, active
and compliant
participants**



**Secure and
enduring regulatory
infrastructure**

The elements of our Corporate Plan





Our role

This year has seen transformative change for the CER, with the passing of legislation to reform the operation of the Safeguard Mechanism and introduce Safeguard Mechanism Credits (SMCs) and the completion of the Independent review of Australian Carbon Credit Units. These landmarks have provided new work for the CER going forward while we continue to progress the ongoing programs we administer and develop a range of initiatives to further accelerate carbon abatement for Australia.

The Regulator is a decision-making body and sets the direction for the agency's work in administering the regulatory schemes for which it is responsible. It consists of a Chair and between 2 and 4 other Members.

Members of the Regulator are appointed under the CER Act by the responsible Minister and are required to have substantial experience or knowledge in fields relevant to CER.

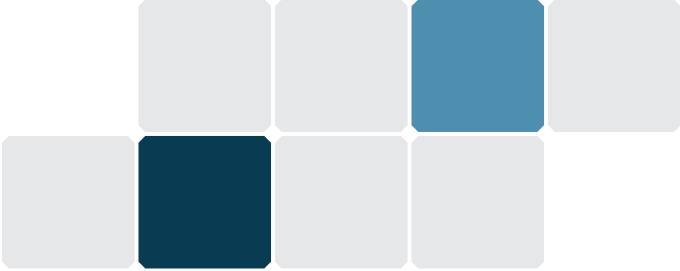
The Chair holds office on a full-time basis. All other Members hold office on a part-time basis.

In addition to the regulatory accountabilities, the Chair also serves as the agency head under the *Public Service Act 1999* and is the accountable authority under the PGPA Act.

As part of the Climate Change, Energy, the Environment and Water Portfolio (the Department), CER's primary outcome to government is:

Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market-based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation.

In addition, CER also supports a second government outcome in relation to potential biodiversity markets¹:



Contribute to the sustainable management of Australia's biodiversity through the administration of market-based mechanisms that incentivise the preservation and improvement of diverse ecosystems.

Our purpose derives from our statutory responsibilities and is summarised as *accelerating carbon abatement for Australia*. We achieve this by administering schemes and carbon markets that achieve emissions reduction and through the development of initiatives that help achieve accelerated abatement.

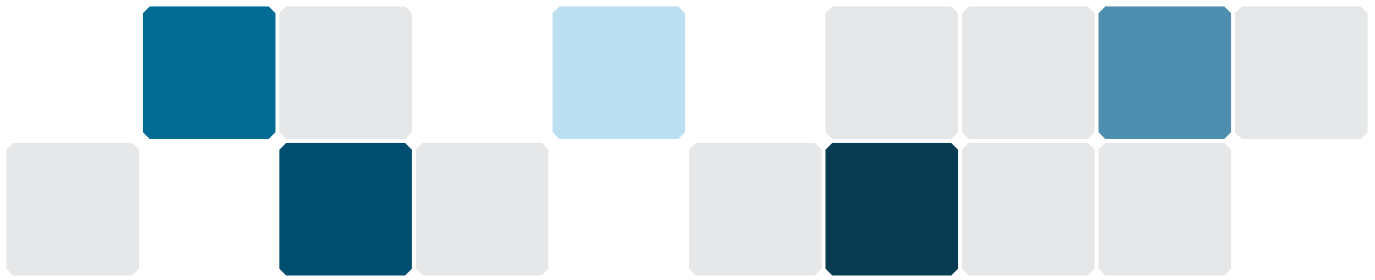
Many factors are driving the agency's corporate plan over the coming 4 years. At a policy level, the CER is the administrator of one of the key planks of the government's commitment to the 2030 emissions reduction target of 43% and net zero emissions by 2050 – the Safeguard Mechanism. We are also integral to the government's National Hydrogen Strategy through ongoing development of the Guarantee of Origin scheme, that will provide certification of the emissions profile of low emissions products, commencing with hydrogen.

We also continue to administer the ACCU scheme, and we will maintain our focus on assuring high integrity within the creation of carbon credits and the public marketplace for carbon trading as the scheme interacts with the Safeguard Mechanism and the newly created SMCs.

We will also continue to drive our renewal of IT infrastructure and explore further opportunities for streamlining our processes, easing the regulatory burden on our participants and engaging with contemporary digital systems to achieve improved regulatory outcomes.

The Regulator has reflected carefully on the implications of these initiatives in the context of its purpose, objectives and associated planning tools. We acknowledge that its purpose and objectives have served, and will continue to serve, the agency well into the foreseeable future

¹ At the time of drafting this document the *Nature Repair Market Bill 2023* is under consideration by Parliament. The relevant Key Performance Indicator in the current Portfolio Budget Statement can only be measured once legislation is passed.



as they reflect and maintain the underpinning attributes of strong regulatory performance in the government context. New energy and greater clarity about the cultural values that underpin the agency's regulatory function have been articulated in our regulatory principles and folded into the agency's approach to risk management.

Our KPIs and deliverables have undergone extensive review to ensure we are strongly focused on the desired policy and participant outcomes rather than internal machinery of the CER. Where the Regulator's legislated role has changed or we are pursuing additional activities over-and-above the administration of legislated schemes, changes have been made to the planning priorities as appropriate.

The integrity of the units administered under our schemes remains a core objective delivered through administration of the law and an effective compliance program.

We are an independent and respected body, trusted by government to effectively implement policy and to also assist in the development of new policy initiatives. These support the evolution of an effective and vibrant carbon market, Safeguard Mechanism and Guarantee of Origin to facilitate investment in low emissions technologies and help deliver the steeper emissions reduction trajectory to 2030.

We are responsible for administering:

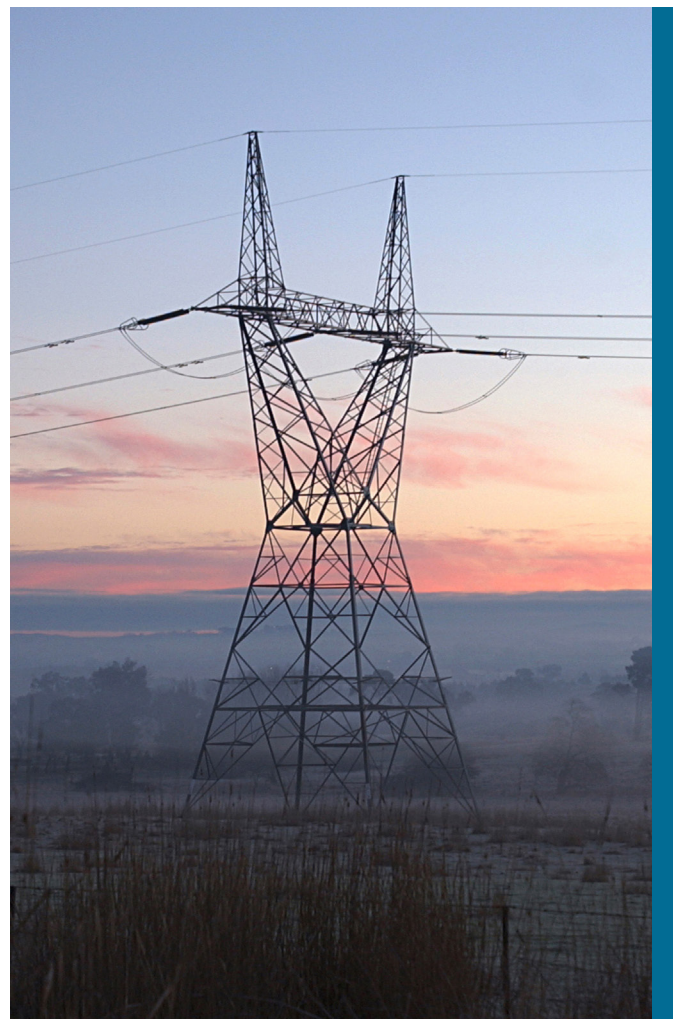
- The Australian Carbon Credits Unit Scheme (ACCU scheme) is a voluntary scheme that provides incentives for a range of organisations and individuals to adopt new practices and technologies to reduce their emissions. ACCU scheme activities contribute towards Australia meeting its international climate commitments.

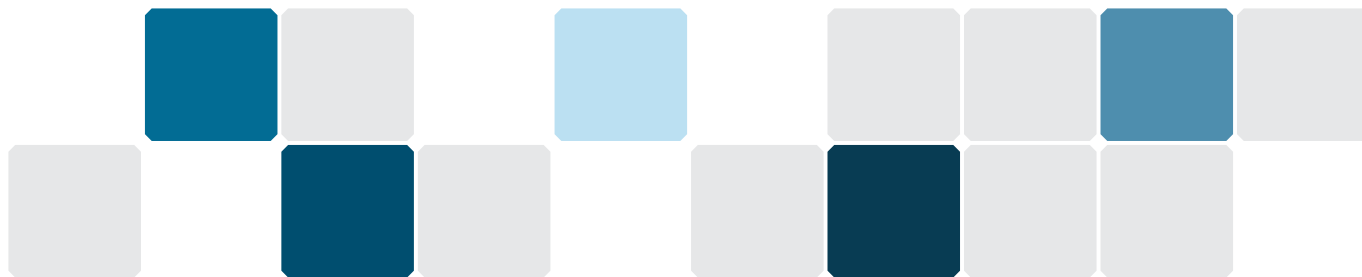
The ACCU scheme is enacted through the [Carbon Credits \(Carbon Farming Initiative\) Act 2011](#), and the [Carbon Credits \(Carbon Farming Initiative\) Rule 2015](#).

- The [National Greenhouse and Energy Reporting \(NGER\) scheme](#) is a single national framework for reporting and disseminating company information about greenhouse gas emissions, energy production, energy consumption and other information specified under NGER legislation.

The NGER scheme is established by the [National Greenhouse and Energy Reporting Act 2007](#).

Under the NGER scheme, corporations that meet certain [thresholds](#) must report to the Regulator their emissions, energy production and energy consumption each financial year. This data informs government policy, programs and activities, and helps Australia meet its international reporting obligations.





This scheme provides the accounting basis for the operation of:

- The [Safeguard Mechanism](#) applies to facilities that emit more than 100,000 tonnes of carbon dioxide (CO₂) equivalent in a year. It sets legislated targets, known as baselines, on the net greenhouse gas emissions of covered Safeguard facilities. There are around 215 Safeguard facilities, across the mining, manufacturing, transport, oil, gas and waste sectors. These facilities produce around 28% of Australia's greenhouse gas emissions. The Safeguard Mechanism was first legislated in 2014 and has been in place since 2016.

The reforms to the Safeguard Mechanism will reduce emissions at Australia's largest industrial facilities and maintain their international competitiveness as the world decarbonises. The reforms apply a decline rate to facilities' baselines so that they are reduced predictably and gradually over time on a trajectory consistent with achieving Australia's emission reduction targets of 43% below 2005 levels by 2030 and net zero by 2050. These reforms, including the introduction of SMCs, will play a key role over the next 4 years in reducing emissions at the high intensity end of the market, and CER will continue to focus on supporting the new policy objectives of the Safeguard Mechanism.

- The [Renewable Energy Target](#) (RET) was designed to reduce emissions by encouraging additional renewable generation in the electricity sector.

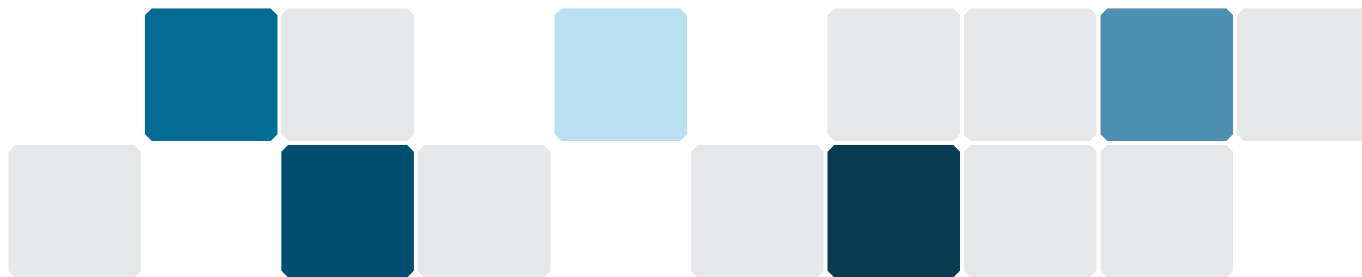
The RET is underpinned by the [Renewable Energy \(Electricity\) Act 2000](#) (REE Act) and sunsets at the end of 2030.

The Large-scale Renewable Energy Target was met in 2021, however, CER maintains an important role in quantifying and assuring both Large-scale Generation Certificates

(LGCs) and Small-scale Technology Certificates (STCs) for every megawatt hour of power generated within those categories. The RET creates demand for these certificates by requiring liable entities to surrender an amount of certificates in proportion to the electricity they acquire in an assessment year. This creates a market which provides a continuing financial incentive to both large-scale renewable energy power stations and the owners of small-scale renewable energy systems. It is expected that renewables captured under the RET will continue to play a significant role in Australia's efforts to reduce emissions.

Our change program, which began in 2020, will provide entirely new pathways for low emissions technology development and a major enhancement of the market structure for trading emissions offsets. These changes are a critical step in ensuring our emissions reduction frameworks in Australia are ready for greater integration into global markets and technology sharing. They include:

- A Guarantee of Origin (GO) certificate scheme to enable Australian businesses to sell verified low emissions products including hydrogen and renewable energy, domestically and to the world. We are collaborating with the Department to implement trials and inform scheme design.
- An Australian Carbon Exchange to accelerate the emergence of an online exchange traded market for emissions offsets. We will work with a partner, or partners, to implement this initiative, which may include the provision of trading, clearing and settlement services, product and market design, market development, education and implementation services, and the provision of a register of offset units to complement the current 'over the counter' market.



- The Corporate Emissions Reduction Transparency (CERT) report offers a standardised framework for NGER companies, who choose to participate, to report net emissions and show progress towards their climate commitments. The pilot CERT report was published on our website on 7 July 2022.
- The Nature Repair Market Bill, when passed by Parliament, will develop a nature repair market to encourage investment in biodiversity and drive environmental improvements across Australia. It will enable the CER to issue Australian landholders with tradable biodiversity certificates for projects that protect, manage and restore nature.

We operate the following registries and systems to enable market participants to securely and conveniently report, receive entitlements, acquit liabilities and trade:

- ♦ the Emissions and Energy Reporting System (EERS)
- ♦ the Australian National Registry of Emissions Units (ANREU), as created by the [Australian National Registry of Emissions Units Act 2011](#), and
- ♦ the Renewable Energy Certificate (REC) Registry.

We deliver our schemes by:

- issuing entitlements worth around \$4 billion annually, including:
 - ♦ issuing ACCUs under the ACCU scheme to organisations and individuals for approved projects that reduce greenhouse gas emissions
 - ♦ issuing LGCs and STCs for each megawatt hour of renewable energy generated or displaced (no longer required from the grid)
- facilitating and approving eligibility for entry to our schemes, including registration of projects and accreditation of power stations
- collecting, analysing, assessing, providing and publishing emissions and energy data to inform the RET, government policy and the Australian public, and to support Australia's emissions and energy data needs, and meet international reporting obligations
- providing education and information to current and potential scheme participants
- monitoring, facilitating and enforcing compliance by scheme participants
- accrediting greenhouse and energy auditors to undertake audit activities, and
- working with other Commonwealth, state and territory law enforcement and regulatory bodies.





Our operating environment

Dynamic, global environment

CER operates in a dynamic operating environment that spans all sectors of the economy, levels of government and a wide range of stakeholders.

To achieve our purpose, it is critical that we look to events and developments, domestically and internationally, to identify trends and signals that may have implications for our schemes. Areas of focus include developments in Australia's energy and carbon markets, as we transform to renewable and low emission generation; corporate and government initiatives to reduce and offset emissions; development of new low emissions industries such as hydrogen, ammonia and metals; adoption of new technologies; emerging international and domestic transparency initiatives such as corporate climate-related disclosures and standards, and evolving tax incentives for low emission projects.

Engagement with scheme participants, partners and stakeholders

We are committed to working with industry, government departments and others as Australia transitions to a net zero economy.

We strive to support the emergence of vibrant carbon markets through transparent reporting of units and certificates used by companies to offset emissions and demonstrate renewable electricity. Experience gained by participants is feeding into government policies.

Industry has also been engaged in testing design options and carbon accounting frameworks in the Guarantee of Origin trials. This work has helped to surface commercial considerations and practices important to the success of a future Guarantee of Origin scheme.

Carbon markets

We continue to focus our efforts on CER's statutory role within the RET, ACCU and NGER schemes.

Proposed reforms to the Safeguard Mechanism and ACCU scheme saw heightened activity in the ACCU market. We monitor domestic carbon market developments and regularly publish information through our Quarterly Carbon Market Report (QCMR).

The agency is currently facilitating the development of a modernised unit registry and an Australian Carbon Exchange. Exchange trading of ACCUs is expected to improve market depth and liquidity while also improving price discovery, volume transparency, and reducing the overall cost of transacting ACCUs.

Additional assurance options have been introduced to the 2023 CERT report for reporting progress towards voluntary emissions reduction targets where the agency does not hold the data. This is in line with emerging international reporting standards.

Demand for units from safeguard entities to meet compliance obligations is a key watch point. CER will continue to update the market with relevant information in an open, transparent and timely manner.

Clean Energy Regulator

Participants

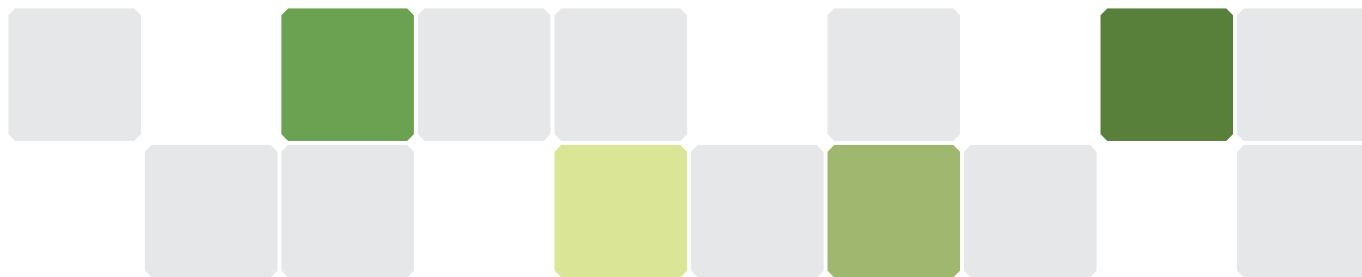
Organisations and individuals who participate in our schemes, and their professional advisors

Stakeholders

Ministers, other Commonwealth departments and agencies, expert service providers, industry representatives, investors, Australian public

Partners

Department of Climate Change, Energy, the Environment, and Water, co-regulatory arrangements, state and territory regulators, law enforcement, scheme auditors and inspectors



Technological development

CER continues to focus on co-designing fit for purpose regulatory technology solutions with industry.

Under the agency's change program, we've delivered the first capabilities to scheme participants as we look to modernise our platforms and products. Through contemporary agile delivery practices, user testing and industry engagement, we are committed to delivering innovative solutions to support evolving carbon markets.

Our Development Security Operations and cloud management capabilities practices underpin our secure, accessible, and adaptable foundation for digital services.

International developments

The Department manages and delivers policies and programs that help Australia respond to climate change. The Department is developing the GO scheme policy to give consumers confidence in the provenance of low emissions products that best suits their needs. Hydrogen, including hydrogen carriers and renewable electricity, will be the first product in the scheme as it is an internationally traded commodity where Australia has the potential to be a major exporter. This scheme is expected to evolve over time to include other low emission products such as renewable energy, ammonia and steel.

We monitor international carbon market developments to better understand the implications for Australia's domestic carbon markets and assist the Department with implementation of Article 6 of the Paris Agreement.

In conjunction with the Department, our staff also participate in the annual United Nations Framework Convention on Climate Change (UNFCCC) greenhouse gas inventory review process, providing our expertise to help ensure that national inventory information submitted by parties under the UNFCCC is consistent, transparent and complete.

Action by business to reduce net emissions is gaining momentum globally, as is interest in and scrutiny of progress by investors, regulators and the public. We are working with other regulators to understand the evolving international standards for disclosure of climate-related risk and how these align with our schemes.

Collectors and custodians of data

CER is the custodian of Australia's key emissions, energy and abatement data. We provide regular insights and data that inform government policy, programs and activities and help meet Australia's international reporting obligations. Recent government reforms will enable us to publish more detailed data about our schemes.

Quality data is essential for the integrity of our schemes and in supporting a vibrant carbon market while underpinning the reputation of the agency as a trusted, relevant and expert institution. We are upgrading our systems to automatically validate key scheme data. These steps will improve scheme integrity and make it easier for scheme participants to gain benefits more quickly. We are developing a data hub where stakeholders and the public can find, access, use and understand our data. This work aligns with the Australian Government's national data strategy and is guided by the provisions within our legislation that govern how we use, share and manage our data safely and securely.

We are pursuing opportunities for improving the way we use our data, including re-use to reduce regulatory burden, improved integration to enable sophisticated analytics and insights, and cataloguing to aid accurate interpretations. Work is underway to refresh our internal data strategy and roadmap that will uplift our data capability, governance, tools and data practices and ultimately deliver more timely, reliable and repeatable data services to our people, participants and the public.

Our approach



We invest in capabilities that enable our agency to be agile and flexible in response to any scheme or policy changes. This allows us to develop our people, process and system capabilities in line with our strategic direction. Our administration needs to be robust and fair to underpin market confidence and participation.

We aim to be a practical, grounded, quick and commercially savvy regulator. We hold a wealth of data and information which is useful for enabling vibrant carbon markets to function well and valuable for informing policy development. Our data must be accessible, useful and accepted as a source of truth.

Maintaining a capable, agile and high performing workforce is critical to our success. Also important is the open and collaborative relationships we have with the Department, state and territory government bodies, industry and other stakeholders.

Culture

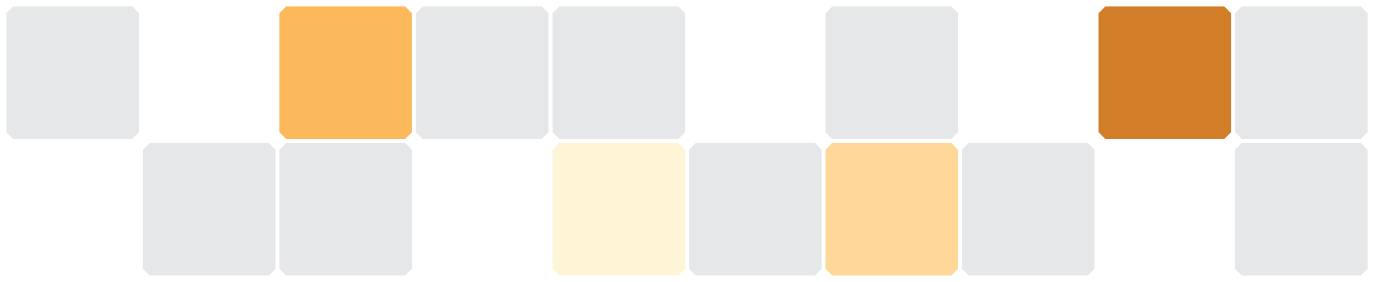
Our culture and values shape the way we interact and engage with each other within CER. They guide how we create a positive and supportive working environment, how we work with our participants and stakeholders to build and maintain trusted relationships, and our approach in responding to challenges and

opportunities in our environment. Every team member contributes to the values, principles and behaviours that are elements of our culture. We have distilled these into four cultural anchors that represent the ideals we strive for and form the way we work together. The four cultural anchors, internal to the agency are:

- **Delivering outcomes:** Our people care about delivering agency objectives because our purpose matters.
- **Trust and accountability:** Our people trust each other because we are accountable for our actions.
- **Role clarity:** Our people know who does what because role clarity is vital for productive collaboration.
- **Active development:** Our people actively develop themselves and others because lifting capability makes a difference.

Capability

We are dedicated to building capability to capitalise upon opportunities to improve and future-proof the agency. Investments in our people ensure we have the right mix of capabilities and aptitudes to meet current and future requirements. Our workforce planning recognises the opportunities technology



improvements can provide to upskill our workforce and use our people for the more complex tasks.

Our People Capability Framework provides a common and accessible language about agency capability that allows us to target development solutions for maximum benefit and informs job and organisational design. CER will use data about our people's capability to inform workforce management and planning decisions as the framework matures.

Our significant investment in the networks, systems, and services that underpin our schemes and registries support current business and user needs and are secure and adaptable to change.

Our technological capability is based on a "cloud first" and "agile delivery approach" that provides a secure, accessible, and adaptable foundation to deliver our digital services. The agency's Digital Roadmap, endorsed in 2019, is reviewed annually and supplements the outcomes of the change program in delivering modern digital services. The Digital Roadmap provides a rolling view of our strategic IT investment priorities and is iteratively shifting focus to sustain the new systems being delivered by the change program.

Our performance

CER is committed to being transparent and accountable for the regulatory functions that we undertake on behalf of the government and adhering to the Regulator Performance Guidelines (RMG128):

1. Continuous improvement and building trust: regulators adopt a whole-of-system perspective, continuously improving their performance, capability and culture to build trust and confidence in Australia's regulatory settings





2. Risk based and data driven: regulators manage risks proportionately and maintain essential safeguards while minimising regulatory burden, and leveraging data and digital technology to support those they regulate to comply and grow
3. Collaboration and engagement: regulators are transparent and responsive communicators, implementing regulations in a modern and collaborative way.

The agency's performance in achieving our purpose and meeting these guidelines is measured through the agency's Key Performance Indicator (KPI) Framework. The framework provides a structure for monitoring, assessing and reporting on our performance.

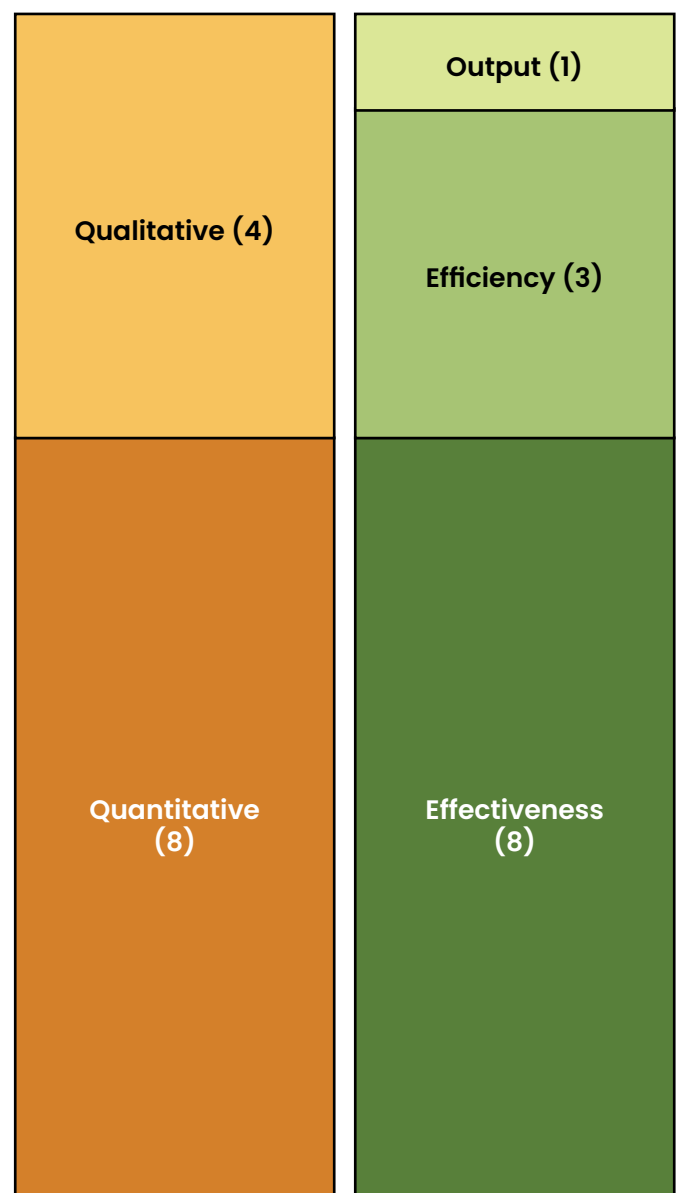
The agency's KPI Framework has been developed to represent external outcomes, as opposed to internal CER activities. The KPI Framework includes quantitative and qualitative performance indicators which measure and report on CER's performance against its purpose, objectives and planning priorities. This provides a clear line of sight between the agency's planning and reporting frameworks. Targets have been set for those performance indicators that use quantitative data as a measure of performance.

The KPI Framework is reviewed and updated with each planning cycle to ensure that our performance indicators best capture agency performance based on refinements to our reporting maturity and changes in the agency's operational environment. In line with the performance reporting requirements under the *Public Governance, Performance and Accountability Rule 2014*, our performance information also outlines the mix of different types of performance indicators to provide a more complete view of our performance, as shown in the graph below.

Results against the performance indicators are reported in the CER Annual Performance Statement, which is included in the CER Annual Report. In the Annual Performance Statement, we will complement the results with additional context that provides a detailed understanding of the outcomes achieved.

The 2023/24 CER Annual Performance Statement will include analysis of performance against the regulator performance guidelines noted above.

Types of performance measures for 2023–27





Objectives, priorities and initiatives

The following objectives, priorities and key activities provide a comprehensive summary of the work we do to support vibrant carbon markets and accelerate carbon abatement for Australia. The planning priorities and key deliverables are mutually reinforcing and could be applied across multiple objectives. They outline how we will improve our program delivery and engage with our stakeholders. Key deliverables and their associated KPIs are placed under the objective they are key drivers in achieving, noting some KPIs may be relevant to more than one objective.

Objective: A trusted, relevant and expert institution



The Clean Energy Regulator publishes relevant, accurate and timely data and other information to promote and enhance a well-functioning, vibrant and liquid carbon market and to inform future policy development. In doing so, our agency relies on and supports productive and collaborative relationships across governments, states and territories, and industry and stakeholder bodies.

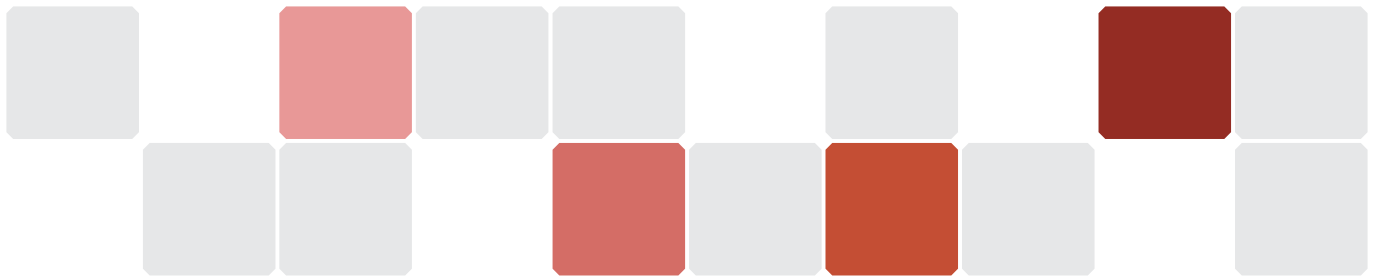
Planning priority 1: Maintaining high integrity in our administered schemes and associated markets.

Identifying and effectively mitigating emerging risks associated with administering our schemes and facilitating the markets we regulate.

Key Deliverables:

- Contribute to policy design (DCCEEW lead) and progress towards Phase 1, Phase 2 and Phase 3 implementation for the Safeguard Crediting Mechanism.
- Progress towards establishing an Australian Carbon Exchange through the delivery and launch of trading platform and Registry rebuild.
- Support Guarantee of Origin Policy design and legislation (DCCEEW lead) and implement Guarantee of Origin Scheme (Day 1 deliverables).
- Data Hub Phase 1 is in production.
- Support adoption of market-based accounting for scope 1 and 2 emissions reporting.
- Contribute to policy design (DCCEEW lead) for the Nature Repair Market and the Independent ACCU review.
- Implement the Independent Review of ACCUs and the Nature Repair Market.



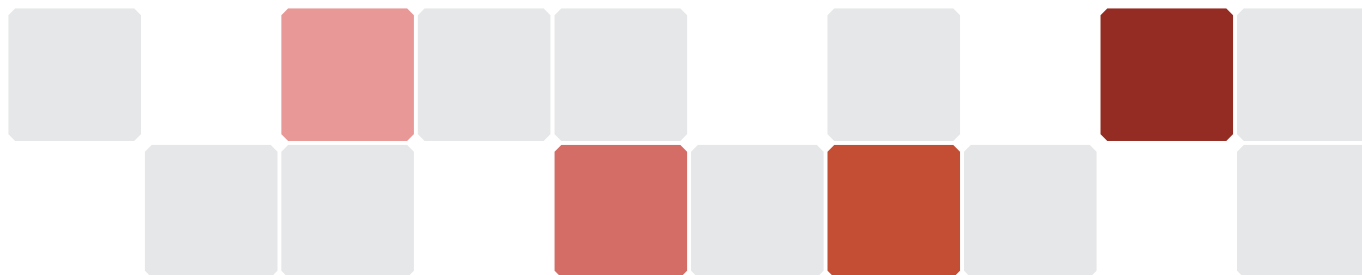


Key Performance Indicators

Key Performance Indicators (KPIs)	Target (2023 – 24)
No significant breaches of government, administrative, legal and policy requirements. ^{*(2)}	0 breaches
Methodology: Assessed through instances/cases of non-compliance recorded as part of annual compliance statements and any findings from internal and external audits on agency operations and compliance.	
Improvements to the way we use and communicate data. ^{*(1)(2)}	Qualitative analysis
Methodology: CER must build on data quality and accessibility to promote and enhance a well-functioning, vibrant and liquid carbon market. Our performance against this KPI would be demonstrated through a case study where appropriate.	
Level of satisfaction with the quality and timeliness of market information. ^{* (1)(3)}	Qualitative analysis
Methodology: Results from the agency’s annual participant survey indicating satisfaction with the range of market information delivered by the agency. The result is derived from a set of questions in the survey related to CER’s market information.	

* Effectiveness KPI ^Efficiency KPI ~Output KPI
 Regulator Performance Principles (1) RPP1 (2) RPP2 (3) RPP3





Objective: Efficient and effective administration

Our agency administers our schemes in an efficient and effective way to encourage participation and compliance, reduce costs and meet the objectives of the legislation to accelerate carbon abatement.

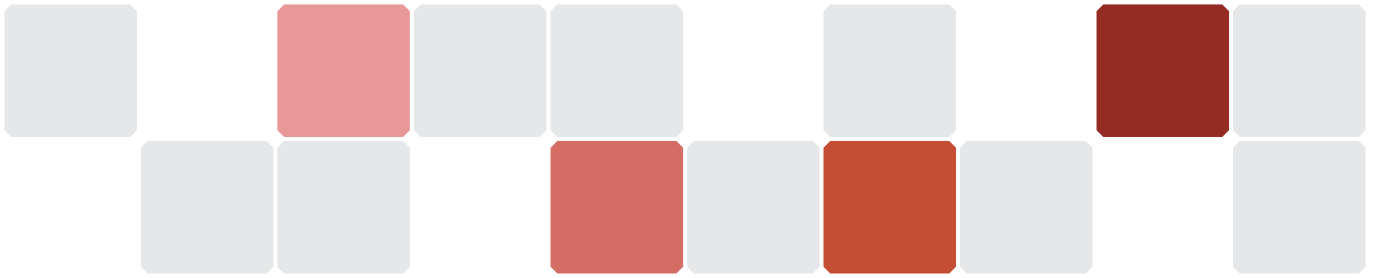
Planning priority 2: Implementing best practice to deliver the programs we administer, using regulatory principles and data-driven, proportionate risk-based compliance approaches.

Key Deliverables:

- Design, consultation and progress towards build of new version of SRES functionality.
- New version of EERS for NGER Reporters.
- Design and progress towards the build of the integrated digital platform and framework that underpins the successful implementation of all Change Program initiatives.
- Implement regulatory changes to harmonise identity verification across all schemes and introduce a 'verify once' framework.
- Release GIS upload and validation service for remaining area-based methods to streamline scheme participation and assurance processes.
- Undertake cost recovery design and review project, partnered with Department of Finance.

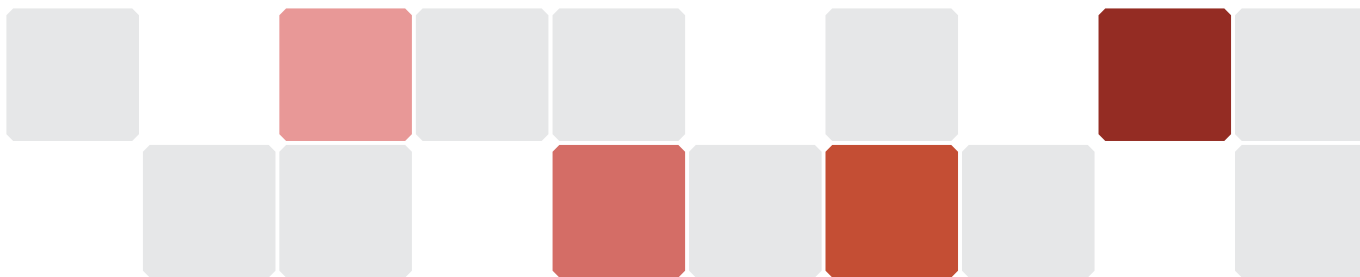
Key Performance Indicators

Key Performance Indicators (KPIs)	Target (2023 – 24)
Proportion of applications processed within statutory or agreed timeframes. ^{^ (3)}	99.5 per cent
Methodology: Across schemes – the number of applications processed within statutory or agreed timeframes against the total number of applications processed. Where statutory timeframes do not exist, we apply internal processing timeframes. Where there are application queries – the clock stops on the statutory or agreed processing timeframes.	
Proportion of investigations completed within timeframes. ^{^ (3)}	80 per cent
Methodology: The number of investigations completed within the required timeframes against the total number of investigations completed. We aim to complete complex investigations within 365 days and routine investigations within 180 days.	



Key Performance Indicators (KPIs)		Target (2023 – 24)
Level of carbon abatement delivered by CER administered programs. ~ (2)		Estimated 63 million tonnes of CO2 equivalent
Methodology: Estimated abatement from CER schemes for 2023/24 based on number of ACCUs issued, LGCs validated for the period (converted to t CO2-e) at NEM+SWIS emissions intensity and generation from SRES (converted to t CO2-e) at NEM+SWIS emissions intensity ¹		
¹ This estimate includes assumptions on the estimated uptake of solar PV. Solar PV is a consumer product and installations can materially change over a year. * Effectiveness KPI ^Efficiency KPI ~Output KPI Regulator Performance Principles (1) RPP1 (2) RPP2 (3) RPP3		





Objective: Engaged, active and compliant participants

We achieve the best outcomes when the entities we regulate can successfully engage with us to participate in the schemes we administer, meet their obligations, and willingly contribute to our information gathering.

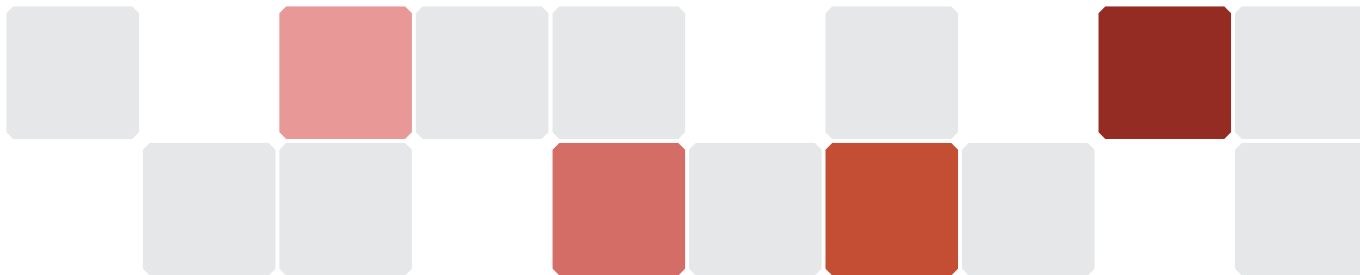
Planning priority 3: Working with scheme participants, service providers, communities, institutions and organisations to raise awareness and understanding of scheme requirements and leverage experience, insights, and opportunities to enable productive engagement and innovation.

As we build new functions in the agency and meet new legislative requirements, we will share insights, and tailor engagement to optimise government administration and outcomes, and reduce regulatory burden for our new and existing participants.

Key Deliverables:

- Build capability and reputation for successful civil penalty proceedings.
- Build capability for use of coercive information oral examination powers.
- Manage non-compliance, and influence participant behaviour by communicating the regulatory responses and actions we take to address non-compliance, including the use of targeted enforcements to act as a deterrent.
- Redesign the Agency Participant Risk Assessment tool framework.
- Roll out of SPV logo to participants.
- Deliver program supporting compliance audits of Human-Induced Regeneration gateway checks.



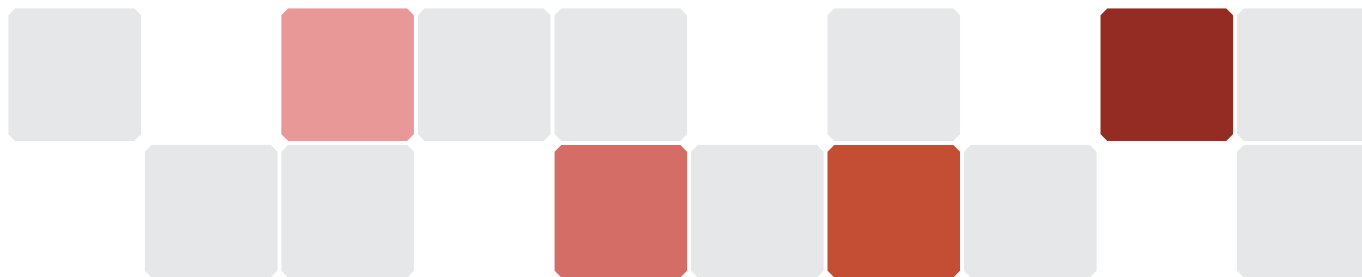


Key Performance Indicators

Key Performance Indicators (KPIs)	Target (2023 – 24)
Compliance levels by regulated and liable entities. ^{^ (2)}	≥ 95 per cent
Methodology: Across relevant schemes, the total number of reports submitted within the required reporting timeframe against the total number of reports required to be submitted. Additional analysis is provided in relation to required compliance with safeguard baselines and the RET certificate surrender.	
Level of participant satisfaction with engagement and guidance provided. ^{*(1)(3)}	Score > 80 per cent
Methodology: Results from the annual participant survey indicating satisfaction with engagement and guidance activities delivered by the agency. The result is derived from a specific survey question.	
Practical and timely guidance and outreach activities with our participants. ^{*(1)(3)}	Qualitative analysis
Methodology: Provision of targeted and timely guidance and outreach activities enables our participants to successfully engage with us to participate in the schemes we administer. Our performance against this KPI would be demonstrated through a case study where appropriate.	

* Effectiveness KPI ^Efficiency KPI ~Output KPI
 Regulator Performance Principles (1) RPP1 (2) RPP2 (3) RPP3





Objective: Secure and enduring regulatory infrastructure



Our agency's processes, systems and infrastructure must be reliable and resilient, and able to respond flexibly to policy and/or operational changes. They must also be supported by capable, expert and adaptable people to ensure our agency can respond quickly to new policy demands, technological changes and participant expectations.

Planning priority 4: Strengthening the capability in people, processes and infrastructure across scheme regulation, compliance, enforcement and market facilitation.

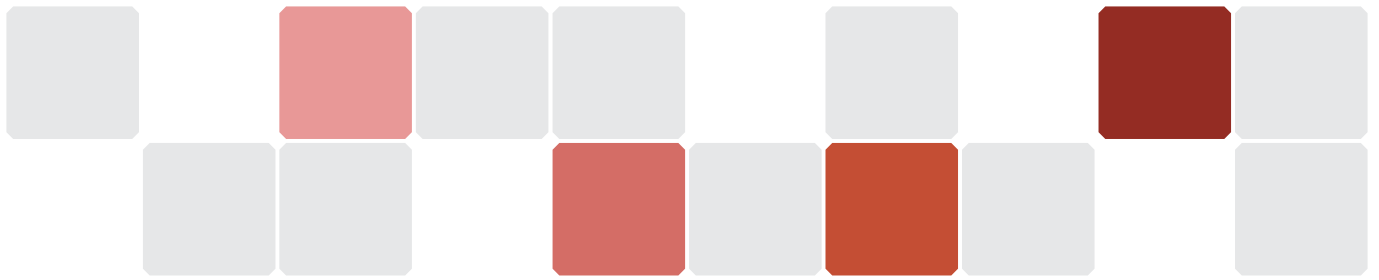
Continuously assessing capabilities to meet current and emerging operational requirements and tailoring workforce and infrastructure planning accordingly.

Key activities: Change

- Introduce new smarter forms and CRM assessment functionality to high volume methods to support reduced application processing times.
- Review of agency security plan and subordinate policies and SOPs.
- Progress agency security maturity activities to reach 'managing' across all PSPF criteria.
- Replacement of internal services survey by alternative options piloted.
- Implementation of Ci Anywhere complete, including e-invoicing live.
- Selection of installer/designer accreditation bodies.
- Selection of SRES product listing body.
- Branch level workforce plans drafted for 70% of branches.
- Workforce action plans inform central learning and development programs across the year.

Key Performance Indicators

Key Performance Indicators (KPIs)	Target (2023 – 24)
Level of participant satisfaction with agency processes and systems. * (1)(3)	Score >80 per cent
Methodology: Results from the agency's annual participant survey indicating satisfaction with agency processes and systems. The result is derived from a set of questions in the survey related to agency processes and systems.	
Systems are available and secure as required by scheme participants, government standards and legislated need. * (1)(2)	99.5 per cent availability and zero significant security breaches
Methodology: Availability of online systems at the application level, excluding planned outages and no significant security breaches as assessed against the ACSC standards.	



Key Performance Indicators (KPIs)	Target (2023 – 24)
Flexibility and adaptability in our staff to meet current and future requirements. * (1)	Qualitative analysis
Methodology: We continue to invest in our people and develop our workforce to ensure we have the right mix of capabilities and aptitudes to meet current and future requirements. Our performance against this KPI would be demonstrated through the use of a case study where appropriate.	

* Effectiveness KPI ^Efficiency KPI ~Output KPI
 Regulator Performance Principles (1) RPP1 (2) RPP2 (3) RPP3



Our approach to risk

Risk management is the systematic and scalable approach used by officials to make risk-informed decisions and take appropriate actions in relation to known events, issues or incidents that may affect achieving CER's objectives.

The agency takes a risk-based approach to decision making, underpinned by our risk appetite and risk management framework. The framework outlines our system of risk management and oversight and is aligned to the *Commonwealth Risk Management Policy* and the *ISO 31000: 2018 Risk Management Guidelines*. The agency operates in a complex environment and recognises that risk and uncertainty is inherent in all that we do. The risk appetite of the agency articulates an appropriate and balanced view of its strategic risk environment related to the achievement of CER's objectives. The Board regularly considers this position as it recognises the need to be willing and able to adapt the risk appetite if required, noting that global events are complex and matters can change rapidly.

The agency is continuing to mature its risk management capability and approach,

embedding risk principles into organisational culture. A key element of this approach is increasing the risk capability at all levels of the organisation. To achieve this, it is educating and empowering staff to provide them with the knowledge, judgement and confidence to make more informed risk-based decisions. Our current strategic risks articulate the high-level risks to achieving our objectives and are identified as:

- CER does not effectively manage its programs.
- CER's advice, insights and data are not of high quality.
- CER does not adapt.

Effective management of the agency's risk is underpinned by controls that support:

- streamlining regulatory processes across and within the schemes we administer,
- targeting resources towards areas of highest risk, and
- effectively and efficiently delivering the specific objectives of relevant legislation.



Governance

Our governance framework highlights the important relationship between governance, risk management and culture, with the purpose of ensuring we act strategically, and with integrity, to effectively administer the carbon abatement programs for which we are accountable.

The framework is an essential part of our compliance with the PGPA Act and assists our Chair in their role as the accountable authority under this Act. It is designed to provide a better practice model for the agency to achieve optimal transparency and accountability, strong leadership and decision making, and an effective, collaborative culture.

The governance arrangements described within it include leadership roles and responsibilities,

our corporate and governance committee structure, business planning, assurance processes and risk management, and it is supported in the agency through mechanisms such as delegations, policies and standard operating procedures. Internal management assurance in relation to governance and decision-making controls is supplemented through independent assurance provided by the agency's Audit Committee. The internal audit program is guided by our strategic risks, scheme activities and corporate operations.

The CER will continue to review its governance framework and arrangements to maintain currency, reflecting the government's policies and priorities.



A decorative graphic consisting of two rows of colored squares. The top row has four squares: light gray, teal, light gray, and light gray. The bottom row has five squares: light gray, teal, light gray, light gray, and light gray.

Our compliance priorities

CER is committed to continuing its risk-based, intelligence-led approach to compliance; incorporating improved data analytics and intelligence insights to ensure a deeper understanding of the schemes, its participants, and the market in which each scheme operates. Responsibility for complying with scheme obligations always rests with the participants concerned.

Our approach includes helping scheme participants 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 scheme integrity. Where appropriate, formal compliance action may be taken in the form of the acceptance of enforceable undertakings, the suspension of participants from schemes, initiating civil proceedings, or supporting the prosecution of persons by prosecutorial agencies. In taking these compliance actions, we take a proportionate, risk-based response to regulation in order to protect the public interest.

Compliance priorities support the agency's wider objectives, priorities, and initiatives. An adaptive approach is reflected in our published annual compliance and enforcement priorities, which identify specific areas of focus for compliance and enforcement and are refined each year in response to shifts in industry practice and government policy settings. The priorities complement the data driven and risk-based approach to managing compliance in each scheme. The agency will use its full suite of compliance and enforcement powers to protect the integrity, and improve outcomes, of the schemes as reflected in our compliance policy for education, monitoring and enforcement activities.

In addition to the annual priorities, the agency will continue to detect and disrupt enduring forms of non-compliance. Those priorities include:

- false or misleading information being provided to the agency in relation to;
 - ♦ claims for ACCUs,
 - ♦ the creation of renewable energy certificates.
- inaccurate, incomplete, or late reports;
 - ♦ by NGER reporters who have a history of non-compliance, particularly where data underpins safeguard obligations,
 - ♦ by ACCU scheme project proponents in claims for ACCUs.

In addition, we will focus on other strategic compliance priorities, such as:

- ensuring only fit and proper persons are allowed to participate in our schemes and taking actions to remove participants who are not fit and proper,
- building relationships with other state, territory, and Commonwealth regulators to promote the sharing of information,
- targeted use of scheme audits, ensuring that the agency obtains scheme assurance without over-burdening participants,
- ensuring the integrity of carbon abatement initiatives, with a particular focus on human induced regeneration, and
- informing participants, and the public in general, of the agency's compliance action, priorities and expectations through the publication of regular compliance updates.

Feedback

To help us ensure that our corporate plans are as helpful and informative as possible, we welcome your feedback on this plan. Please provide any questions or comments to:

Manager—Planning, Performance and Parliamentary
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Canberra ACT 2601
enquiries@cleanenergyregulator.gov.au

