



Request for Proposal for Carbon Aggregation Project on private forestry lands in Tasmania

Farming and farm forestry organisations participation in a Carbon aggregation project in Tasmania 2018/2019.

Eligible activities include conversion of short-rotation plantations to long-rotation plantations, and the establishment of new short- or-long rotation plantations.

Issued by WeAct Pty. Ltd. to commence landowner's aggregation of carbon rights under the Carbon Farming Initiative (CFI) Plantations Method. This aggregation is to support commercial and financial returns to landowners.

10 September 2018

Interested landowners to complete and return this page:

Landowner contact and site details

	Details
Landowner Name	
Contact Phone number	
Email address	
Site Area (ha)	
Site Coordinates*	
Planting year (current)	
Current species	
Planting year (proposed)	
Proposed species	
Proposed rotation length	

*supply a shapefile, kml or aerial photo if possible, but otherwise approximate latitude and longitude needed.

Class	A	B	C
Description	Conversion	Agroforestry	New Plantation

(Circle one)

Conversion Questions:

Is the proposed conversion to a new species (i.e. radiata)?	Y / N
Has the current short plantation been pruned or thinned? If so when, and to what specifications.	Y / N
If a long rotation hardwood plantation is proposed, has there been a previously completed short rotation plantation on the site?	Y / N

New Plantation Question:

At the time of the proposed new plantation establishment, will the site have been non forested for a period of at least seven years?	Y / N
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Notes: (i.e. current and proposed silviculture/management actions with timing: site prep, planting date/species/rate, herbicide/fertilizer, pruning/thinning/clearfell etc.)

Engagement details:

This Request for Proposal (“RFP”) is issued in accordance with clause 7.1 of the Open Standing Offer Agreement (“OSOA”) between Private landholders and WeAct.

You are requested to submit details in accordance with this Request and with the terms and conditions of the OSOA for the development of a potential carbon offset ACCU (Australian carbon credit unit) project as described in this Request.

The submission is required to address all requirements outlined in the attached Project Brief.

Form of Interest in participating in carbon aggregation project (to be submitted by landowner)

I/We offer to negotiate in good faith for the supply of carbon rights specified in this Request for Proposal; at the terms and charges offered; within the period offered.

Landowner Details:

Name	_____		
ABN	_____		
Address	_____		
	_____	P/Code	_____
Telephone	_____	Facsimile	_____
Email	_____		
Name of Landowner's Authorised Agent	_____		
Title of Authorised Agent	_____		
Signature	_____		
Dated this		20	_____

All land holders to complete page 2 and 3 of the form and email it to arjan@weact.com.au

If you have any questions please feel free to email us on arjan@weact.com.au with your contact details and we will be in touch with you.

Project Brief

Section 1 - General Information

A. PROJECT OVERVIEW

Purpose of the Engagement

Landowner participation in a carbon aggregation project in Tasmania 2018/2019

Project Background

An eligible carbon project is one that fits the eligibility criteria under the Carbon Farming Initiative Act/Plantation method. Please refer to the self-assessment guide to find out whether your land/forests are eligible to generate carbon revenue.

Project Objectives

WeAct wishes to develop and aggregate landowners across Tasmania into a carbon-aggregation project under CFI method. The aggregation project will include aggregation of carbon offsets arising from an eligible activity such as conversion of short rotation to long rotation plantations, establishment of new short- or long-rotation plantations; which includes new agro-forestry and shelterbelts.

Means of Project Delivery

WeAct aggregation model is simple and easy with NO upfront costs. Our aim is to bundle private landowners into one project and get a flow of carbon revenue for them. It is low cost, flexible and takes into account landowners needs and requirements.

Step 1	Check eligibility of your land and make initial contact with our team.
Step 2	Based on your eligible land WeAct will provide you with a written offer for the Australian Carbon Credit Units (ACCUs) that will be generated.
Step 3	Once you accept the offer we sign the agreement along with agreed silviculture and work plan.
Step 4	ACCU revenue starts to flow after audits. Audits will be held as per the guidelines and proposed timelines of the CFI Method. WeAct will have the discretion on the timing of the audit.

Proposed Project Timetable

It is proposed landowners willing to proactively and collaboratively participate in carbon project activity can provide requisite details on or before 20 October 2018.

Proposed Project Management

This project has several important aspects:

WeAct's Role

Once the agreement is signed, WeAct takes over the registration, management, audit and approvals for the project. It pays for all the outgoing costs related to carbon project management and audit.

Landowners Role

The landowner has to make sure that they take reasonable care of the trees and maintain the silviculture (management events and timing) specified in the agreement.

Proposed Deliverables of the Engagement

The following deliverables* are considered achievable by the WeAct team:

- E. Nitens to Pinus Radiata conversion – 15 ACCUs per annum
- E. Globulus to Pinus Radiata conversion – 10 ACCUs per annum
- E. Nitens or Globulus converted to long rotation – 12 ACCUs per annum
- New Pinus Radiata plantations – 20 ACCUs per annum
- New Nitens or Globulus plantations – 18 ACCUs per annum

*Above stated ACCUs are indicative only and may vary from actual yields. Final yields are modelled using FullCAM for the specific project site(s) and nominated silviculture.

Revenue Sharing and Timing

Under our aggregated model we pass on the following revenue to landowner:

- Less than 200 hectares eligible land – 60% of ACCU revenue
- More than 200 hectares eligible land – 70% of ACCU revenue

ACCU current (late 2018) trading prices are approximately \$12.50 (subject to change, in line with market fluctuations). ACCUs are issued by the Clean Energy Regulator in arrears of a project audit. In the WeAct aggregation project it is proposed that a project audit will be conducted every two years.

Section 2 – Information Requirements

A. INFORMATION REQUIRED IN PROPOSAL

Registration of interest will take into account the Terms of Reference requirements outlined above and a completed interest form (refer page 2 of this document).

Along with the completed form the landowner must outline the proposed timeline for the required silvicultural works programme for their land and plantation. Timing of activities and method-specific requirements of some key activities (for example thinning and/or pruning) are relevant to eligibility requirements and hence the implementation of the carbon project.

The landowner must either detail their previous and current (if applicable) silviculture, as well as the proposed silviculture for evaluation by WeAct against the method requirements, or confirm their ability to meet a proposed silviculture nominated by WeAct (designed to ensure eligibility). In all conversion cases the silviculture of the current or previous rotation must be detailed (with evidence) in order to determine the baseline carbon calculation for the site.

The following documents should accompany the Proposal:

- » The completed Interest Form
- » Information requested from landowner as defined in Section 2
- » Any other information that the landowner may submit in support of their proposal.

Section 3 – Other Information

A. EVALUATION CRITERIA

General Selection Criteria

The following is an example of the selection criteria that will be used to decide early project adoption as sought in this Requests for Proposal. Assessment against the criteria determines if the landowner proposal(s) demonstrate value for money and support the WeAct objectives for the carbon aggregation program.

- » Proven plantation experience and ability of the landowner or forester to follow the agreed work plan.
- » Ability and approach to working collaboratively with key stakeholders such as WeAct.
- » Size of land holding: larger blocks are preferred (i.e. 100+ ha) although 50 ha is the nominal lower area threshold for conversion and/or new plantations.
- » Agroforestry and shelter-belt planting proposals are of interest regardless of area although larger planting areas (i.e. 10+ ha) are preferred.

Specific Evaluation Criteria

Preparation of an acceptable work plan to deliver the Terms of Reference or willingness to agree to follow a work plan prescribed by WeAct.

- » Plantation (block) area threshold of 50 ha (minimum).
- » New agroforestry and shelter belt planting configurations will be evaluated on a case by case basis (i.e. no minimum area criteria).
- » Species grown must be *E. globulus*, *E. nitens* or *P. radiata*.
- » Plantation land and/or forest(s) must meet the CFI plantation method eligibility criteria:
 - New plantations must be on land that has been non-forested for at least 7 years previously.
 - Mid-rotation conversion to long rotation can only occur on sites that have previously hosted a completed short-rotation.

Note: It is an option to assign a weighting to each of the criteria. However, in this case all are assigned equal weighting. This decision may be reviewed by the Evaluation Team.

B. PERFORMANCE MEASURES

Projects must be eligible for CFI Registration in the period 2018 to 2028 only. The performance of the carbon project will be measured in accordance to the CFI Plantation method.

C. OTHER CONDITIONS

Period of Contract The term of the Project Contract will be as agreed between the WeAct and the participating landowners and will be as set out in the “NDA/Term Sheet”.

General Conditions of Contract

The General Conditions of Contract shall be as per the OSOA between participating landowners and WeAct. Acceptance by WeAct of a Proposal will be in the form of a letter i.e. "NDA/Term Sheet" to the selected landowner acknowledging such acceptance. This will form the basis of the Project Contract in accordance with the OSOA for such services.

Special Conditions

Any additional or response to Special Conditions applying to the provision of the Carbon rights trading in this Request for Proposal must be specified clearly in writing by the landowner. Any Special Conditions must not conflict with the terms and conditions of the OSOA.

Note; Any Special Conditions outside the OSOA (e.g. specifying plantation crop insurance cover levels) should be specified here by the landowner.

Late Proposals WeAct reserves the right not to consider late submissions, submissions lodged by any other means, or submissions, which do not comply with the above requirements.

WeAct's Specific Rights

- » WeAct is not bound to accept any submission, and warrants only that all valid submissions will receive due and diligent consideration.
- » No correspondence will be entered into regarding unsuccessful submissions.

Please note that WeAct, whilst generally intending to proceed with the process as outlined, does not guarantee to proceed and reserves the right to:

- » Make any or no appointment.
- » Not to proceed.

Further Information

Further information regarding the Carbon Farming Initiative (CFI) and the Emissions Reduction Fund (ERF) including the plantation method, can be obtained via the ERF website:

<http://www.environment.gov.au/climate-change/government/emissions-reduction-fund>

Other enquiries can be submitted initially by email to: arjan@weact.com.au please include a contact number (with area code) for subsequent call-back along with the questions or comments.

Note; Due to the relatively new legislation in this area, should a landowner identify an issue which is considered material to the submission of the Proposal, the matter can be clarified with WeAct by e-mail at the above address.

Questions of clarification should be submitted in writing no later than 4 pm on *21 September 2018*. Late questions will not be considered.