



Biodiversity
Conservation
Trust

May 2023

Statewide Credit Tender

Participants guide

May 2023

Contents

Glossary of terms	3
1. Credit tender	4
2. How does the tender work?	4
3. What are biodiversity credits?	4
4. What biodiversity credits are being sought?	5
5. Who is eligible for an offer?	8
6. Tender process	8
7. Use of personal information	17
8. Additional information	17
Appendix 1 - How does the BCT obtain credits?	18
Appendix 2 – Credit classes with specific eligibility requirements	19

Glossary of terms

BAM	<u>Biodiversity Assessment Method</u>
BAM credits	Credits created under the BC Act using the BAM
BBAM credits	Credits created under the former BioBanking Scheme using the BioBanking Assessment Method
BC Act	<u>Biodiversity Conservation Act 2016</u>
BC Regulation	<u>Biodiversity Conservation Regulation 2017</u>
BCF	Biodiversity Conservation Fund
BCT	Biodiversity Conservation Trust
Biodiversity Stewardship Agreement (or BSA)	An agreement made under Division 2 of Part 5 of the BC Act.
Biodiversity Stewardship Site Assessment Report (or BSSAR)	An assessment report that is required to accompany an application to enter into a BSA.
Credit class	A credit class is a group of credit types that share the same attributes as described in the BC Regulation ¹ .
Credit class options	The range of credit classes that are available to acquit an obligation under the offset rules contained in the BC Regulation ¹ .
Credit sale agreement (or CSA)	A contract entered into between the BCT and the credit owner or landholder committing both parties to a credit sale.
DPE	Department of Planning and Environment
EPBC Act	<u>Environment Protection and Biodiversity Conservation Act 1999</u>
Equivalence statement	An ' <u>Assessment of reasonable equivalence of biodiversity credits</u> ' is issued by DPE for BBAM credits to determine the equivalent number of BAM credits.
Fixed price offer (or FPO)	A credit purchase method in which the BCT offers a set price to purchase credits.
Geographic Information System (GIS)	A computer system for capturing, storing and analysing spatial data.
Hollow bearing tree (or HBT)	An attribute of a credit class as defined in the BAM
Obligation	The obligation the BCT is under to secure offsets from the money paid into the BCF by a developer (BC Act, s6.2(g)).
Offset Trading Group (or OTG)	An attribute of a credit class identified in Tables 4 and 5 of the BAM.
Subregion	Interim Biogeographic Regionalisation of Australia (IBRA) subregion
Threatened ecological community (or TEC)	As defined in the BC Act.

¹ Refer to Part 6, Division 6.1, of the BC Regulation.

1. Credit tender

This guide aims to assist landholders and biodiversity credit owners who are interested in participating in a biodiversity credit tender under the Biodiversity Conservation Trust's (BCT) Biodiversity Offsets Program.

The Biodiversity Offsets Scheme (the Scheme) introduced by the *Biodiversity Conservation Act 2016* (BC Act) delivers a transparent, consistent and scientifically-based approach to biodiversity offsetting in NSW. A key function of the BCT within the Scheme is to act as a market intermediary to secure offsets on behalf of developers who pay into the Biodiversity Conservation Fund (BCF). The BCT's Biodiversity Offsets Program is responsible for securing biodiversity credits to meet these offset obligations.

A tender is one of the credit purchase methods used by the BCT to obtain biodiversity credits. Other methods are described in Appendix 1.

The May 2023 Statewide Biodiversity Credit Tender opens on 17 May 2023 and closes at 11:59pm on 7 June 2023. Bids received after the closing time and date may not be considered further at BCT's absolute discretion.

2. How does the tender work?

In a tender, applicants offer a price at which they are prepared to sell their credits.

Applicants submit a bid price to the BCT. The BCT considers the bids through a competitive, reverse auction process.

The tender is limited to credits on the BCT's Wanted Credits List. The Wanted Credits List is specifically developed for the tender and is released prior to the tender opening.

The tender is available to existing credit owners as well as landholders who are interested in establishing a Biodiversity Stewardship Agreement (BSA).

For existing credit owners, if the bid is accepted then the BCT will proceed directly with the transaction.

Landholders interested in establishing a BSA will need to submit a [BSA business case](#) or draft Biodiversity Stewardship Site Assessment Report (BSSAR) with their application. The BCT will review the business case or BSSAR as part of the bid evaluation process. If the bid is accepted, the BCT will commit in-principle to purchase the credits by entering into a credit sale agreement with the landholder. The credits are then purchased once the BSA site is established and credits created. By participating in the tender, landholders will have the BCT as a committed buyer of credits before proceeding with additional assessment costs.

3. What are biodiversity credits?

Biodiversity credits are the units used to quantify biodiversity in the NSW Biodiversity Offset Scheme.

There are two broad categories of credits: **ecosystem credits** and **species credits**. There are many different types of ecosystem and species credits.

The credit types wanted by the BCT are identified by a set of attributes known as a **credit class**. A credit class comprises up to four attributes as described in the offset rules for the Scheme². The attributes are:

- the IBRA subregion³ of the wanted credits,
- the Offset Trading Group (OTG) of the wanted credits - OTGs are groups of credit types that have similar characteristics,
- for ecosystem credits, the vegetation formation or plant community type, and
- for ecosystem credits, the presence or absence of hollow-bearing trees.

In other words, a credit class sought by the BCT represents all credit types that are in the wanted subregion and are also in the wanted OTG and, for ecosystem credits, are identified with the presence of hollow-bearing trees, if required.

4. What biodiversity credits are being sought?

The credit classes wanted by the BCT are listed in the Wanted Credit List for the tender on the BCTs [Credit Offer Portal](#) (refer to section 6.2). The list identifies the number of credits wanted by the BCT for each credit class. An applicant can offer to sell any number of credits up to this maximum number.

The Wanted Credits List can be searched by filtering the credit class attributes. For example, you can select the IBRA subregion of interest and then search for the required OTG.

For existing credit owners, the credit class attributes are provided on the credit report or, for BBAM credits, on the **equivalence statement**.

For interested landholders, there is [information for new landholders wanting to offer credits to the BCT](#), including a link to a map to assist in determining the subregion in which your property is located.

² Refer to clause 6.2 of the BC Regulation.

³ The term 'IBRA subregion' refers to the Interim Biogeographic Regionalisation of Australia (IBRA) subregion, as defined in the BC Regulation.

4.1 How does the Wanted Credits List work?

The Wanted Credits List identifies the number of credits that are wanted by the BCT for each credit class. The list is based on the obligations received by the BCT. The BCT can acquit an obligation with credits from a range of different credit classes. The credits wanted for an obligation are therefore listed in each of the possible credit class options. The list is then compiled by summing the number of credits required from all obligations for each credit class (See Box 1).

Box 1 Example of how the Wanted Credits List works

The BCT has received an obligation for 100 credits. The obligation can be acquitted by five credit classes across five different subregions. The Wanted Credits List will therefore identify 100 credits as being wanted in any of these five subregions. If the BCT obtains 20 of the wanted credits from one of the subregions then the Wanted Credit List will identify 80 credits remaining as wanted in each of the five subregions.

The Wanted Credit List is updated and revised for each credit purchase program (e.g. for each tender). The update may include additional credits wanted for recently received obligations and may remove wanted credits which the BCT has already committed to purchase. It may also target specific credit classes and not display others. The type and number of credits wanted will therefore change for each program.

4.2 Wanted TEC credits

A [practice note](#) recently issued by the Department of Planning and Environment (DPE) means that some credits for Threatened Ecological Communities (TECs) are wanted by the BCT however not included on the Wanted Credit List (see Box 1 below).

Box 1 TEC credits not listed on the Wanted Credit List

The [Offset rules and ecosystem credits practice note](#) provides guidance on the application of offset rules under the Biodiversity Assessment Method (BAM) and the BC Regulations. Given this advice, the BCT will accept a credit report (or business case) for TEC credits to support an application for non-TEC credits, if the TEC meets the requirements in section 2.1 of the practice note.

Example: A credit owner holds credits for an Endangered Ecological Community (EEC), Swamp Sclerophyll Forest (PCT 1230). The BCT Wanted Credits List does not display credits for the EEC, however, does display credits for a non-TEC, Coastal Swamp Forest 70-90% cleared (PCT 1064). The EEC is in the same vegetation class as the non-TEC, and meets the required percentage cleared value of 70-90% or higher. In this case, the credit owner can sell the EEC credits (PCT 1230) by submitting an application for the non-TEC credits (PCT 1064) (refer to Table 3 in the [practice note](#)).

4.3 Wanted credits in Western Sydney with specific eligibility requirements

Some of the credit classes wanted by the BCT in Western Sydney have specific eligibility requirements. This applies to any credit class in the Cumberland, Sydney Cataract or Yengo subregions for the following OTGs:

- Cumberland Plain Woodland in the Sydney Basin Bioregion
- Shale Sandstone Transition Forest in the Sydney Basin Bioregion
- Sydney Turpentine-Ironbark Forest in the Sydney Basin Bioregion
- Shale Gravel Transition Forest in the Sydney Basin Bioregion
- River-Flat Eucalypt Forest on Coastal Floodplains of the NSW North Coast, Sydney Basin and South East Corner Bioregions
- Cooks River/Castlereagh Ironbark Forest in the Sydney Basin Bioregion
- Swamp Oak Floodplain Forest of the NSW North Coast, Sydney Basin and South East Corner Bioregions
- Freshwater Wetlands on Coastal Floodplains on the NSW North Coast, Sydney Basin and South East Corner Bioregions.

The specific eligibility requirements for these credit classes are listed in Appendix 2.

Handy hint: Landholders or credit suppliers with any of the above OTGs in the Cumberland, Sydney Cataract or Yengo subregions are encouraged to participate. The BCT will review your bid information to determine whether it meets the relevant eligibility criteria. Please note that the BCT may request additional information including plot data or GIS shapefiles to review and process your bid.

As well as meeting any offset obligations acquired by the BCT Biodiversity Offsets Program through payments into the BCF, these credits are sought to meet current and future requirements of the following programs:

1. Growth Centres Biodiversity Offset Program

The Growth Centres Biodiversity Offset Program aims to offset the impacts on biodiversity that are occurring as Sydney's North West and South West Growth Centres are developed by permanently protecting some of the best remaining bushland in Western Sydney and surrounding regions. Bushland is protected under the program by acquiring land from willing landowners for new reserves, purchasing biodiversity credits from existing biodiversity stewardship sites and by establishing new biodiversity stewardship sites on private land.

Cumberland Plain Conservation Plan Biodiversity Stewardship Program

The Cumberland Plain Conservation Plan (CPCP) is a landscape scale conservation program delivering strategic conservation planning in Western Sydney. It will deliver conservation outcomes in areas of regional biodiversity significance across Western Sydney, including investment in biodiversity stewardship sites on private and publicly owned land and ecological restoration of the Cumberland Plain's native vegetation communities. The program seeks to secure biodiversity credits to offset the biodiversity impacts of urban and transport development approved under the CPCP.

5. Who is eligible to bid?

The tender is open to applicants who:

- own existing credits created under the current Biodiversity Offsets Scheme (termed BAM credits); or
- own existing credits created under the former BioBanking Scheme (termed BBAM credits) and have obtained an **equivalence statement** to determine the equivalent number of BAM credits; or
- are landholders and have obtained a [BSA business case](#) or a draft BSSAR from an accredited assessor or have submitted an application for a BSA.

All biodiversity credit owners that meet these requirements will be able to participate in the tender, subject to the conflict of interest rules (see section 5.1).

Handy hint: If you own BBAM credits then make sure to allow sufficient time to obtain an equivalence statement before applying for the tender. Use this [link](#) to apply for a statement.

5.1 Conflicts of interest

Applicants will be required to declare any conflicts of interest and how these will be managed. Applicants who have associations that are considered by the BCT to represent a conflict of interest which is unable to be managed may not be eligible.

BCT staff and Board members (and their close family members) and any contractors involved in the delivery of the tender are not eligible to participate. Any offers received from such parties will not progress further in the process.

6. Tender process

The steps for participating in the tender are outlined in Figure 1. Note that some of these steps are bypassed if you have existing credits.

Figure 1. Steps to participate in the tender



6.1 BCT seeks bids

The BCT will seek bids by promoting the tender through the BCT website and notifying accredited assessors and other known participants in the biodiversity credit market.

6.1.1 Use of the credit supply register

The BCT may contact participants on the DPE Credit Supply Register, specifically those who are likely to have credits wanted by the BCT. It may also approach other credit owners that are not listed on the Register. Participants will be informed of the tender and encouraged to submit a bid.

6.2 Submit a bid

To participate in the tender you will need to complete and submit the on-line application form that is available on the BCT's [Credit Offer Portal](#). The Credit Offer Portal provides access to the Wanted Credit List for the tender. Select the credits that you want to sell and then open and complete the on-line form, including specifying a bid price for each credit class.

An application can be submitted for:

- one or more wanted credit classes,
- any number of credits up to that displayed on the Wanted Credits List.

The application will require you to upload the following documents (Table 1).

Table 1: Documents required for an application to sell credits to the BCT through the tender

Applicant	Documents required
Owner of BAM credits	<ul style="list-style-type: none">• BAM Credit Summary Report
Owner of BBAM credits	<ul style="list-style-type: none">• Credit ownership report• 'Assessment of reasonable equivalence of biodiversity credits' report
Landholder proposing a BSA	<ul style="list-style-type: none">• Either a Business Case,• or if available, a draft BSSAR,• or if available, a BSSAR submitted with a BSA application.

Notes: Reports may be redacted to remove any commercially sensitive information.
The application authorises the BCT to verify the credits with DPE.

The application must be completed by either the registered owner of the credits, or the landholder of the property for the proposed BSA, or a person authorised to represent the credit owner or landholder.

Once the on-line application is submitted you will receive an emailed acknowledgement of its receipt.

Applications are non-binding, meaning applicants can choose not to accept any BCT offer to purchase credits arising from the tender.

If credits included in an application are no longer available for sale, then applicants are requested to inform the BCT immediately. Similarly, the BCT will notify the applicant as soon as possible if the credits are no longer being sought (refer to section 6.3.2).

Submitting a business case

A business case (or a draft or finalised BSSAR) needs to be submitted with a bid for proposed credits. The purpose of the business case is to assist the landholder in making an informed decision to proceed with the BSA. The business case will confirm that the wanted credits are likely to be created at the required price. This also ensures that the BCT is not committing to purchase credits that are unlikely to be delivered and so preventing other participants from having the opportunity to sell these credits.

Business cases should include the content described on the BCT's web page (see [Business case link](#)).

The business case must provide sufficient evidence to substantiate the estimated number, type and required attributes of the credits that are included in the bid. The BCT will only assess the bid if sufficient evidence is provided but reserves the right to seek additional information or clarification on any bid during the assessment process.

6.2.1 Bid price

An application must specify a bid price (excluding GST) per BAM credit for each credit class offered for sale. Only a single bid price will be accepted for each credit class.

If BBAM credits are being sold, then the equivalent bid price per BAM credit can be calculated by the applicant using the '*Assessment of reasonable equivalence of biodiversity credits*' report.

Handy hint: Remember that your bid price must be sufficient to meet the relevant proportion of the Total Fund Deposit that is required to be paid for a BSA. The BCT reserves the right to set aside a bid where the bid price does not meet these requirements. Box 2 provides more details.

Box 2 Total Fund Deposit requirements

It is the credit owner's responsibility to ensure that they only agree to a credit sale price if the TFD requirements of the BC Act can be satisfied. For proposed credits, the TFD requirements for selling credits will be estimated through the business case and then finalised when the BSA is established.

Credits cannot be transferred to a buyer unless the relevant proportion of the TFD is paid into the Biodiversity Stewardship Payment Fund. The 'relevant proportion' refers to the proportion that the number of biodiversity credits to be transferred bears to the number of biodiversity credits created at the site (refer to s6.21 of the BC Act).

The relevant proportion of the TFD can be determined using the approach identified in Part D of the ['Application to transfer biodiversity offsets scheme credits'](#). The relevant proportion is calculated based on both ecosystem and species credits.

As an example, if 100 credits are created on a BSA site for which the TFD is \$1,000,000, and you intend to sell 50 credits, then the relevant proportion of the TFD that must be paid through the sale is 50%. In other words, \$500,000 must be paid into the Biodiversity Stewardship Payment Fund as part of the credit sale. This means the minimum price at which you can sell your credits must be, on average, \$10,000, or you will be required to pay the balance of the relevant proportion before the credit transaction can proceed.

The BCT's [BSA Landholder Guide](#) (Section 5.4.1) provides an additional example of determining the TFD requirement.

6.2.2 Obligation not to disclose bidding strategy

A participant must not disclose a bid, proposed bid or bid related information that could affect the integrity or outcome of the tender. Any participant in this process is expected to adhere to the [BCT's Statement of Business Ethics](#).

A participant is not prevented from disclosing a bid, proposed bid or bid related information, for the purpose of obtaining finance, or for obtaining financial, legal or other advice, or if the disclosure is required or permitted by any law.

6.2.3 Disqualification from participating in future BCT programs

The BCT reserves the right to disqualify a participant from participating in future BCT programs for an identified period of time. This can be done if the BCT believes on reasonable grounds that the participant has engaged in misconduct in relation to any purchasing process. In determining whether to disqualify a participant, the BCT may take into account whether the participant has breached:

- The participant guide for the tender
- A direction given by the BCT in relation to this tender
- The occurrence, suspected occurrence or possible future occurrence of conduct intended to affect the integrity of the process. This includes disclosing a bidding strategy.

6.2.4 Withdrawing a bid

A participant may withdraw a bid during the tender period. This will become an ineligible bid and will not progress through the tender process. Applicants are required to inform the BCT immediately if any credits offered in a bid have been sold to another party prior to notification of the results of the tender. This will result in the bid being withdrawn.

If successful, the credit owner reserves the right to decline the offer by the BCT to purchase credits as a result of this Biodiversity Credit Tender.

6.3 Bid evaluation

6.3.1 Evaluation panel

Bids will be assessed by an evaluation panel. The BCT may convene two panels, one for the majority of credit classes, and the other to evaluate the specific requirements of the Western Sydney credit classes (refer to section 4.3).

The panel(s) will be independent of the BCT staff directly involved in running the biodiversity credit tender. It will include an independent representative, external to the BCT.

Bids will be assessed by the evaluation panel 'blind', meaning that identifying information will be removed and bids assigned a generic identifier. Where a credit owner has submitted multiple bids, either as part of a single application or multiple applications, each bid will be given a separate identifier and assessed separately throughout the process.

The evaluation panel may provide recommendations to the BCT on bids that are considered 'value-for-money'.

The evaluation process will be overseen by a probity advisor.

6.3.2 Reserve price

No reserve price will be set for each credit class. All submitted bids will be assessed by the evaluation panel using a range of factors to determine value-for-money bids (refer to section 6.3.3).

The BCT is not obliged to purchase any biodiversity credits offered within each credit class.

6.3.3 Evaluation process

Review of applications

The BCT will review applications to ensure that they are complete. **Applications that are incomplete, or contain incorrect credit details, may be rejected at BCT's absolute discretion.**

The BCT may, at its absolute discretion and according to its interests, decide to request additional information from an applicant and may accept the information as part of the application. This may occur, for example, for some applications with minor errors and/or with sought-after credits.

Handy hint: Please check your application carefully before submitting it. It's important to **ensure that the credit details are exactly the same as on your credit report or business case**. If the details are incorrect then your application may be rejected.

Review of business cases

A business case (or draft or finalised BSSAR) needs to be provided with a bid to sell proposed credits. The BCT will undertake a review of the report to ensure that the proposed credits for the bid are likely to be created. The report is accepted if the BCT, in its sole discretion, is satisfied that the proposed BSA is likely to create the required number and types of wanted credits. If the report is not accepted then further assessment of the bid will be terminated.

Evaluation Panel assessment

The panel will review bids in accordance with the tender evaluation plan. The panel may consider a range of factors, including the bid price in relation to market information on the credit class and the number of credits being offered for sale. Other considerations may include the level of credit supply for the credit class, the level of market activity, and the length of time that offset obligations for the credit class have been held.

Bids for credits of threatened ecological communities in Western Sydney, as described in Section 4.3, will be evaluated according to the evaluation process set out in Appendix 2. Bids that are either ineligible or not accepted for either the Growth Centres or CPCP programs will remain available for consideration to meet biodiversity credit obligations acquired by the BCT Biodiversity Offsets Program through payments into the Biodiversity Conservation Fund (BCF).

The evaluation panel will provide recommendations to the BCT on the bids that are considered to be 'value for money'.

BCT decision

The BCT will consider the panel's recommendations in determining which 'value for money' bids are to be accepted. 'Value for money' bids will be accepted and prioritised for making offers based on the cost implications of the credit purchase and a consideration of other factors, such as the preferencing of purchases with higher conservation benefits, or that reduced the BCT's transaction timeframes and risks (e.g.; preferencing existing credits over proposed credits). The decision of the BCT is final.

6.4 BCT offers to buy credits

The BCT will make offers to prioritised, value for money bids until either:

- all wanted credits for a credit class have been obtained through committed purchases, or
- the available budget has been exhausted.

Each bid is evaluated independently and so if you included multiple bids in your application then you will receive a separate response for each of your bids.

The BCT may offer to purchase credits up to the number offered in your bid. If the BCT makes an offer then your bid price and the number of credits offered to be purchased by the BCT is not negotiable.

You will be provided **four business days to respond to an offer**. This timeframe is required to enable the BCT to make offers to other applicants in a timely manner if you choose not to accept the BCT's offer. Responses to the offer will be received up to 11:59pm on the due date, as determined by the date stamp on your return email.

Handy hint: Be prepared to receive an offer! Check your emails and your 'spam folder' in case the email is not displayed in your inbox. Unfortunately, if you miss the offer then we cannot accept your bid and so will make an offer to the next applicant.

The offer is accepted if the applicant provides emailed advice of acceptance by the due date.

The offer is refused if either the applicant advises in writing via email that they refuse the offer or there is no response within the required time period.

If the credit owner accepts the BCT's offer then the BCT will provide confirmation of its in-principle commitment to purchase the credits and details of the next steps in the process.

6.4.1 Unsuccessful bids

Your bid may be unsuccessful for the following reasons:

- The bid was considered 'value for money' however the wanted credits were obtained from higher priority bids up to the limit of the available budget, or
- The bid was determined by the BCT to not be 'value for money', or
- The business case for proposed credits was not accepted (refer to section 6.3.2), or
- The application was rejected during the review of applications (refer to section 6.3.3).
- The bid didn't meet the eligibility criteria for wanted credits in Western Sydney with specific eligibility requirements (refer Appendix 2).

If your bid is unsuccessful then you will be notified of this decision as soon as possible.

6.4.2 Unsuccessful bids may be considered further

If the BCT has received additional credit obligations since the Wanted Credit List was released, then it may reconsider and make an offer for unsuccessful bids. In these circumstances, the bids to receive a BCT offer will be prioritised from recently held credit purchase programs with the aim of providing best value for money and for reducing the BCT's risks and transaction timeframes.

6.5 Enter into credit sale agreement

The credit sale agreement (CSA) provides a contractual agreement in which both parties commit to proceed with the credit transaction. The BCT will enter into a CSA with an applicant who has agreed to proceed with the sale of credits.

6.5.1 What happens if the BSA does not create the required credits?

The CSA is a commitment by the landholder and the BCT to proceed with the credit transaction in accordance with the terms of the CSA. If less wanted credits are created by the BSA than expected then, subject to the terms of the CSA, the BCT will purchase as many credits as are created.

Important note: By entering into a CSA the BCT is not in any way committing to the landholder that the BSA will create the required credits.

The landholder is responsible for their decision to establish the BSA and to enter into a CSA with the BCT. It is recommended that the landholder carefully consider the advice from an accredited assessor on the number and type of credits likely to be created by a BSA, as well as any financial advice that is required for their decision. Valuable advice is also provided in the BCT's [BSA Landholder Guide](#) for establishing a BSA.

6.5.2 Purchase of additional credits

If more credits are available for sale, then the BCT may offer to purchase additional credits of the same credit type and at the same credit price as that offered by the applicant through the tender. The purchase of the additional credits would be facilitated through a variation to the CSA, which may occur at any time until the transaction has been completed by mutual agreement of the parties.

6.6 Establish a BSA

This step is not required for existing credit owners.

The landholder will require an accredited assessor to prepare the BSSAR and other documents that support a BSA application.

The submitted BSA application is reviewed by the [Credit Supply Taskforce](#) through processes that are independent of the credit transaction. This means that the BCT's earlier review of the business case to inform its decision to enter a CSA has no bearing on the subsequent review of the BSA application by the Taskforce.

Landholders will need to demonstrate that adequate progress is being made to establish the BSA. The required timeframes will be specified in the CSA. Table 2 provides an example of these timeframes. If satisfactory progress is not occurring in accordance with the CSA then the CSA may be terminated.

Table 2: Example of timeframes for landholders to establish a BSA

Documents to be provided to the BCT	Required date
Evidence of engagement of an accredited assessor to prepare a BSSAR	<ul style="list-style-type: none">Two calendar months following signing of the credit sale agreement
Evidence of submission of an application to enter into a BSA	<ul style="list-style-type: none">Twelve calendar months following signing of the credit sale agreement

Note: *The above timeframes for submitting an application are examples and final timeframes will be specified in the CSA.*

6.7 Sell credits

For applicants with existing credits, the credit transaction usually proceeds within six weeks of the CSA being executed (subject to the terms of the CSA).

For landholders with a proposed BSA, the credit transaction usually occurs within six weeks of the BSA being registered on title (subject to the terms of the CSA).

7. Use of personal information

The application form seeks your consent for the BCT to access, store and use personal information that you have submitted, and also information held by DPE and the BCT.

We will use this information for the purpose of assessing your application to sell credits. With your consent, this includes information from DPE and the BCT to verify the ownership and attributes of the credits that are the subject of your application. It also includes attributes of the BSA or Biobanking agreement that created the credits, such as data on the Total Fund Deposit.

There is no legal requirement for you to provide us with personal information. However, if you do not provide all required information, we may not be able to consider your application.

If your application includes personal information about other persons that together comprise the applicant, then you must first obtain the consent of that person for the BCT to collect and use their information.

The Privacy Notice included in the application provides further information.

8. Additional information

Further information on the credit tender is available on the BCT's [credit tender](#) website.

Additional information can be sought by contacting offsets@bct.nsw.gov.au. Please note, the BCT cannot provide any additional information that has the potential to provide the enquirer with a competitive advantage over other possible applicants for the tender, but can provide procedural information on the application process.

Appendix 1 - How does the BCT obtain credits?

The BCT uses a suite of credit purchase methods to acquit the offset obligations it receives from developers (see Table 4).

Table 3 BCT credit purchase methods

Credit purchase method	
<p>Credit tender</p>	<ul style="list-style-type: none"> • <i>Applicants offer a price at which they are prepared to sell their credits.</i> • Credit owners or landholders submit a bid price through a competitive, reverse auction process. • Open to existing credit owners and / or new landholders willing to establish a BSA. • New landholders must submit a BSA business case with their bid. • Bids are considered on a competitive basis.
<p>Open fixed price offer</p>	<ul style="list-style-type: none"> • <i>BCT offers applicants a price at which it wants to buy credits.</i> • Credit owners or landholders apply to obtain the BCT's offer price. • New landholders must submit, as a minimum, a BSA feasibility assessment with their application. • Applications are considered in a ranked order. • BCT offers to purchase credits at a non-negotiable fixed price.
<p>Targeted fixed price offer</p>	<ul style="list-style-type: none"> • BCT offers to purchase credits directly from the credit owner / landholder. • May be open to both existing and prospective credit owners. • Will be used in limited circumstances and specific regions to obtain highly sought-after credits.
<p>Revolving fund</p>	<ul style="list-style-type: none"> • BCT purchases a property, establishes a BSA over the site to generate the relevant biodiversity credits which would then be used to acquit credit obligations. Property on-sold with BSA. Likely to be used opportunistically.

Appendix 2 – Eligibility and evaluation process for Western Sydney threatened ecological communities

Eligibility requirements that apply to credit classes sought in Western Sydney.

Offset trading group	Specific eligibility requirements
<p>Cumberland Plain Woodland in the Sydney Basin Bioregion</p> <p>Shale Sandstone Transition Forest in the Sydney Basin Bioregion</p> <p>Shale Gravel Transition Forest in the Sydney Basin Bioregion</p> <p>IBRA subregions: Cumberland, Sydney Cataract and Yengo.</p>	<p>Bids are eligible for the tender if the credits are either existing credits, or proposed credits with a business case as a minimum level of assessment, and the bids are either:</p> <p>A. i) derived from a BSA or biobank site that is within, or partially within, the Priority 1 Area⁶ for the Growth Centres Biodiversity Offset Scheme, and ii) derived from vegetation that satisfies the EPBC Act listing for this community.</p> <p>OR</p> <p>B. derived from a BSA or biobank site that is within the Strategic Conservation Area for the Cumberland Plain Conservation Plan⁴.</p>
<p>Sydney Turpentine-Ironbark Forest in the Sydney Basin Bioregion</p> <p>IBRA subregions: Cumberland, Sydney Cataract and Yengo.</p>	<p>Bids are eligible for the tender if the credits are either existing credits, or proposed credits with a business case as a minimum level of assessment, and the bids are:</p> <p>i) derived from a BSA or biobank site that is within, or partially within, the Priority 1 Area⁶ for the Growth Centres Biodiversity Offset Scheme, and ii) derived from vegetation that satisfies the EPBC Act listing for this community.</p>
<p>River-Flat Eucalypt Forest on Coastal Floodplains of the NSW North Coast, Sydney Basin and South East Corner Bioregions</p> <p>IBRA subregions: Cumberland, Sydney Cataract.</p>	<p>Bids are eligible for the tender if the credits are either existing credits, or proposed credits with a business case as a minimum level of assessment, and the bids are:</p> <p>i) derived from a BSA that is within the Strategic Conservation Area for the Cumberland Plain Conservation Plan⁴.</p>
<p>Cooks River/Castlereagh Ironbark Forest in the Sydney Basin Bioregion</p> <p>IBRA subregions: Cumberland, Sydney Cataract.</p>	<p>Bids are eligible for the tender if the credits are either existing credits, or proposed credits with a business case as a minimum level of assessment, and the bids are:</p> <p>i) derived from a BSA that is within the Strategic Conservation Area for the Cumberland Plain Conservation Plan⁴.</p>
<p>Swamp Oak Floodplain Forest of the NSW North Coast, Sydney Basin and South East Corner Bioregions</p>	<p>Bids are eligible for the tender if the credits are either existing credits, or proposed credits with a business case as a minimum level of assessment, and the bids are:</p> <p>i) derived from a BSA that is within the Strategic Conservation Area for the Cumberland Plain Conservation Plan⁴.</p>

⁶ The Priority 1 Area is identified in the map on the [Growth Centres Biodiversity Offset Scheme web page](#).

⁴ The Strategic Conservation Area is identified on the spatial viewer on the [Cumberland Plain Conservation Plan mapping web page](#).

IBRA subregions: Cumberland,
Sydney Cataract

[Freshwater Wetlands on Coastal Floodplains on the NSW North Coast, Sydney Basin and South East Corner Bioregions](#)

Bids are eligible for the tender if the credits are either existing credits, or proposed credits with a business case as a minimum level of assessment, and the bids are:

- i) derived from a BSA that is within the Strategic Conservation Area for the Cumberland Plain Conservation Plan Error! Bookmark not defined.

IBRA subregions: Cumberland,
Sydney Cataract

Evaluation process for the Growth Centres Biodiversity Offset Program

Initial sorting of bids

Eligible bids will be sorted into one of the following three groupings based on the class of credits offered and verified attributes:

- Cumberland Plain Shale Woodlands and Shale-Gravel Transition Forest
- Shale Sandstone Transition Forest of the Sydney Basin Bioregion
- Sydney Turpentine-Ironbark Forest of the Sydney Basin Bioregion

Ranking of bids

Bids within each credit class will be ranked from lowest to highest value.

In order to prioritise the purchase of existing credits when bids have a similar price, bids within each credit class will be grouped into 'price bands' (i.e., groups of bids within the same range) using a pre-determined method. Bids in the lowest-price band will be prioritised over bids in a higher-priced band.

The BCT will prioritise the purchase of **existing credits** within each band. If two or more bids are submitted with the same price for the same credit class, then bids for existing credits will be given priority over proposed credits. This reduces BCT's risks and transaction timeframes.

If multiple bids are received within the same price band for **existing credits or proposed credits**, then priority is given to bids with the lowest price per hectare. This is to ensure the greatest area of eligible vegetation is secured in line with the area-based targets of the Growth Centres Biodiversity Offsets Program

When ranking bids for proposed sites, the panel may also prioritise more progressed sites. That is, credits from a submitted BSA may be prioritised over credits with a draft BSSAR, and then a business case. Prioritising credits from more progressed sites aims to reduce the BCT's risks and transaction timeframes.

The evaluation panel will provide recommendations to the BCT on the bids that are value for money and the ranking of those bids within each credit class.

When allocating funding to the purchase of value for money bids, the BCT will prioritise the purchase of credits from credit classes in the following order:

1. Cumberland Plain Shale Woodlands and Shale-Gravel Transition Forest
2. Shale Sandstone Transition Forest of the Sydney Basin Bioregion
3. Sydney Turpentine-Ironbark Forest of the Sydney Basin Bioregion

Evaluation process for the Cumberland Plain Conservation Plan Biodiversity Stewardship Program

Initial sorting of bids

Eligible bids will be sorted into one of the following credits classes:

- Cumberland Plain Woodland of the Sydney Basin Bioregion
- Shale Sandstone Transition Forest of the Sydney Basin Bioregion
- River-Flat Eucalypt Forest on Coastal Floodplains of the New South Wales North Coast, Sydney Basin and South East Corner Bioregions
- Shale Gravel Transition Forest in the Sydney Basin Bioregion
- Swamp Oak Floodplain Forest of the New South Wales North Coast, Sydney Basin and South East Corner Bioregions
- Freshwater Wetlands on Coastal Floodplains of the New South Wales North Coast, Sydney Basin and South East Corner Bioregions

Eligible bids within each credit class will then be sorted from lowest to highest value.

Prioritising sites within the CPCP Strategic Conservation Area

The BCT will preference the purchase of target biodiversity credits from priority areas of the CPCP's Strategic Conservation Area in line with the CPCP conservation land selection steps.

Priority CPCP target threatened ecological communities

In accordance with the CPCP conservation land selection steps, credits will be prioritised for purchase based on the following priority order of target TECs:

1. Cumberland Plain Woodland in the Sydney Basin Bioregion
2. Shale Sandstone Transition Forest in the Sydney Basin Bioregion
3. River-flat Eucalypt Forest on Coastal Floodplains of the New South Wales North Coast, Sydney Basin and South East Corner Bioregions
4. Cooks River/Castlereagh Ironbark Forest of the Sydney Basin Bioregion
5. Shale Gravel Transition Forest in the Sydney Basin Bioregion
6. Swamp Oak Floodplain Forest of the New South Wales North Coast, Sydney Basin and South East Corner Bioregions
7. Freshwater Wetlands on Coastal Floodplains of the New South Wales North Coast, Sydney Basin and South East Corner Bioregions.

Prioritisation of existing biodiversity credits

The BCT aims to preferentially purchase existing credits to reduce the BCT's risks and transaction timeframes. If multiple value for money bids are identified for the same credit class and same priority area status, the evaluation panel may alter the ranked order of bids to give priority to, in order:

- **Existing credit bids** – bids for credits that have been issued to the owner and are available for immediate purchase or are expected to be generated from a BSA, the application for which was submitted to the Credit Supply Taskforce prior to 1 January 2023.
- **Pending credit bids** – bids for credits that are expected to be generated pending the approval of a submitted BSA application submitted after 1 Jan 2023.

- **Prospective credit bids** – bids for credits that are expected to be generated from a site for which, at a minimum, a BSA business case has been completed. Bids in this category may also be supported by a Biodiversity Stewardship Site Assessment Report (BSSAR), either completed or in preparation, but have not yet submitted a complete BSA application to the Credit Supply Taskforce.

Other panel considerations

Following the prioritisation of bids as outlined above, the panel may consider additional factors when ranking value for money bids. The factors include:

- The area of vegetation conserved by acceptance of the bid.
- Whether acceptance of the bid will trigger active management of the BSA.
- For pending or prospective credit status, how progressed is the BSA site.
- If the site contains habitat for target threatened species
- If the site provides additional conservation benefits such as connectivity (to intact vegetation and/or existing protected areas) and riparian habitat.

The evaluation panel will provide recommendations to the BCT on the bids that are considered to be value for money and the ranking of those bids in line with the process for prioritising bids outlined above.