

A record 1,000 projects now participating under the ERF

Canonical: <https://northmoregordon.com/news/record-1000-projects-participating-under-the-erf/>

Details:

[Summary](#) | [Article](#) | [Current use](#) | [Related guidance](#)

About this update

This dated news record has been reorganised for clear reading and connected to current guidance.

Publication date: September 1, 2021.

Status note: Present-tense statements, market figures, deadlines and program details in the archived record belong to its publication date. Check current official sources before making a decision.

What this article reported

A major milestone has been reached in Australia's path towards a cleaner and greener future, with the Clean Energy Regulator registering its 1000 th project under the Emissions Reduction Fund.

A soil carbon project on a sheep and cropping farm in Gollan, NSW - just outside of Dubbo - was registered in August and marked the milestone under the growing scheme. Soil projects have accounted for a quarter of all new registrations under the Emissions Reduction Fund (ERF) in 2021.

Whilst the program has been dominated by the agricultural sector, there is an increasing growth in the number of projects for industry. Our experience in ERF is widely driven by energy efficiency and alternate waste treatment activities - including a range of fuel switching, industrial equipment upgrades and anaerobic digestion.

A voluntary program, the Emissions Reduction Fund (ERF) is managed by the Clean Energy Regulator and seeks to provide incentives for organisations and individuals to adopt new practices and technologies to reduce their greenhouse gas emissions. Projects earn Australian carbon credit units (ACCUs) that can be sold to generate income, either to the Government through a carbon abatement contract, or to private buyers in the private market. The average sale price across all government auctions is \$12.32 per tonne.

The ERF's most recent report showed that the scheme had so far delivered 98.89 million tonnes in cumulative emissions reductions to July 31, 2021. The 100 million tonnes barrier is expected to be broken in coming months, with the Regulator expecting the ERF to credit 17 million tonnes of emissions reductions during 2021.

Minister for Energy and Emissions Reduction Angus Taylor said the Emissions Reduction Fund is at the heart of the Government's technology-led plan to drive down emissions.

"As one of the world's most rigorous carbon offset programs, the Emissions Reduction Fund is driving genuine actions to help Australia meet and beat our climate goals" Minister Taylor said.

The Clean Energy Regulator has set targets to halve the development time of new ERF methods to less than 12 months.

You can read the full article on the Clean Energy Regulator website the Clean Energy Regulator's September quarter 2021 report .

How to use this information now

For current use, confirm the applicable scheme rules, regulator notices, market date and reporting period. Keep historical prices or forecasts separate from present quotes and verified outcomes.

Separate source-reported facts from forecasts, targets and commentary. For a current project, retain the official source, version, effective date, assumptions and decision record in the evidence file.

Related guidance

Environmental certificates

Government schemes

Carbon advisory

Energy audits

Current articles and guidance

Contact Northmore Gordon

What does the 1000th ERF project registration milestone represent for Australia's emissions reduction efforts?

The Clean Energy Regulator's registration of its 1000th project under the Emissions Reduction Fund in August 2021 marked a major milestone in Australia's progress toward a cleaner and greener future. This threshold demonstrates the scheme's growing adoption across diverse sectors and geographies. The milestone occurred as the ERF was approaching 100 million tonnes in cumulative emissions reductions and was expected to credit 17 million tonnes during 2021 alone. The diversity of participating projects—from soil carbon initiatives on farms to industrial equipment upgrades—indicates the scheme's broad applicability across different business types and operational contexts.

How do ERF participants generate income from their projects, and what financial returns have been achieved?

Projects registered under the Emissions Reduction Fund earn Australian carbon credit units (ACCUs), with each ACCU representing one tonne of carbon dioxide equivalent. Participants can sell these credits either directly to the Australian Government through carbon abatement contracts or to private buyers in the market. Government auction data shows an average sale price of \$12.32 per tonne across all ERF auctions. Revenue potential depends on project eligibility, verified abatement quantities, market timing, and sale pathway. We assist clients in assessing ACCU project eligibility, establishing credible baselines and measurement approaches, and evaluating the commercial case for ERF participation alongside other funding mechanisms.

What role has agriculture, particularly soil carbon projects, played in ERF registrations, and where is growth occurring?

Soil carbon projects accounted for approximately one quarter of all new ERF registrations in 2021, reflecting strong agricultural sector participation. However, our experience indicates that while agriculture has historically dominated the ERF program, there is increasing growth in industrial and energy-efficiency projects. Notable areas of expansion include fuel switching, industrial equipment upgrades, and anaerobic digestion for waste treatment. This sectoral diversification reflects both the broadening of eligible methods and growing awareness among industrial operators of ERF participation opportunities. We can assist industrial clients in identifying whether their energy efficiency, waste management, or fuel-switching initiatives meet ERF eligibility requirements and establishing the measurement and verification evidence needed for registration.

What has the Clean Energy Regulator committed to regarding the speed of developing new ERF methods?

The Clean Energy Regulator has set targets to halve the development time for new ERF methods to less than 12 months. This commitment aims to accelerate the approval of innovative abatement activities and expand the range of eligible projects under the scheme. Faster method development creates opportunities for emerging technologies and practices to gain ERF recognition more quickly. For organisations considering new or non-standard abatement approaches, this shortened timeline may improve the feasibility of seeking method approval. We can help clients assess whether their proposed activity aligns with existing approved methods or whether a new method might be required, and can advise on the evidence and documentation standards applicable under current and emerging ERF pathways.

Why is the ERF described as a rigorous carbon offset program, and what does this mean for project participants?

Minister Angus Taylor characterised the Emissions Reduction Fund as one of the world's most rigorous carbon offset programs, driving genuine emissions reductions to help Australia meet and beat its climate goals. This rigour reflects the scheme's strict eligibility criteria, measurement and verification requirements, and additionality tests that must be satisfied before projects can register and earn ACCUs. The regulatory framework protects the integrity of issued credits and supports their credibility in both government and private markets. For participants, this rigour means that projects must demonstrate real, measurable, and additional abatement against a credible baseline. Our measurement and verification services, project-boundary selection, baseline modelling, and regulatory compliance support help clients meet these exacting standards and establish the evidence necessary for successful ACCU issuance.

How does the ACCU Scheme relate to a company's broader emissions inventory, and what should organisations consider before relying on ERF revenue?

The ACCU Scheme applies methods, registration, and reporting requirements to particular projects and does not issue credits for every emissions reduction shown in a company's overall emissions inventory. A project must meet specific eligibility criteria, undergo method assessment, and achieve registered status before it can earn credits. Before relying on ACCU revenue, organisations should establish the proposed method, project proponent, actual commitment history, required rights and consents, monitoring plan, and expected administrative obligations. They must also verify the method's current version and availability. We recommend developing an auditable commercial model showing projected abatement by period, the route from estimate to credit claim, assumed issuance timing, project costs, monitoring effort, and pricing scenarios. This disciplined approach separates forecast ACCU revenue from other operational or financial outcomes and supports realistic investment decisions.

What types of energy efficiency and industrial activities can generate ERF credits, and how should organisations assess eligibility?

Our ERF experience indicates that energy efficiency and alternate waste treatment activities—including fuel switching, industrial equipment upgrades, and anaerobic digestion—represent growing opportunities beyond the traditional agricultural focus. However, eligibility depends on whether an approved ERF method exists for the specific activity, whether the organisation can demonstrate additionality and regulatory compliance, and whether baseline and monitoring evidence can be established. The starting point is to submit a project brief identifying the location, equipment, existing and proposed operating conditions, project timeline, and ownership arrangements. We can then assess applicability against current approved methods, identify evidence requirements, and establish measurement and verification scope. This proportionate early assessment clarifies whether the activity qualifies, what documentation is needed, and whether timeline or commencement constraints apply under the relevant method's newness requirements.

What is the significance of the ERF reaching near 100 million tonnes in cumulative emissions reductions, and what does this imply for future participation?

As of July 31, 2021, the ERF had delivered 98.89 million tonnes in cumulative emissions reductions, with the 100 million tonne threshold expected to be reached in the following months. This trajectory demonstrates the scheme's sustained and growing effectiveness as a policy instrument. The ERF's expected delivery of 17 million tonnes of reductions during 2021 alone, combined with 1000 registered projects spanning diverse sectors and regions, indicates both the scale of participation and the diversity of eligible abatement pathways. For organisations considering ERF participation, this maturity suggests a well-established scheme with proven compliance processes, established registries, and functioning markets for ACCU trading. We can help prospective participants understand their position relative to this growing scheme, assess their project's competitive positioning, and establish realistic timelines for registration and credit issuance based on current CER processing rates and method availability.