

Business case information

The BCT recommends that a business case is the second in a three-step process to assess the biodiversity values of your site for a Biodiversity Stewardship Agreement (BSA):

- a.** Feasibility assessment
- b.** Business case
- c.** Full assessment under the Biodiversity Assessment Method (BAM), including preparation of a Biodiversity Stewardship Site Assessment Report and management plan.

A feasibility assessment and a business case are *optional* steps. You can choose to proceed directly to a full assessment under the BAM (step c), however it may be prudent to take a staged approach and cost-effectively gather information that will help you make an informed decision about whether to proceed to a full assessment.

Each of these steps can be conducted by an accredited assessor and they will charge you for this work. The steps are nested, so the work completed through steps a and b should contribute to, and therefore reduce the cost of, the full assessment conducted under step c. It is mandatory for an accredited assessor to undertake step c, a full assessment under the BAM. It is not mandatory for an accredited assessor to be engaged to undertake a feasibility assessment or business case, but as these feed into the full BAM assessment, the BCT recommends that an appropriately skilled and experienced person, such as an accredited assessor, be engaged to undertake these.

Business case requirements

The BCT recommends that a business case should typically include:

- I A detailed description of the site, its size (area), location, and position in the landscape.
- I A detailed description of the biodiversity values of the site, as outlined below.
- I A field assessment of your site overseen by an accredited assessor including preliminary mapping of vegetation zones and management zones, completion of subset of vegetation survey plots (e.g. one plot per vegetation zone) using the BAM and identification of potential threatened species habitat.

- ▮ A preliminary calculation of the type and number of ecosystem credits generated within each management zone and whether vegetation zones contain hollow-bearing trees.
- ▮ A preliminary determination of the types of species credits that may be generated from the site and indicative costs and timing of targeted threatened species surveys required to generate those species credits.
- ▮ A preliminary assessment of management issues at the site and an informed estimate of the likely management costs presented in the form of an indicative draft total fund deposit spreadsheet.
- ▮ An indication of the likely minimum credit sale price taking into account all relevant costs associated with establishing the biodiversity stewardship site.
- ▮ Information on demand and supply for the credits to be generated on your site.
- ▮ Information on the past and current market price for credits to be generated on your site.
- ▮ Information about any existing legal protection over the site that may reduce the amount of credits that can be generated (e.g. conservation agreement).

The exact scope of a business case will vary depending on the level of ecological information already available for a site, the experience of the assessor and the maturity of the offsets market in the region in which the site is located.

In all cases it is important that any limitations and assumptions of the business case are clearly stated by the accredited assessor. This will allow the landholder, other accredited assessors (should you wish to contract an alternative accredited assessor to complete the full assessment) or other stakeholders (e.g. the BCT) to determine the comprehensiveness and accuracy of the information presented.