

BCT Biodiversity Offsets Program

BCT Credit Tenders

Frequently Asked Questions

Q: What are BCT Credit Tenders?

A: The BCT Credit Tenders are a type of auction in which applicants offer a price to sell their biodiversity credits to the BCT.

The credit tender process uses a reverse auction because this approach is considered an effective means of acquiring value-for-money biodiversity credits. Credit tenders are one of the primary means by which the BCT Biodiversity Offsets Program secures credits to meet developer offset obligations.

Other methods used by the BCT to purchase credits include the Open Fixed Price Offer in which the BCT offers a credit price to applicants.

More information on the BCT methods to purchase biodiversity credits is available on the [BCT webpage - Sell biodiversity credits from your BSA.](#)

Q: Does the BCT have a set budget for the purchase of credits or a set number of credits to be purchased?

A: The BCT does not set a budget for the purchase of credits through its tender.

The BCT aims to purchase sufficient credits to meet the offset obligations that it currently holds. Details of the number of credits sought by the BCT are listed in the Wanted Credits List for the tender on the BCT's [Credit Offer Portal](#).

Q: Will the BCT set a reserve price for credits?

A: A reserve price is not set for each credit class. All submitted bids for each credit class will be assessed by an evaluation panel to determine value-for-money bids by taking into consideration a range of market and other factors.

Q: What does 'credit class' mean? Why is it important?

A: When using the [Credit Offer Portal](#) to search the Wanted Credits List or to submit a bid to the tender, the credit class you search for must match the credits you currently own (or propose to own) for your bid to be valid. For ecosystem credits, the following four attributes define a credit class:

1. IBRA subregion
2. Plant Community Type (PCT) ID
3. Offset Trading Group (OTG) and
4. Hollow-bearing trees (HBT)

Note: In past tenders the BCT has received a large proportion of ineligible bids. In most cases, bids were ineligible because one credit class attribute did not match the credit owner or landholder's credit class. Please understand that your Wanted Credits List search will only be accurate and your bid valid, if you enter all four credit class attributes that identify the credits you own. You will not benefit from submitting bids for credit class options that don't match the four credit class attributes of your credits. In most cases, these bids will be ineligible. Common examples of ineligible bids and an exception for Threatened Ecological Community credits is outlined in the Participants guide available on the BCT [Credit tenders](#) webpage.

For existing credit owners, credit class details are provided on the BAM biodiversity credit report or biodiversity credit ownership report or, for BBAM credits, on the [statement of reasonable credit equivalence](#). For landholders looking to establish a BSA, the credit classes expected to be created at your proposed site will be identified in the Business case or draft or finalised BSSAR. Please contact the BCT

Q: What credits are being sought by the BCT?

A: The credits being sought will be listed in the Wanted Credits List for the tender at least one week prior to the tender opening. The Wanted Credits List can be found on the BCT's [Credit Offer Portal](#).

The Wanted Credits List identifies the number of credits wanted by the BCT for each credit class and is based on the developer offset obligations received by the BCT. The BCT purchases credits to acquit obligations in accordance with the offset rules identified in section 6.3 of the *Biodiversity Conservation Regulation 2017*. This includes credit types being sought through applying the variation offset rules to some of the BCT's longer-held developer obligations.

Q: How do I submit a bid for the tender?

A: To submit your bid 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 Credits List for the tender. Search for the credits you want to sell, select the credit class that matches your credits, then select 'Create offer' to open and complete the online application form, including specifying a bid price for each credit class.

To ensure your application is eligible, read the guidance on the BCT's [Credit Offer Portal](#) webpage for how to use the BCT's Wanted Credits List and read the [Credit Offer Portal User Guide](#) to step you through the process for submitting your credit offer application.

Common examples of ineligible bids are outlined in the Participants guide available on the BCT [Credit tenders](#) webpage.

Q: I can't find the credits I want to sell on the Wanted Credits List. Can I still submit a bid?

A: First check to ensure you have searched the Wanted Credits List correctly by answering the question/s at the top of the table. The credit class you search for must match your credits for your bid to be valid.

If the BCT does want your credits, the Wanted Credits List will identify the number of BAM credits the BCT is seeking to purchase.

If the BCT does not want your credits for this tender, then the search results will be empty.

For other opportunities to sell your credits, check for upcoming programs on the BCT's [Sell credits from your BSA](#) web page and the Department of Climate Change, Energy, the Environment and Water (DCCEEW) [Buying and selling credits and market information](#) webpage under 'Find buyers and sellers of credits'.

Q: What do I do if I can't access the Credit Offer Portal or have difficulty submitting my bid for the tender?

A: If you encounter any issues accessing the [Credit Offer Portal](#) or submitting your credit offer application and need technical assistance, email offsets@bct.nsw.gov.au. Make sure you include a brief description of your issue and your phone number so one of our staff can respond to you. Screen shots of the Credit Offer Portal will provide a helpful reference for you and our staff.

Q: My credits were generated under the former BioBanking Scheme. Can I price them as BBAM credits?

A: No. BCT Credit Tenders are open to owners of both BAM and BBAM credits. However, if you hold BBAM credits you must have obtained an '[Assessment of reasonable equivalence of biodiversity credits](#)' (equivalence statement) to determine the equivalent number of BAM credits for each credit type you hold.

Your credit offer application must specify a bid price (excluding GST) **per BAM credit**.

Q: What is an 'Assessment of reasonable equivalence of biodiversity credits'? Why is it necessary?

A: An [assessment of reasonable equivalence](#) is undertaken by the Department of Climate Change, Energy, the Environment and Water (DCCEEW) to determine the number and class of biodiversity credits that could reasonably be assumed to have been generated under a BioBanking agreement, had that agreement been assessed in accordance with the *Biodiversity Conservation Act 2016* and the Biodiversity Assessment Method (BAM), rather than the *Threatened Species Conservation Act 1995* (TSC Act) BioBanking Assessment Methodology (BBAM). The assessment is undertaken using data extracted from the BioBanking Agreement credit assessment report and identifies the number and type of BAM credits considered '*reasonably equivalent*' to the number and class of BBAM credits generated at the biobank site under the TSC Act.

Q: My Biodiversity Assessment Report (BAR) / Biodiversity Stewardship Site Assessment Report (BSSAR) and related appendices contain commercially sensitive information I do not want to provide to the BCT. Can I still submit a bid?

A: Yes. The BCT asks bidders to submit the BAR / BSSAR and any related appendices for review. This allows the BCT to fully assess credit attributes of interest, for example, if the credits generated from vegetation contain hollow-bearing trees.

However, the bidder can choose to redact commercially sensitive information from the BAR / BSSAR and/or related appendices provided that the redaction of information does not hinder the BCT's ability to verify credit attributes.

Q: Does my bid need to be submitted by an accredited assessor or can I do it myself?

A: Tender bids must be submitted by the registered owner of the credits, or the landholder for a proposed biodiversity stewardship agreement, or by a person authorised to represent the credit owner or landholder.

Credit owners may wish to enlist the help of an accredited assessor to complete their tender bids but are not required to do so.

Q: I have credits generated from several different BioBank / Biodiversity Stewardship agreements. Can I put them all in a single tender credit offer application?

A: No. Credit owners are required to submit separate credit offer applications for each BioBank/Biodiversity Stewardship sites. In other words, only credits from a single site should be included in a Credit Offer application. A separate credit offer application should be used for any subsequent sites held by the credit owner.

Q: I have existing credits generated from my BioBank / Biodiversity Stewardship agreement, and I am also proposing to create more credits. Can I put them all in a single tender credit offer application?

A: No. Credit owners are required to submit separate credit offer applications for existing credits and proposed credits. Both existing and proposed credits cannot be included in the same application.

Q: Can I submit different prices for the same credit class?

A: A credit owner can submit a number of bids with different bid prices for the same credit class.

For example, a credit owner with 100 credits of the same credit class may submit one bid for 40 credits at Price A per credit and a second bid for 60 credits at Price B.

Note that a credit owner cannot submit different bids for the same individual credits. If different bids are received for the same credits, then the BCT will only make an offer to the bid with the lowest

credit price.

For example, if the credit owner with 100 credits submits two bids for the same 100 credits, then the BCT will only accept the lowest priced bid.

Q: What happens if my bid is late?

A: The consideration of a late bid is unlikely and will be at the sole discretion of the BCT. Late bids will only be accepted if the BCT is satisfied that the integrity and competitiveness of the tender process is not compromised or perceived to be compromised.

Q: How can I best determine a bid price for my credits?

A: The price at which a credit owner is willing to sell their credits is a commercial decision, taking into consideration a range of factors including costs of producing credits (e.g. site management costs, establishment and opportunity costs, etc.), the return on investment sought by the credit owner and prevailing credit market conditions.

Understand 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 will reject bids if the bid price does not meet these requirements (refer to the [Participants guide](#) for more information).

Credit owners may wish to seek the assistance of an accredited assessor when attempting to set a price for credits offered as part of the tender.

BCT staff cannot offer advice on credit pricing. To find information on credit pricing, you can request a BCT price estimation and you can access other sources of credit market information on the DCCEEW [Buying and selling credits and market information](#) webpage, including the:

- BOS [credit transactions register](#) and
- [Biodiversity credits market sales dashboard](#).

The Biodiversity Credits Supply Fund market update is also available on the DCCEEW [Biodiversity Credits Supply Fund](#) webpage.

Q: Can I change or revoke my bid once submitted?

A: Once a tender bid is submitted, no substantive changes can be made by the credit owner. The credit owner may, however, choose to withdraw their bid at any time.

Q: What do I do if I decide to sell my credits to someone else after submitting my bid?

A: Bids are non-binding. This means that the credit owner may pursue other opportunities to sell their credits during the tender period. The credit owner may decline any offer by the BCT to purchase their credits or opt out of the tender process at any point.

If credits offered as a tender bid have been committed or sold by the applicant prior to the finalisation of the assessment process, applicants are required to inform the BCT immediately of the change in availability of their credits.

Q: How does the BCT intend to determine ‘value for money’ when evaluating bids?

A: Bids will be assessed by an evaluation panel. The evaluation panel will provide recommendations to the BCT on bids that are considered ‘value-for-money’ in accordance with the tender evaluation plan. In making these recommendations 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.

For further information on the bid evaluation process refer to the [Participants Guide](#) available from the [Credit tenders](#) webpage.

Q: I am currently preparing an application for a biodiversity stewardship agreement which is expected to generate credits wanted by the BCT. Can I submit a bid?

A: Yes. The tender is open to landholders who have obtained either:

- a [business case](#) from an accredited assessor, or
- a draft BSSAR from an accredited assessor, or
- a landholder that has submitted an application for a BSA.

Q: I am considering establishing a BSA and have obtained a feasibility assessment which indicates the proposed BSA may generate wanted credits. Can I submit a bid?

A: No. A tender is not open to landholders with only a [Feasibility assessment](#). We encourage you to consider submitting an application for a future round of the [Biodiversity Credit Open Fixed Price Offer](#), which is open to landholders holding a feasibility assessment for a BSA.

Q: Will there be other opportunities to sell credits to the BCT? What if I’m not successful in the tender?

A: Yes. The BCT routinely releases different programs to purchase credits. Upcoming programs are listed on the BCT’s [Sell credits from your BSA](#) web page.

In addition to future credit tenders, the open fixed price offer is available to existing and prospective credit owners. Landholders establishing a new BSA will require a [Feasibility assessment](#) as a minimum level of assessment.

In limited circumstances the BCT will also run targeted fixed price offers to purchase credits directly from credit owners or landholders. This method is used to obtain highly sought-after credits in specific regions.

Unsuccessful bidders may also consider selling their credits to other purchasers in the biodiversity credits market. More information is available on the DCCEEW [Buying and selling credits and market information](#) webpage under ‘Find buyers and sellers of credits’.