

# What you need to know!

## Changing evolution of offsets in Queensland

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1. Where have we been?- brief history of offsets in Qld
2. Where are we now? - existing offset policies
3. Key changes – what you need to know!
4. Where are we going? - forecasting changing trends

# Where have we been?

- Offsets have been around for over 10 years in Qld.
- Specific-issue offset policies have been gradually introduced. Environmental values and project types requiring offsets have increased.
- Offset policies have evolved from setting broad objectives to specific metrics and rules about process and outcomes.
- Offsets are now a significant component of a projects environmental impact assessment.
- Offsets were a new concept to landholders.

# History of offset policies

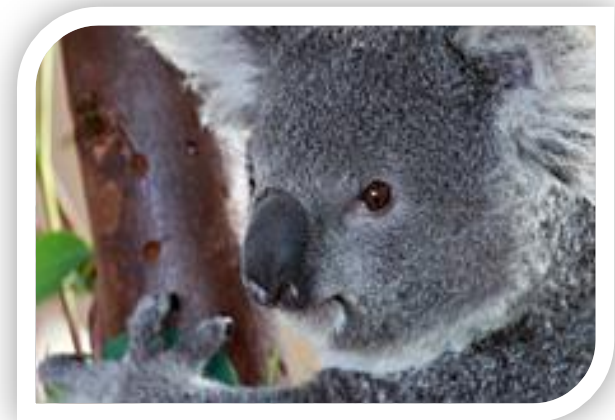
- Journey began in **2002**.
- Offsets for the loss of **Marine Fish Habitat** were introduced.
- Key terms and requirements introduced were:
  - 'mitigation and compensation' and 'no net loss'
  - hierarchy: avoid, minimise, mitigate then offset
  - financial payments
  - land based offsets including rehabilitation
  - agreements were required between a proponent and the government
  - monitoring and evaluation
  - a case by case assessment was applied.

- **2005 Vegetation Management Offsets.**
- This offset policy has had the largest evolution over the past 7 years.
- Key terms and requirements in 2005 were:
  - hierarchy: avoid, mitigate, offset
  - focus on remnant endangered and of concern REs
  - offset must be close to area of impact
  - offset must be a minimum of 2ha
  - offset must be 'ecologically equivalent' to impact area
  - revegetation was permitted
  - same RE as cleared was to be offset.

- Between 2007 and 2009 the policy had a number of revisions.
- Key changes were:
  - additional offset values such as essential habitat, watercourse vegetation, wetlands and connectivity
  - preference for offsetting with high value regrowth
  - ratios were introduced ranging from 1:1 to 1:3 (then removed)
  - some flexibility to offset with different REs
  - introduction of BioCondition
  - offsets could be located within bioregion.

# History of offset policies

- **2006 Koala Offset Policy** was introduced.
- Key terms and requirements were:
  - net-benefit
  - first time a metric was used to determine an offset requirement
  - allowed habitat and non-habitat measures (direct and indirect)
  - Koala Offset Bank.



# History of offset policies

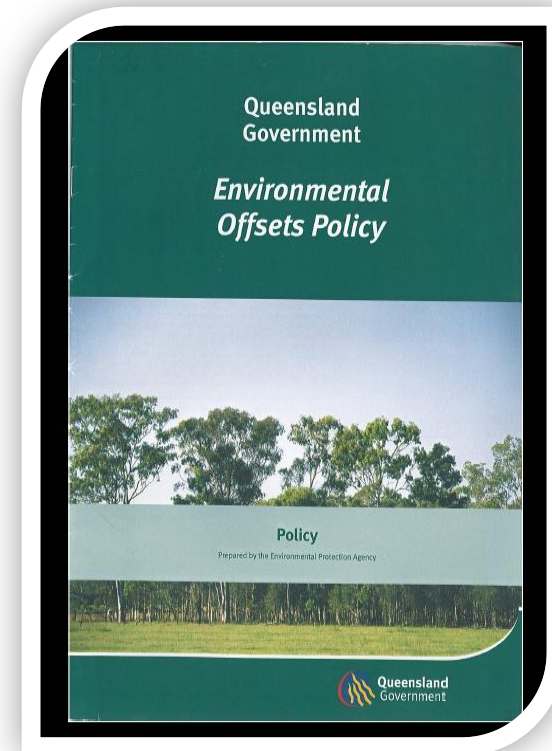
- **2007 Draft EPBC Act Offset Policy**
- Key terms and requirements were:
  - hierarchy: avoid, mitigate, offset
  - direct and indirect
  - maintain or enhance (ratios)
  - like for like
  - preference offsets were located within the same general area as the impact site
  - case by case assessment was applied allowing flexibility.





# History of offset policies

- **2008 - Qld Government Environmental Offset Policy.**
- Set offset principles and standards.
- Reinforced offset terms.
- Tried to promote consistency and coordination.
- Introduced interim arrangements for state significant projects, mining and petroleum, energy providers and government departments.
- Advance Offsets.



# Where are we now?



- Late 2011 Commonwealth and Qld Govt demonstrated their commitment to offsets.
- New approaches and policies introduced.
- Wider net.
- Increasing need to assess offsets early.
- Greater complexity and processes.
- Different approaches by State and Commonwealth.
- Regulators struggling to catch up and deal with demand.
- Landholders becoming more aware.

## Queensland Government Environmental Offsets Policy

### Specific-Issue Offsets Policies

**Marine Fish  
Habitat**  
(DAFF)  
(Update 2012)



**Koala Habitat**  
(DEHP)



**Vegetation  
Management**  
(DNRM)  
(Update  
Sept 2011)



**Biodiversity**  
(DEHP)  
(New Policy  
Oct 2012)



**EPBC Act**  
(DSEWPaC)  
(Update  
Aug 2011)



**Planning  
Schemes /  
Local  
Laws**  
(Local Gov't)

# Overall Key Changes

- Identify and assess project impacts to biodiversity values early in the impact assessment phase – **Offset Strategy**.
- Offsets to be identified prior to approval. More stringent requirements for deferring – **Offset Transfer and Deed of Agreements**.
- Move from ratios towards a quantitative metric based on on-ground and desktop assessments - **Ecological Equivalence**.
- Use of broad vegetation groups, focus on quality regrowth vegetation and strategic offset sites.
- **Process** – more hoops to jump through!
- **Expectations** – Landholders / Regulators / Proponents.

# Key Changes



- Biodiversity Offset Policy came into effect 3 October 2011.
  - applicable to larger range of development types including mining and petroleum
  - some exemptions including state significant projects, protected areas, committed government projects
  - additional offset values including EVNT and special least concern fauna habitats, EVNT protected plants, coastal values
  - delivery options: land based and offset payment



# Key Changes



- land based offsets may require an offset transfer
- indirect offsets up to 10% of the total direct offset requirement
- metric to determine offset payment
- offset payments are not applicable to all values
- ecological equivalence assessments of the impact site and offset site are mandatory
- different offset rules for different values.

# Key changes



- EPBC Act Offset Policy revised Aug 2011
- Key changes include:
  - focus on direct offsets
  - prescribes 75% direct, 25% indirect
  - metric being developed
  - direct offset can include:
    - protecting existing good quality vegetation
    - rehabilitation of existing degraded vegetation, or
    - revegetation of degraded land
  - still applying ratios on a case by case basis.

# Where are we going?

Might be a bit of a  
windy and bumpy  
road!





# Where are we going?

- State level policies are aligning and becoming more consistent.
- Continue to deal with differences between Commonwealth and State.
- Increased expectation of level of survey effort for offset analysis.
- Qld Government is looking to direct offset investments.
  - Offset payments
  - Mapping
  - Development conditions

# Where are we going?

- More policy reviews and changes to come. Government is still 'finding its feet' in what it is seeking to achieve from offsets.
- Ecological equivalence will be tested.
- Different offset models will be explored and advantages/disadvantages will be better understood.
- Proponents thinking more strategically and pre-empting offset requirements and identifying advance offsets.
- Landholders becoming more aware of offset opportunities and seeing them as a part of their business model.