

# Environment Institute of Australia and New Zealand (EIANZ) Submission to the Productivity Commission

Interim Report: Investing in cheaper, cleaner energy and the net zero transformation

#### **About EIANZ**

The Environment Institute of Australia and New Zealand (EIANZ) is the peak body for environmental practitioners across Australasia. We represent more than 4,000 members and Certified Environmental Practitioners (CEnvP).

Our members come from a diverse range of technical professions, including scientists, policymakers, engineers, lawyers, and economists.

We provide professional standards, certification, and advice to governments. Our work spans impact assessment, biodiversity, climate change, and environmental information systems.

### **Executive Summary**

EIANZ supports reforms that rapidly cut emissions at least cost, accelerate the delivery of clean energy and protect nature. Climate and biodiversity objectives must be advanced together through clear, nationally consistent settings and credible institutions. Central to our response is the recognition that biodiversity has intrinsic value, not merely as a subset of what contributes to climate goals, and that green-ongreen conflicts are solvable if they are properly addressed.

The renewable energy transition should not be pursued without considering the cost to biodiversity and other environmental values. Balance between renewable energy deployment and biodiversity priorities can be achieved through strategic siting, robust regional planning that identifies no-go zones and strict application of the mitigation hierarchy where projects first avoid impacts, then minimise, rehabilitate and only offset

as a last resort. We oppose streamlined biodiversity offset arrangements that provide an easy pathway for developers to pay off their environmental obligations rather than delivering genuine avoidance and nature positive.

These principles inform our support for:

- a) technology-neutral, nationally coherent approaches to the net zero transition;
- b) strengthened national environmental standards delivered concurrently with regional planning; and
- c) properly resourced assessment processes using certified professionals.

We prefer coordination through clear standards and guidelines, and capable, independent regulators rather than new bureaucratic layers that could weaken environmental decision-making. The energy transition is vital, but it must not be used to justify preferential treatment that compromises biodiversity protection or circumvents proper environmental assessment.

### 1. Reducing the cost of meeting emissions targets

### Draft recommendation 1.1– Reducing emissions in the electricity sector after 2030

Policies beyond 2030 should be largely technology-neutral and nationally consistent. Predictable, long-term targets and policy mechanisms lower costs and support orderly investment in generation, storage and transmission, while allowing flexibility across jurisdictions.

**Recommendation**: Proceed with nationally coherent, technology-neutral incentives beyond 2030, coordinated across all levels and jurisdictions of government.

Clear national environmental standards, coupled with regional environmental planning that identifies constraints and no-go zones, will reduce uncertainty and avoid high-value biodiversity impacts while enabling timely grid and generation build-out.

#### **Further reading:**

- <u>EIANZ Feedback Second round consultation on new national environment laws.pdf</u>
- EIANZ Submission on Australia's new Nature Positive laws.pdf

Draft recommendation 1.2 – The Safeguard Mechanism should cover more industrial facilities and carbon leakage provisions should be improved

Expanding coverage of the Safeguard Mechanism to facilities at or above 25 kt CO₂e per year will close material gaps if the independent review identifies no major countervailing considerations.

For industries like coal and particularly thermal coal, where the long-term use is inconsistent with net zero and Paris objectives, serious consideration should be given to prohibiting new developments and expansions. Various studies indicate that ongoing emissions from approved developments already exceed nature's ability to maintain global temperature rises within Paris Objectives.

**Recommendation**: Adopt expanded coverage contingent on the review's findings. Tighten up on the permissible use of carbon offsets to promote timely transitions to low carbon technologies, decarbonisation of the domestic economy and reserve offsets for truly hard to abate but essential processes.

#### Further reading:

- EIANZ Biodiversity Offsets Position Statement.pdf
- National Biodiversity Offsets 3.0 (NBOC) Communiqué.pdf

# Draft recommendation 1.3 – Introduce an emissions-reduction incentive for heavy vehicles and phase-out policy overlaps for light vehicles

We support addressing inconsistencies across standards and incentives, including for heavy vehicles, to improve effectiveness and reduce compliance burden. We make no comment on specific tools.

**Recommendation:** Rationalise overlapping measures and fill gaps using a coherent package across vehicle standards, pricing, and infrastructure, with monitoring for outcomes.

### Draft recommendation 1.4 – Apply frameworks to achieve emissions targets at least cost and improve transparency

Clear, transparent frameworks, including national carbon values (pricing), should guide target setting and policy appraisal. Start now and iterate as evidence improves.

We support the principle but are concerned about potential delays through further institutional development. There have already been investigations through CSIRO and various universities including Monash and Melbourne, which have developed cost curves for emissions reduction pathways. Rather than extended periods of framework development, we recommend using existing information to set targets and prices, then reviewing and improving them over time.

**Recommendation:** Adopt national carbon values and publish regular reviews to refine inputs while maintaining policy momentum.

#### **Further reading:**

- EIANZ Economic Reform Roundtable Submission.pdf
- Previous CSIRO and university cost curve studies

### 2. Speeding up approvals for new energy infrastructure

### Draft recommendation 2.1– Reform national environmental laws

We support the first three elements of this recommendation, particularly regional planning, noting that Environment Information Australia's scope must extend beyond EPBC ecology

datasets to include emissions and pollution, and other environmental pressures to be useful across decisions.

Regional planning should identify constraints and no-go zones to reduce project uncertainty and avoid high-value biodiversity impacts while enabling timely grid build-out. Our current focus should be on action as environmental professionals already know much about what information is available—we should proceed with implementation rather than delaying and spending more time determining what data exists. Data sharing through Environment Information Australia represents an important opportunity to improve assessment quality and efficiency.

However, we have serious concerns about streamlined biodiversity offset arrangements enabling developers to meet obligations through fund contributions. Our offset position statement provides detailed arguments against this approach. Our position is that project construction should not commence until offsets are actualised and effective. Evidence from monetary fund systems shows consistently poor environmental outcomes.

This fund-based proposal represents a significant departure from current EPBC Act requirements for land-based offsets, and we oppose it. While others besides proponents may be better positioned to deliver offsets, fund-based approaches create two fundamental problems: developers bypass the mitigation hierarchy through "pay and walk away" arrangements, and current fund systems do not ensure like-for-like outcomes, typically delivering easy (more generic) rather than challenging offset requirements.

Such arrangements could function if strongly linked to regional planning frameworks with predeclared conservation areas. Currently, coordination systems don't consistently enable funds to deliver effective like-for-like outcomes. The existing approach should be strengthened not made weaker.

Engagement with First Nations' Peoples must be early, ongoing, culturally appropriate, and properly resourced. Concerning community engagement more broadly, federal requirements and enforcement mechanisms are currently inadequate. Professor Samuel's EPBC review identified this as requiring national environmental standards. Enhanced notification requirements should ensure affected parties receive appropriate notice of EPBC actions. Consultation plans should be mandatory, as meaningful engagement reduces delays by minimising community opposition. Concepts within the international free, prior and informed consent principles are broadly applicable to community engagement more generally. A national environmental standard for engagement should be explicitly included in these reforms.

**Recommendation:** Legislate strong, enforceable national standards delivered together with regional planning; establish Environment Information Australia with broader data scope; resource meaningful First Nations engagement; and ensure any offset reforms reinforce—not replace—the mitigation hierarchy. We strongly oppose fund-based offset arrangements unless robust systems are established to ensure like-for-like outcomes and prevent circumvention of avoidance and minimisation requirements.

### **Further reading:**

- EIANZ's EPBC Act Review submission.pdf
- EPBC Act Review Statement 2021.pdf
- Industry White Paper.pdf

Biodiversity Offsets Position Statement.pdf

# Draft recommendation 2.2 – Set up a specialist 'strike team' for priority projects

A time-limited expert team can help clear backlogs and standardise better practice. The objective must be focussed on quality and timeliness, not speed alone. Use a specialist 'strike team' to embed qualified practitioner requirements, risk-based triage, and consistent templates across jurisdictions.

We support this approach because delays often occur due to under-resourced government departments. But the mid-term goal must be on better resourcing, capacity and capability for all project assessments. Addressing underlying causes of current delays would be more effective than creating new processes. Implementation should ensure a single set of clear rules across jurisdictions, across all project types, while avoiding resource reallocation from existing assessment functions.

Some prioritisations of clean energy projects over other sectors, when truly in the national interest, may be appropriate, but prioritisation within renewable energy categories requires clear criteria. If prioritisation becomes over-used, it risks compromising assessment integrity, with assessors determining which projects get assessed and which do not.

The Certified Environmental Practitioner (CEnvP) Scheme offers opportunities to accelerate appropriate approvals—experienced consultants working with knowledgeable regulators can expedite project assessment significantly.

Enhanced guidance materials can also accelerate approvals – they should provide proponents with greater clarity on requirements and expectations. Federal-state collaboration would optimise effectiveness and reduce duplication.

Regional planning remains crucial for reducing assessment complexity, as outlined earlier.

Risk-based approaches and recommended practices should already represent current standard practice rather than requiring implementation as new measures.

**Recommendation:** Stand up the strike team with a mandate to codify nationally consistent, quality assured assessment practice, including leveraging third-party certification and risk tiered workflows.

#### Further reading:

• EIANZ scoping guidelines

# Draft recommendation 2.3 – Establish a Coordinator-General for priority projects

EIANZ prefers coordination through clear standards, regional planning and a capable, independent regulator rather than creating a new Coordinator General. This focuses effort on enforceable rules and institutional capacity.

This suggested approach (for a Coordinator General) would require new legislation when existing delegation mechanisms could achieve similar coordination outcomes. The proposed

role could be integrated within the strike team framework rather than establishing separate institutional arrangements.

Additional bureaucratic layers should be avoided where existing mechanisms can be enhanced. If implemented, any Coordinator-General must operate within EPBC Act frameworks without override authority or delegated environmental decision-making powers. The position should focus on escalating administrative roadblocks to secretaries and ministers for resolution while preserving assessment process integrity and consultation requirements.

**Recommendation:** Do not create a new Coordinator General. Resource existing delegation mechanisms and coordination functions to work within established EPBC Act frameworks.

#### **Further reading:**

- EIANZ's EPBC Act Review submission.pdf
- EPBC Act Review Statement 2021.pdf

### Draft recommendation 2.4 – Consider the energy transition in approval decisions

Decision frameworks should explicitly account for the energy transition where relevant, without compromising nature outcomes. Prioritisation must not preference renewable projects over biodiversity protections; outcomes depend on siting quality and adherence to the mitigation hierarchy.

Current EPBC Act provisions appear adequate to address energy transition considerations without amendment, such as allowing for 'social and economic issues'. All projects should receive equal treatment under consistent environmental standards. We oppose green-on-green approaches that inappropriately prioritise renewable energy developments over biodiversity protection.

**Recommendation:** Clarify that existing EPBC Act provisions adequately address energy transition considerations while maintaining equal treatment of all projects under environmental law.

#### **Further reading:**

• Impact Assessment Symposium Communiqué (discussed green-on-green issues)

### 3. Addressing barriers to private investment in adaptation

### Draft recommendation 3.1 – Set up a climate risk information database covering all climate hazards

We support a shared climate risk evidence base to inform public and private decisions and advocate that it should be built using existing knowledge (e.g. the State of Environment Report and the impending risk assessment) and improved over time, rather delaying its implementation. Environment Information Australia should establish consistent metadata, access rules, and governance that enables use now and improvement over time.

**Recommendation:** Establish the database quickly within a minimal viable scope, then iterate its coverage and quality while publishing regular updates.

#### **Further reading:**

 <u>Industry White Paper.pdf</u> (Environment Information Australia materials provided on the last page)

# Draft recommendation 3.2 – Develop a nationally consistent climate resilience rating system for housing

We make no specific comment beyond supporting nationally consistent, evidence-based metrics that inform planning, insurance, and household choices, and advocating for expediency. A number of rating schemes are already in place and assessing (and aligning across jurisdictions) each underlying rating system separately, such as bushfire and floods, would limit delays more than an approach that seeks consensus from the responsible authorities.

**Recommendation:** Develop a simple national rating that aligns with existing data systems and can scale over time.

### **Conclusion**

Australia can accelerate clean energy while safeguarding nature. Implement strong standards, credible data systems, qualified practice and proportionate, technology neutral incentives. Educate, plan regionally, engage properly and keep building momentum around what we already have and know whilst improving systems as the evidence improves.

### **Contact Information**

This submission reflects EIANZ's expertise in environmental practice, impact assessment and sustainable development policy. We welcome the opportunity to discuss these recommendations further.

Enviror	nment Institute of	f Australia	and New	Zealand
Email:				

Websites: www.eianz.org, www.cenvp.org