

The focus of this position statement is on biodiversity offsets only. We emphasise that offsetting is the last sequential step in the <u>mitigation hierarchy</u>.

The EIANZ:

- 1. believes biodiversity offsets play an important part of ecologically sustainable development in Aotearoa New Zealand and Australia by seeking to address a project's residual impacts on biodiversity values.
- 2. has identified key themes where biodiversity offset frameworks must be improved:
 - the use of the mitigation hierarchy in biodiversity offset frameworks;
 - guidance around ethical considerations in biodiversity offset delivery;
 - achieving restoration outcomes, not just averted loss; and
 - prevent all lag between impact and offset establishment.
- 3. acknowledges that the relationship and governance between biodiversity offsets and carbon offsets is developing. Engagement with biodiversity offset regulators and carbon market institutions; facilitation of improvement through codes and guidance documents; and provision of training for offset practitioners are required. We have engaged with agencies and recognise the mutual benefits of the synergies between biodiversity and carbon offsets.

Introduction

Biodiversity offsetting is a system used in environmental planning and regulatory systems to compensate for significant residual impacts to biodiversity (such as on native vegetation and species habitat) arising from development. Offsetting is the final stage in the application of the mitigation hierarchy whereby biodiversity impacts must, in strict order, be avoided and then minimised and mitigated before any remaining impacts are offset.

There are a variety of statutory biodiversity offset frameworks in jurisdictions across Aotearoa New Zealand and Australia, some of which are internationally regarded. Nonetheless, there remains significant room for improvement in the way biodiversity offsets are included in the project design and assessment cycle and then (where warranted) planned, assessed and delivered.

EIANZ has reviewed various offset frameworks across Australia and internationally and recognises the complexity, differences and evolving nature of legislation and policy.

EIANZ has led discussion on offsets through events including the National Biodiversity Offsets Conferences in 2019, 2022 and 2024, and supports special interest groups that promote and facilitate the reform of biodiversity offset frameworks.

In isolation, 'no net loss' and 'net gain' biodiversity offsets will likely continue to contribute to biodiversity decline within Aotearoa New Zealand and Australia. Through its actions, EIANZ has identified areas where biodiversity offset frameworks need to be improved and components incorporated into other initiatives to drive meaningful Nature Positive outcomes.

As biodiversity offset frameworks evolve and new issues emerge, these improvement areas will evolve and therefore require periodic review.



Role of decision makers

Environmental planning decision-makers have a crucial role in reviewing, or developing, implementing and auditing biodiversity offset frameworks and integrating these into biodiversity conservation and assessment processes. The following, sometimes overlooked principles, are important components of biodiversity offset frameworks:

- Identification of significant biodiversity values using legislated or best practice methods to ensure that impacts to values are avoided.
- Offset identification and delivery timeframes and costs should be incorporated into the impact assessment processes to ensure that offsets can be used to deliver avoidance and minimization.
- True avoidance of biodiversity value impacts comes with fully considered land use planning at a regional scale. The plans need to demonstrate significant improvements in security, area, condition and functioning of the range of natural values, ecosystem services and biodiversity.
- Biodiversity protection is a priority. It is essential to ensure biodiversity offsets are not inappropriately emphasised or prioritised.
- The mitigation hierarchy adopted should clearly demonstrate and articulate how projects must fully exhaust avoidance and minimisation.
- Biodiversity offsets are to be agreed, secured (including all necessary funding), initiated and committed prior to the loss or an appropriate amount held in escrow to be forfeited if offsets cannot be secured following project construction.
- Offsetting should protect biodiversity values for the timeframe of the impact (usually

- in perpetuity). Use of alternative offset arrangements such as broad-scale predator control programs are limited to circumstances where such arrangements provide greater benefit to impacted biodiversity values.
- Delivery of 'like for like' biodiversity values and clear definition by regulators is encouraged, while noting that this should also be balanced with achieving a functional and practical scheme and biodiversity offset market.
- Traditional landholders' knowledge, engagement and consent are essential components of offset design and implementation.
- The absence of suitable offsets with 'like for like' biodiversity values generally should mean the impact is not approved.
- Monitoring, data gathering, and transparent data sharing is necessary to ensure that the measures taken are achieving the outcomes sought.
- There needs to be transparency with regards to demand and supply in biodiversity markets and offset trades (or sites).
- Facilitation of ethical biodiversity market practices is required through regulation, policy, guidelines, accreditation and training.
- Adequate regulatory resourcing and fit for purpose systems need to be in place to allow biodiversity offsets to operate effectively and to achieve their intended goals.
- There must be the provision of simple, accessible, and transparent guidelines for the public, practitioners, and other decision makers.



Role of offsets practitioners

The EIANZ recommends its members and all biodiversity offset practitioners to:

- maintain a level of accreditation, undertake regular training, commit to continuing professional development and subscribe to a code of conduct;
- provide sound, evidence-based advice on biodiversity offsets, avoidance and minimisation;
- follow jurisdictional assessment processes and provide feedback on these processes to policy makers where appropriate; and
- act ethically with regards to biodiversity offsets and environmental markets.

Policy into practice

EIANZ is committed to environmental protection, sustainable development and maintaining objective and professional standards as we address the risks and opportunities of working with biodiversity offsets.

We will work to improve the capability, technical excellence and ethical practice of environmental professionals. We see the current key focus areas being ethical practice, integration of carbon and biodiversity markets (including clarity on voluntary conservation arrangements), and reinforcing the biodiversity protection hierarchy.

EIANZ will:

Provide training opportunities

- Deliver ongoing learning opportunities, including seminars and forums, for members and other practitioners.
- Continue national dialogues on biodiversity
 offsets, through continued delivery of our biennial
 National Biodiversity Offsets Conference. These
 conferences will continue to review the risk and
 opportunities facing the sector and identify ways in
 which the EIANZ can continue to facilitate ongoing
 improvements in biodiversity offset frameworks.

Engage with stakeholders

- Engage and work with regulators and other stakeholders on improving biodiversity offset frameworks.
- Work with regulators to provide a platform for training and continuing professional development.
- Collaborate with organisations involved with carbon and Nature Repair markets.

Facilitate improvement

- Develop guidance notes around ethical practice.
- Support EIANZ Special Interest Sections and Communities of Practice regarding biodiversity offsets.

The Environment Institute of Australia and New Zealand (EIANZ) is Australasia's peak body for environmental professionals. As part of a global network of more than 100,000 environmental practitioners, we advocate for sound environmental policy and promote ethical and competent practice.

EIANZ represents members and certified practitioners from a diverse range of technical disciplines including environmental scientists, policy makers, engineers, lawyers, and economists. Our members are at the forefront of challenging and complex issues such as climate change, sustainability and preserving biodiversity.

EIANZ has Position Statements on a range of key environmental issues. These are periodically reviewed by our Policy and Standards Committee and re-endorsed by the EIANZ Board. All current Position Statements can be accessed here.