



POLICY SUBMISSION

EIANZ feedback on Environment Protection Reforms: Shaping the next phase of environmental reforms, Consultation Paper 3: Delivering new compensation options

October 2026

1. About EIANZ

The Environment Institute of Australia and New Zealand (EIANZ) is the peak not-for-profit, multidisciplinary association of environmental practitioners across Australia and New Zealand. Our members include scientists, ecologists, planners, engineers, lawyers, economists, and policy specialists, many with direct experience in designing, assessing, approving, delivering, monitoring, and enforcing environmental offsets under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

This submission reflects practitioner experience and draws on consultation across EIANZ specialist groups, including biodiversity offsets, heritage, ecology and impact assessment.

This submission has been prepared by the EIANZ Ecology Special Interest Section, with coordination and input from the Policy and Standards Committee, and has been endorsed by the EIANZ President. A total of eight EIANZ representatives contributed to the review and preparation of this submission, bringing expertise across ecology, environmental assessment, policy and environmental management.

2. Executive Summary

EIANZ welcomes the opportunity to comment on Consultation Paper 3: Delivering New Compensation Options (DCCEEW 2026). EIANZ supports the intent of placing restoration contributions and advanced restoration actions on a clear regulatory footing. EIANZ also welcomes the proposed management planning, register and annual reporting requirements, the move to prescribe commencement and maintenance

timeframes, and the proposed regulations supporting the new legal framework for advanced restoration actions, which have until now operated through policy only.

EIANZ has had regard to its previous submissions on offsets and restoration contributions (EIANZ 2024; EIANZ 2026). Consistent with those submissions, EIANZ considers that the integrity of the restoration contributions system depends on several safeguards that the proposed Regulations do not yet provide, and recommends that the Department:

- require the Restoration Contributions Holder to act consistently with the Environmental Offsets Standard, rather than only have regard to it;
- make pooling subject to like-for-like and same-bioregion requirements, and ensure that any move to an alternative restoration action is exceptional, justified and publicly reported;
- ensure maintenance periods are informed by the ecological characteristics of the affected matter and the time required to achieve a durable outcome, require in-perpetuity security and management for permanent impacts, and set standardised durability criteria with independent verification of durability;
- require independent, outcome-based verification by suitably qualified practitioners for restoration actions and advanced restoration actions; and
- strengthen the Register with safeguards against double counting where advanced restoration actions are also recognised under other schemes.

3. Restoration contributions

3.1 Pooling and strategic delivery

EIANZ accepts that pooling restoration contributions can deliver larger and more strategic restoration projects. This can provide better landscape-scale outcomes than multiple small, fragmented offsets and allow restoration to be targeted to areas of greater conservation benefit.

However, financial payment alone should not be considered an environmental outcome. Restoration should remain clearly linked to the protected matter affected and demonstrate genuine ecological gain. The framework should also ensure that pooling does not weaken the traceability between the original impact and the restoration outcome ultimately delivered.

Pooling should therefore be subject to strict like-for-like requirements and delivered within the same bioregion as the impacts, consistent with EIANZ's recommendations on the Environmental Offsets Standard (EIANZ 2026, sections 5.6 and 5.7).

Contributions should be pooled only for impacts on the same protected matter, except

where an alternative restoration action is justified as set out below, and the Register should show how each contribution maps to the restoration action it funds. The same constraints should apply where restoration contributions are pooled with other restoration charges (DCCEEW 2026, section 2.2.3). Where unspent bioregional plan or exemption amounts are redirected to other projects because the impact has already been compensated by an advanced restoration action (DCCEEW 2026, section 2.2.4), the Register should record the redirection and the advanced restoration action relied on.

Where no bioregional plan exists, clear criteria should guide where restoration funds are spent, including ecological relevance, geographic relationship, habitat connectivity and recovery priorities. These criteria should ensure that restoration is not directed to locations simply because delivery there is cheaper or easier, at the expense of the ecological relationship with the impacted matter.

Specific reference should be made in the Regulations or supporting guidance to relevant policy frameworks under the international Convention on Biological Diversity, in particular the Kunming-Montreal Global Biodiversity Framework (CBD 2022). Target 2 under that framework aims to ensure that by 2030 at least 30 per cent of areas of degraded terrestrial, inland water, and coastal and marine ecosystems are under effective restoration, and Target 3 aims to ensure that by 2030 at least 30 per cent of terrestrial and inland water areas, and of marine and coastal areas, are effectively conserved and managed. Australia's Strategy for the National Reserve System 2009–2030 is also relevant (NRMCC 2009).

In addition, Australian landscapes have been classified into 89 bioregions, which have been further refined into 419 sub-regions. The levels of conservation protection provided to the various bioregions and sub-regions vary significantly. 62 bioregions have more than 10 per cent protected and 27 have less than 10 per cent protected (DCCEEW 2025). This information was collated to assist governments in prioritising funding and should be addressed in the reporting requirements of the Restoration Contributions Holder.

Commitments under international conventions and national policy frameworks (such as the Strategy for the National Reserve System) are important accounting frameworks to determine whether the reforms are achieving their goals. Reporting should distinguish compensatory restoration, and the losses it compensates for, from supplementary restoration that delivers additional gains, so that progress against Targets 2 and 3 is not overstated.

Consultation Paper 3 proposes that the Restoration Contributions Holder need only have regard to the Environmental Offsets Standard (DCCEEW 2026, section 2.2.2), and

that the Holder may move to an alternative restoration action no earlier than one year after receiving a contribution, where a general restoration action is not feasible or would not deliver the best environmental outcome for the impacted protected matter (DCCEEW 2026, section 2.2.7). EIANZ recommends that the Holder be required to act consistently with the Standard, and that any move to an alternative restoration action be exceptional, transparently justified and publicly reported (EIANZ 2026, section 6.2).

3.2 Monitoring, verification and durability

EIANZ supports the proposed management planning, monitoring, reporting and adaptive management requirements. The Regulations should also require independent on-ground verification by suitably qualified environmental professionals, such as Certified Environmental Practitioners (EIANZ n.d.), to provide confidence that ecological condition is improving and intended habitat outcomes are being achieved.

Monitoring should focus on measurable ecological outcomes rather than only confirming that management actions have been completed. Independent review at key milestones would also provide an opportunity to identify underperformance early and trigger corrective or adaptive management where required.

EIANZ welcomes the proposal to set a deadline for delivery. Consultation Paper 3 proposes that general restoration actions be secured and registered, with management commenced, within three years of the restoration contribution being received, and that alternative restoration actions commence within four years (DCCEEW 2026, sections 2.2.6 and 2.2.7). A delay of this length creates a temporal gap between impact and ecological gain that is inconsistent with Principle 8 of the Environmental Offsets Standard. EIANZ reiterates its earlier recommendation that this lag be avoided, with advanced restoration actions used to remove it (EIANZ 2024), and recommends that the Holder use its power to acquit liabilities through previous expenditure to deliver restoration in advance. Where a lag cannot be avoided, the Regulations should at a minimum require the resulting temporal loss to be accounted for.

EIANZ supports the recognition that a 25-year minimum maintenance period will not be sufficient in many cases, and the proposal that restoration actions be maintained until durable (DCCEEW 2026, section 2.2.5). Maintenance periods should be informed by the ecological characteristics of the affected matter and the time required to achieve a durable outcome. Where impacts are permanent or effectively permanent, security and management should continue in perpetuity.

The criteria for when a restoration action becomes durable will be set in each management plan (DCCEEW 2026, section 2.3.1). EIANZ recommends that these criteria be based on a standardised method, and that any determination that a

restoration action is durable be independently verified before maintenance ends (EIANZ 2026, section 5.2).

3.3 Restoration contribution rates

EIANZ notes that the calculation of restoration charges will be the subject of future consultation (DCCEEW 2026, section 2.1), and offers the following comments ahead of that process. Restoration contribution rates should remain aligned with the actual cost of delivering restoration outcomes. EIANZ considers that rates should be reviewed at least annually to reflect changes in land values, restoration works, ecological surveys, monitoring, independent verification and long-term management costs.

4. Advanced restoration actions

4.1 Registration and use

EIANZ supports advanced restoration actions because they provide an opportunity for ecological gain to occur before development impacts, potentially reducing temporal loss. The proposed framework also improves transparency by requiring information on baseline condition, protected matters, expected outcomes, spatial extent, management plans and monitoring to be recorded (DCCEEW 2026, section 3.3.2).

EIANZ recommends that the Regulations or supporting guidance specify:

- baseline survey requirements;
- how ecological gain and additionality are measured;
- monitoring and independent verification;
- ecological and geographic relevance;
- rules for staged acquittal and allocation of gains, building on the proposed register's recording of partial use;
- safeguards against double counting, including where an action is also registered under another scheme (see section 5.2); and
- how restoration sites can be legally secured over the long term.

Greater certainty at registration would encourage investment in early restoration while maintaining the requirement that each future project demonstrate that the restoration action is suitable for the particular impact being compensated. Clear guidance on long-term security would also help protect the ecological gains created through these actions where land ownership or management arrangements change.

EIANZ acknowledges the value of recognising existing advanced offsets (DCCEEW 2026, section 3.3.1), but retrospective registration requires particular care on

additionality. The gain available to compensate future impacts should be assessed relative to the baseline information provided at registration, as proposed (DCCEEW 2026, section 3.3.5), and must be additional to any existing obligation, consistent with Principle 5 of the Environmental Offsets Standard. The Department should clarify how baseline dates and evidence will be established for existing actions, including how any gains achieved before registration will be treated. The Regulations should also specify which components of the Standard must be met at registration, so that applicants and decision-makers have certainty about what registration does and does not confirm.

5. Transparency, accountability and market interaction

5.1 Register and annual reporting

EIANZ supports the proposed public register and annual reporting requirements, including their proposed extension to bioregional and exemption amount restoration actions. These measures are important for building confidence that restoration contributions are being converted into genuine environmental outcomes.

Building on the existing requirement to report achievements against management plans (DCCEEW 2026, section 2.3.3), the Register and annual report should include ecological monitoring results, independent verification findings and progress against defined performance criteria. Reporting should also identify where expected outcomes are not being achieved and what corrective actions have been implemented in response.

5.2 Interaction with other schemes and nature-based markets

EIANZ supports a framework that enables non-profit conservation organisations, private organisations and landholders that support conservation outcomes to deliver advanced restoration actions, including by purchasing land and managing its restoration. Organisations with a robust track record in managing land for conservation are well placed to deliver advanced restoration actions, and encouraging their participation could increase the number and pace of restoration projects.

EIANZ supports the Register accommodating recognition under state and territory offset schemes (DCCEEW 2026, section 3.3.10), and the proposal that the Register show where an action is also proposed or registered under other schemes (DCCEEW 2026, section 3.3.2), provided that double counting is prevented. The Minister would not validate whether an action meets the requirements of another scheme, and disclosure alone does not prevent the same gain being used to meet more than one obligation. EIANZ recommends clear separation and coherence between offset obligations and biodiversity markets operating under the *Nature Repair Act 2023*, explicit rules to

prevent double counting, and that the Register record the extent to which an action's gains have been used or sold under each other scheme, alongside the EPBC Act use already proposed for the Register.

6. Conclusion

EIANZ supports the proposed framework but considers that its credibility will depend on demonstrating that compensation produces real environmental improvement.

Key safeguards should include consistency with the Environmental Offsets Standard, like-for-like delivery, independent verification, outcome-based monitoring, annual review of contribution rates, appropriate treatment of temporal loss, clear arrangements where no bioregional plan exists, long-term ecological durability and safeguards against double counting.

EIANZ would welcome the opportunity to continue working with the Department as the Regulations and implementation arrangements are finalised.

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