

Comments to IPART on behalf of the North Coast Environment Council

The ToR are completely underwhelming. There is no ToR that looks at whether the offsets are like for like and actually result in protecting biodiversity or no net loss. Given the Auditor-General's scathing finding about the effectiveness of biodiversity offsets, the IPART ToR seem to have taken no notice whatsoever of the failings that were identified:

The Audit's key findings are extracted below:

- * DPE has not clearly articulated goals and performance measures for the Scheme and how these are expected to contribute to biodiversity outcomes in line with the [Biodiversity Conservation Act 2016]

- * The market is not well developed, most credit types have never been traded and credit supply has been slow in the context of growing demand

- * There is potential for a substantial shortfall in the current supply of relevant credits, and a significant risk of future shortfalls including for vulnerable and threatened species

- * DPE's and the BCT's information to the market does not present a reliable and holistic picture of supply, demand and price to facilitate market development

- * The calculator used by developers to determine how much to pay to acquit their obligations is impacting credit price information and market development, and is yet to be replaced

- * The BCT has inadequate safeguards to mitigate the conflict between its role in facilitating credit supply and its role as market intermediary and market participant

- * DPE is developing a credit supply strategy but neither DPE nor the BCT have sufficiently reduced barriers to landholder participation

- * DPE established a method for assessing biodiversity impacts, but lacks oversight of the quality of BSA site assessments and assessors' conflict of interest declarations

- * DPE does not publish a complete register of credits and their transaction history, a statutory requirement under the Act, which creates transparency and integrity risks

- * DPE does not collate information on the discounting of offset obligations and lacks ready access to information to check that developers have correctly acquitted their obligations

- * DPE introduced a Scheme-specific conflicts of interest protocol in late 2021 to address policy gaps

- * The BCT has largely aligned its existing policy with DPE's conflicts of interest protocol for the Scheme, but this could be strengthened

- * DPE is yet to implement processes to ensure long-term funding for Biodiversity Stewardship Agreement (BSA) sites, and there is no plan with the BCT to improve the management of passive sites—these issues present risks to biodiversity gains

- * DPE and the BCT are yet to take the necessary steps to ensure biodiversity outcomes at BSA sites are monitored and measured

- * DPE is leading work to improve the Scheme's operations and integrity, but this is not guided by a long-term strategy with clear goals or performance measures

IPART seems to be engaged in a box ticking exercise which has no relationship to what is actually being offset and why.