



March 2014

**AgForce Submission**  
Agriculture, Resources and Environment Committee  
Inquiry to the Environmental Offsets Bills 2014



## Introduction

AgForce Queensland (AgForce) is the peak representative group representing the majority of beef, sheep and wool, and grain producers in Queensland. AgForce represents around 6,000 members and exists to ensure the long term growth, viability, competitiveness and profitability of these industries. Our members provide high quality food and fibre products to Australian and overseas consumers, manage a significant proportion of Queensland's natural resources, and contribute to the social fabric of rural and remote communities. Queensland producers are committed to best management practices, environmental stewardship, catchment health and caring for Matters of Environmental Significance (MES).

AgForce welcomes the opportunity to provide comment to the Agriculture, Resources and Environment Committee's inquiry to the Environmental Offsets Bill 2014 (the Bill).

## The Framework

The Queensland Government has made commitments to grow agriculture as one of the four pillars of the economy and has committed to doubling the value of agricultural production by 2040. AgForce has made a number of submissions to this government in relation to legislative and regulatory reform that tie into this commitment, including to the Vegetation Management Act 1999 review and the Nature Conservation Act (Protected Plants) regulation review.

The Bill is intended to allow for a simpler and more flexible offsets regime in Queensland and AgForce believes this objective is achieved. AgForce agrees with the streamlining and green tape reduction of multiple offsets policies and understands the Bill provides the head of power to enable this policy change.

AgForce has previously expressed concerns with the Queensland Government Environmental Offsets Framework discussion paper, distributed by the Department of Environment and Heritage Protection as part of their targeted consultation in January this year. This submission has been included as an attachment to this submission for the Committee's reference.

AgForce's primary concern with the draft offsets policy proposed in the discussion paper was that the framework had been developed with large organisations or resource companies in mind. The framework assumes that agriculture's position within the framework is to provide offset opportunities, to the benefit of landholders, as another income stream on their properties and does not appear to consider the development opportunities available to the agricultural industry that may be impacted by the framework.

The Bill forms part of a complex framework of legislation a landholder must comply with in order to undertake development on their property, for example a landholder wanting to apply to undertake clearing of native vegetation for the purposes of High Value Agriculture under the VMA will generally be required to provide an offset through the State Development Assessment Provisions (Module 8) as an Acceptable Outcome, or through the Nature Conservation Act (Protected Plants) regulation. AgForce is concerned primary producers required to provide an offset as part of agricultural development will be unintentionally constrained from taking part in the opportunities provided

through other green tape reduction schemes due to the fact that the framework has not been tested within the agricultural sector.

Therefore, AgForce's opposition does lie with the Bill, rather the implications arising from the legislative framework requiring an offset in the first place.

AgForce recommends that small scale or low-risk level clearing should be exempt from providing an offset. AgForce also recommends in examining the Bill and the policies the Bill gives effect to that the committee consider the implications for the agricultural industry arising from the offsets policy framework as a whole and not simply the Bill as a standalone piece of regulation.

### **Specific issues relating to the Bill**

In addition to the issues raised within the attached submission from January, AgForce makes the following comments on specific areas of the Bill.

#### **Matters of Environmental Significance**

It is unclear how the Bill prescribes matters that are Matters of National Environmental Significance such as the Wet Tropics World Heritage Area, Great Barrier Marine Park and threatened species.

#### **Clause 8**

The definition of a 'significant residual impact' does not indicate how an activity in one region will be assessed if it causes indirect impact in another region. For example, use of artesian or bore water at one site of high conservation value may cause impacts on water tables elsewhere.

There is no consideration for residual impacts on ecological processes. The definition is confined to clearing, inundation, reduced public use or reduced natural values. For example, impacts on wetlands and marine ecosystems within a protected area such as the Wet Tropics World Heritage Area, Great Barrier Reef Marine Park or Ramsar Wetlands are not within the scope of the definition.

There is no reference to cumulative residual impacts of activities. These are a major consideration in Chapter 5 of the Great Barrier Reef Strategic Assessment Report.

#### **Clause 9**

Until the regulations are published, it is difficult to ascertain the range of 'prescribed activities' and if any of these pertain to activities associated with agricultural enterprises.

#### **Clause 10**

This Bill defines 'prescribed environmental matter'. The Regional Planning Interests Bill 2014 defines 'strategic environmental areas' which are very similar. Is there scope to combine these two similar definitions into one term?

Chapter 10 of the Great Barrier Reef Strategic Assessment report refer to development of a 'sophisticated mapping system' as a planning tool to identify Matters of National Environmental Significance including essential habitat for terrestrial threatened species and key roosting and breeding sites for migratory species. Will these same maps be used for planning within the Environmental Offsets Bill 2014?

### **Clause 15**

Clause 15 discusses the restrictions on administering agencies (State and Local) imposing environmental offset conditions for prescribed environmental matters that have already been imposed by State or Commonwealth, essentially reducing duplication or 'double-dipping'. Yet it does not mention the situation where there is an offset condition set by state or local government, does that restrict the Commonwealth imposing additional offset conditions if the area of interest overlaps?

In addition to this accreditation with the Commonwealth environmental legislation has not yet been achieved. What are the Queensland government's plans to avoid duplication of offset requirements should this accreditation not occur?

### **Clause 18**

The offset delivery plan needs to be signed by the landowner, however there is no process for signing a plan for aquatic regions which have high environmental values. There is no process for public notice of a proposed offset delivery plan to enable adjoining neighbours to submit concerns about land management for conservation values.

### **Clause 28 and 29**

The offsets framework aims to include land based offsets as well as those required under the *Marine Parks Act 2004*. However, within the Bill legally secured offset areas seem to be confined to land. What is the process to protect riparian areas, tidal coastal regions and marine areas? Aquatic areas of high conservation value are excluded from Clause 29 and within the Schedule 2 definition of environmental offset protection areas.

### **Clause 86**

In addition to AgForce's comments made in the January submission surrounding financial settlements (attached), AgForce agrees that funds acquired through financial settlements must be spent on environmental offsets that link directly to impacted Matters of Environmental Significance. Industry expects a rigorous process within fund management to oversee this process, prioritise activities and monitor progress towards conservation outcomes. These funds need to be managed separately to consolidated revenue and be able to be carried over from year to year. This would ensure offset funds are spent on the purpose of environmental outcomes.

AgForce believes a practical environmental offsets policy has the potential to deliver a combination of environmental, social and economic outcomes. However, AgForce recommends that the Agriculture, Resources and Environment Committee investigate the offsets framework as a whole and the way in which it relates to agriculture as part of their inquiry.

AgForce once again thanks the Agriculture, Resources and Environment Committee for the opportunity to comment on the review of the Environmental Offsets Bill 2014. AgForce hopes the comments and recommendations made within this submission are given due consideration and we look forward to the outcomes of the inquiry.

If you require to discuss any points raised in this submission, please contact AgForce Policy Officer Ms Tamara Badenoch on phone 07 3236 3100 or email [badenocht@agforceqld.org.au](mailto:badenocht@agforceqld.org.au).





## AgForce Queensland

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13 January 2014

Scott Buchanan  
Director Ecosystems Outcomes  
Department of Environment and Heritage Protection  
400 George Street  
Brisbane Qld 4001

Dear Mr Buchanan,

**Re: Queensland Government Environmental Offsets Framework Discussion Paper**

AgForce is the peak lobby group representing the majority of beef, sheep and wool, and grain producers in Queensland. AgForce represents around 5,000 members and exists to ensure the long term growth, viability, competitiveness and profitability of these industries. Our members provide high quality food and fibre products to Australian and overseas consumers, manage a significant proportion of Queensland's natural resources and contribute significantly to the social fabric of rural and remote communities.

AgForce thanks the Department of Environment and Heritage Protection (EHP) for the opportunity to provide feedback on the Queensland Government's Environmental Offsets Framework (the framework) discussion paper. Comments on the framework have been made using the template provided by EHP and are attached at the bottom of this letter.

AgForce believes a practical environmental offsets policy has the potential to deliver a combination of environmental, economic and social outcomes.

There are a number of key supporting materials, essential to the framework that are yet to be delivered. There is also a general sense that the framework has been developed with large organisations or resource companies in mind, and not fully tested at a smaller scale or agricultural level. Without seeing all of these materials as a package for the framework it is difficult to determine the full applicability to the agricultural sector.

AgForce also insists that an appropriate education and extension package be provided with the final framework, to ensure all stakeholders are equally informed on the aspects of the policy.

If you have any further questions about the contents of this submission, please contact policy and project officer, Tamara Badenoch on (07) 32363100.

Yours sincerely

A handwritten signature in black ink that reads 'I. W. Burnett'.

Ian Burnett  
AgForce General President

**Draft Environmental Offsets Policy Discussion Paper**

Page	Section	Comment	Alternative solution
1	Introduction: current policies	<p>AgForce generally supports EHP’s efforts to streamline the current five offset policies into one single framework in an effort to remove inconsistencies, simplify requirements, reduce complexity and improve transparency.</p> <p>There is also a general sense that the framework has been developed with large organisations or resource companies in mind, and not fully tested at a smaller scale or agricultural level.</p> <p>AgForce is concerned that primary producers required to provide an offset as part of agricultural development may be unintentionally constrained from participating in new high-value agricultural opportunities provided within the <i>Vegetation Management Act 1999</i> reforms.</p>	AgForce would like to see an analysis of the framework’s application from an agricultural scale undertaken prior to finalisation.
1 and 8	Shelf-ready products	<p>The framework indicates a number of shelf-ready tools to assist in streamlining offset delivery. However, these tools appear to still be in development.</p> <p>AgForce supports EHP in its proposal to simplify and expedite the offsets process with the development of these tools. Though, as these are currently not available it is impossible to make comment on their applicability to the broadacre agricultural sector.</p>	AgForce would like to see the tools tested in an agricultural setting prior to their finalisation to ensure they are applicable to all sectors.
4	4. Policy Discretion talks about an ‘appropriate alternative’.	Presumably, the calculator guideline is applied for consistency for offsets.	AgForce appreciates that this alternative could allow for flexibility within the framework. However, discretion could

		In what situation would alternative offset requirements be applied?	<p>also allow for subjectivity leading to inconsistent application of the policy.</p> <p>Provide an example of the situation in which an alternative to using the offsets calculator would be applied.</p>
5	Removal of duplication	AgForce supports the offset framework removing and avoiding duplication across jurisdictions.	
6	<p>What an offset must achieve</p> <ul style="list-style-type: none"> <li>• <i>providing benefits to the impacted matter of environmental significance that are additional to the requirements of existing legislation.</i></li> </ul>		Clarify the existing legislation that is being referred to in this point and why there is a requirement to provide benefits that exceed legislative requirements?
6 & 7	How offsets may be provided	<p>AgForce has previously discussed its support for offset delivery options potentially providing a diversification in on-farm income for landholders.</p> <p>As per previous submission, AgForce would like to recommend that there is an appropriate Government or Independent driven education program or information package for landholders following the finalisation of the offsets framework.</p>	<p>AgForce and our members have had much experience with Conduct and Compensation Agreements (CCA) for activities carried out under mineral Exploration Permits and AgForce Projects has for a number of years provided landholders with information and assistance in the negotiation of their CCAs with mining companies. Unfortunately, when new land access provisions commenced in 2010, in the absence of an appropriate introduction or information program many landholders were left with unbalanced and unfair CCAs negotiated with unscrupulous mining companies.</p> <p>AgForce understands that any financial settlement arrangements between a proponent and a landholder are ultimately outside of the Department's control (with the</p>

			<p>exception of EHP administered offset arrangements). However, the Department must maintain some degree of responsibility to ensure landholders are aware of the commitments they may be undertaking in entering these arrangements.</p> <p>The education and information package should also be extended to other key stakeholders, for example mining companies and consultancy companies working within this field to ensure a consistency of information across the board.</p> <p>It is also imperative that departmental staff are well trained and informed once the policy is finalised to again ensure consistency of advice, but also appropriate administration of the policy.</p>
7	Financial settlement	The framework only requires that the size, impact and cost of the offset be calculated and a financial settlement reached at which point a proponent may undertake the work that produces the impact requiring an offset.	For an offset to be effective it must ensure there is an actual offset prior to impacts rather than just a monetary payment. In the absence of either of these there is a risk that an offset fund will be used to advance projects or development without the significant impacts actually being offset.
8	Shelf-ready products: <i>'Legal security of an offset will generally be required'</i>	AgForce was of the understanding that offsets must be legally secured in all circumstances.	Please clarify this sentence.
19	Offsets Committee	Will the offsets committee consist purely of State Government staff?	AgForce appreciates EHP will be responsible for ensuring delivery of conservation outcomes for particular impacted matters, however, it would be beneficial to have a committee with external stakeholder representatives to ensure the offset outcomes are being achieved effectively.



20	The total offset area calculator.	<p>The total offset area is being determined from a calculator based on the current EPBC offsets assessment guide.</p> <p>Many of the values/inputs into the calculator are subjective.</p> <p>While this may be acceptable for large scale projects/large organisations that have staff or consultants trained in the use of the calculator, who understand and are easily able to substantiate their reasons for the values or inputs this is not necessarily the case for smaller organisations such as primary producers.</p> <p>How does the Queensland Government intend to support those proponents who do not have experience in determining the scale of:</p> <ul style="list-style-type: none"> <li>• The general condition of the land and/or landscape</li> <li>• Future condition gains from standard land management</li> <li>• Risk assessment for offset failure and/or species loss.</li> </ul>	<p>The draft framework indicates that supporting guidelines will be developed for the calculator. As per comments of the shelf-ready products AgForce would like to see the calculator tested in an agricultural setting prior to its finalisation to ensure it is applicable to all sectors.</p> <p>Presumably the EPBC calculator has had a review since its development. At the consultation phase, AgForce understands that a number of organisations raised concerns over the subjective nature of the value/input calculations. What learnings were taken from the Commonwealth's experience with this calculator and improved for the State calculator.</p>
21	Offset Delivery Plan	<p>The minimum requirements for an offset delivery plan discuss supporting guidance and templates to be provided.</p> <p>These are not available within the framework draft.</p>	<p>As per comments of the shelf-ready products AgForce would like to see the calculator tested in an agricultural setting prior to its finalisation to ensure it is applicable to all sectors.</p>

Other feedback: