



POISON OR PANACEA? THE ROLE OF INFRASTRUCTURE PROVIDERS AND OPERATORS IN OFFSETS

1 May 2019

WHY INLAND RAIL?



- Generate \$16 Billion in additional economic benefits
- Create 16,000 direct and indirect jobs
- Make the nation safer and more efficient by removing +200,000 truck movements from the road each year by 2050
- Provide the backbone for a world-class supply chain
- Help meet Australia's freight challenge
 - transit freight more efficiently from Melbourne to Brisbane in less than 24 hours (compared to 33 hours currently)
 - increase reliability to 98%, which could be expected to make the rail freight option road-competitive
- ▶ Help reduce congestion on the main arteries to Brisbane, Sydney, Melbourne.

INLAND RAIL

Transforming the way we move freight around the country

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Creating a new reality for Australia





OFFSET POLICY CONTEXT – STATE AND COMMONWEALTH

Commonwealth

- Environmental Offsets Policy under the Environment Protection Biodiversity Conservation Act 1999
- Includes recent additional consideration of advanced offsets following consultation in late 2015

AIMS

- ensure the efficient, effective, timely, transparent, proportionate, scientifically robust and reasonable use of offsets under the EPBC Act
- provide proponents, the community and other stakeholders with greater certainty and guidance on how offsets are determined and when they may be considered under the EPBC Act
- deliver improved environmental outcomes by consistently applying the policy
- outline the appropriate nature and scale of offsets and how they are determined
- provide guidance on acceptable delivery mechanisms for offsets.

OFFSET POLICY CONTEXT – STATE AND COMMONWEALTH



Queensland

- Environmental Offsets Policy under the Queensland Environmental Offsets Act 2014
- Currently under review with consultation period closing earlier this month
- Consolidation of five separate offsets policies into one

Principles

- Offsets will not replace or undermine existing environmental standards or regulatory requirements, or be used to allow development in areas otherwise prohibited through legislation or policy
- Impacts must first be avoided, then minimised, before considering the use of offsets for any remaining impact
- Offsets must achieve a conservation outcome that achieves an equivalent environmental outcome
- Offsets must provide environmental values as similar as possible to those being lost
- Offset provision must minimise the time-lag between the impact and delivery of the offset
- Offsets must provide additional protection to environmental values at risk, or additional management actions to improve environmental values
- Where legal security is required, offsets must be legally secured for the duration of the impact on the prescribed environmental matter

INFRASTRUCTURE PROVIDER – WISH LIST

Offset policy certainty

- Timing of reviews and changes
- Clarity and avoidance of ambiguity
- Offset delivery timing and conditions of approval
- Protection = protection.
- Offset policy harmonisation
- Better coordination between all levels of government to increase efficiency and minimise unnecessary effort and duplication
- Flexibility
 - Consolidation of offsets for enhanced outcomes
 - Timing on offset package delivery relative to approvals and commencement of works.



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OFFSET OPPORTUNITIES...



- Borrowing from the experiences of other policy fields
 - Nudge theory developed by Sunstein and Thaler
 - Popularised by the behavioural insights team in 10 Downing and the White House
- Controlled trials of policy before full implementation.
- Embracing and using science
 - Foster better linkage between academia, government and industry
- Engagement and buy in
 - A need to increase engagement on land use, conservation and biodiversity
 - Develop strategies that highlight the additional benefits of restoring and protecting terrestrial ecosystems (biological diversity, health land and water etc.)





THANK YOU



The Australian Government is delivering Inland Rail through the Australian Rail Track Corporation (ARTC), in partnership with the private sector.