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

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.
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