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The ECA provides the following comments on the DWER Publication entitled "Offsets Review Preliminary Findings Paper" (the Paper) based on member inputs. A stand alone submission from a member was also received and is attached for consideration. We appreciate the opportunity to be involved in the Stakeholder Reference Group (SRG) and to provide a submission on the Paper.

The Paper provides a good summary of the status of implementation of the offset policy in WA and outlines issues and potential solutions that will be considered in the review which are supported by the ECA.

The ECA provides the following comments on the Paper and the application of the Offset Policy in WA.

- 1. It is disappointing to learn that the Part V Offset Fund (\$8.6m) established to purchase areas of valuable native vegetation is not being expended in a timely manner. The ECA therefore agrees that improved governance arrangements are required for expenditure of current funds and to ensure timely expenditure of future offset contributions (end Section 5.9). It was also disturbing to learn in the last SRG meeting that the interest on the Offset Fund is not currently returned to the Fund. The ECA also supports proposed changes discussed at the last SRG to ensure that any interest accrued is also used to support environmental offset provisions. This is particularly important as the rate of expenditure is slow.
- 2. The ECA is surprised to learn that the **current status of many offsets was unknown** and that the findings to date are based on such a small proportion of approved offsets (20 out of 125?). The Jurisdictional review presented in section 4 was interesting reading and provides useful recommendations for application in WA. The suggested improvements to the WA Offsets Register (end Section 5.8) would assist this situation. Listing approved offsets does not provide sufficient transparency and their current implementation status and success in achieving desired outcomes needs to be reported also.
 - The ECA is a supportive of a system where the requirements for offsets are clear, and that once approved, there is continued focus from regulators to ensure that the offset requirements are implemented successfully. A robust and transparent reporting and compliance framework for proponents creates a level playing field.
- 3. Calculation of offset requirements: It is recognised that there is no specific offset calculator for WA and that the Commonwealth calculator is used which was developed for a narrower species focus and does not always work well for significant residual impacts on broader environmental values. This could be addressed through consideration of a specific methodology for offset calculations in relation to EP Act requirements.
- **4. Consistency of offset requirements under the EP Act and EPBC Act**. Notwithstanding the above point, the ECA considers that any reform of the WA Offsets framework should



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involve the Department of the Environment and Energy and, to the extent possible in relation to legislative requirements, ensure that significant residual impacts to environmental values protected under both Acts can be addressed with the same offset and that the offset requirements during assessment, approval and implementation are consistent.

- 5. Avoidance and mitigation: In most cases, impact assessments provide a reasonable worst-case scenario when describing environmental impacts related to a proposal, whether under Part IV, Part V or EPBC Act assessment. This generally results in the proponent having less impact than anticipated / reported, but often this inherent avoidance and mitigation goes unnoticed by the regulator (and there is little to no incentive to continue this practice). Further opportunities or incentive to encourage upfront consideration of avoidance and mitigation is considered very important and would be welcomed, to reduce the residual environmental impacts of proposals. Offset conditions that link offset provision to impact (such as in Part IV approvals) is supported as a way to incentivise any avoidance or impact minimisation measures post approval.
- **6. Rehabilitation.** Land acquisition offsets are currently the most common in WA. As appropriate land for acquisition becomes more scarce, it is considered that rehabilitation offsets are likely to play a larger role in the future. The offset framework should consider how rehabilitation offsets could be used to improve biodiversity conservation in WA and provide much more guidance around how rehabilitation offsets could be successfully included.
- **7. Biobanking:** The idea of a platform to facilitate trading between landholders and proponents seeking offset opportunities is supported, as this would reduce the reliance on regulators to source these opportunities.
- 8. In recognition of the importance to purchase offsets (and direct proponents to purchase offsets) in a coordinated manner (as set out in Point 1) and in the interests of ensuring consistency of advice provided by government on offset requirements and progressing the effectiveness of offset tracking (as set out in Point 2) the ECA sees value in a designated role overseeing the coordination of offsets across agencies. ECA suggests that this role could ensure visibility, effectiveness and consistency of offsets that also support overarching strategic government priorities.