

## **Biodiversity Market Policy and Design Team**

Department of Climate Change, Energy, the Environment and Water

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### **National Landcare Network Submission - A Market for Biodiversity**

The National Landcare Network (NLN) appreciates this opportunity to make a submission in response to the invitation issued by the Department of Climate Change, Energy, the Environment and Water.

The National Landcare Network is the peak representative body for community Landcare groups across Australia. Our vision is communities acting to improve and sustain healthy productive landscapes. The NLN strongly supports policy that will result in the significant investment in conservation and restoration that is needed to reverse the decline in Australia's environment. We recognise that the scale of the task is beyond government and individual landholders and that voluntary private sector investment has the potential to make a significant contribution.

We support the development of a national framework to facilitate that investment, including the need for protocols, an expert advisory panel to ensure environmental integrity, as well as to ensure that there is a landholder/participant first approach. It is important for the mechanism to ensure that in addition to biodiversity outcomes, those implementing the works on the ground are the ones to most benefit from development of biodiversity projects.

### **Intersection with other markets**

As the market would operate in parallel with the carbon market, clear protocols are needed around credit stacking. The learnings from the Chubb review into the integrity of Australian Carbon Credit Units (ACCUs) should be taken into account when designing biodiversity market mechanisms. Clear protocols are also needed for the interaction with existing state-based biodiversity offset and private conservation mechanisms to avoid perverse biodiversity outcomes such as double counting and no net gain outcomes.

### **Environmental Integrity**

#### **Net Gain be applied as a First Principle**

To reverse the decline of the state of the Australian environment as a first principle, biodiversity projects which meet the requirements of a biodiversity protocol must be able to demonstrate a net gain in biodiversity over timeframes that make ecological sense. In this regard the National Landcare Network fully endorses the detailed submission made by the Restoration Decade Alliance, of which the National Landcare Network is a member.

The National Landcare Network also strongly endorses strengthening the provisions of the *EPBC Act* to ensure the protection of remaining habitat. Further, it is important for net gain biodiversity outcomes, that the proposed market mechanism also encompass aquatic ecosystems, incorporate faunal re-introduction and include all public lands.

### **Flexibility - taking into account bio-regional context**

Protocols will require standardised methods and those methods will need to take into account differences across bio-geographic regions. It is imperative that the protocols, and derived accounting methodologies have context specific baselines and can account for differences in geology, climate, and species/habitat diversity.

The timeframes applied to the issue of certificates also needs to consider these differences. For example, 25 years may be appropriate in high rainfall, good soil regions of Australia but not in others.

Quality assurance frameworks must also ensure that plantings for biodiversity projects are locally/regionally appropriate. A challenge will be the time needed to scale up the supply chain across all regions to ensure available local seed/plant supply.

### **Assessing environmental significance**

Appropriate strategies for protection and restoration need to be identified by site inspection including assessment by a person skilled in evaluating regeneration potential in the particular ecosystem. This assessment may require third-party evaluation using robust frameworks such as *Accounting for Nature*. The environmental significance of a proposed biodiversity project could be verified by a landholder or by a consultant with reference to the threatened ecological communities listed under the *EPBC Act* and/or corresponding listings under individual state legislation. The connectivity value of a project could be validated by a qualified person such as a regional Landcare Coordinator.

### **Compliance and Assurance Framework**

The principles and guidelines provided in the *National Standards for the Practice of Ecological Restoration* are a valuable foundation to underpin the compliance and assurance system. Protocols and associated methodologies should ensure additionality – ensuring that the biodiversity project activity would not have taken place in the absence of the added incentive created by the biodiversity credits.

We support the establishment of an expert **Advisory Committee** to facilitate the creation of robust Protocols for the implementation and monitoring of the restoration projects.

Associated standardised key project attributes should be stored in the *Australia's Living Atlas (ALA)*, as, or in addition to, the public register, ensuring 1) that high levels of project data and reporting is publicly available and 2) the data contributes to the evidence base for State of the Environment reporting. In this way ALA could act as the source of truth for compliance and assurance audits, monitoring, reporting and review.

### **Benefits of Participation**

Ensuring quality and net gain outcomes of biodiversity projects using a compliance and assurance framework requires complex independent assessment, and auditing, as well as self-regulation and monitoring, driving project costs up. There is a risk that most of the benefit (as with carbon projects) will be retained by project developers/managers rather than the landholders/participants.

The role of extension experts, such as Landcare coordinators/networks, are essential for providing trusted advice to participants ensuring adoption. Building capacity for landholders/participants, and community-based extension specialists to undertake projects will ensure maximum direct benefit to landholder/participant and on ground biodiversity outcomes.