

Committee Secretary
Senate Standing Committee on Environment and
Communications
PO Box 6100
Parliament House
By email: ec.sen@aph.gov.au

Dear Senate Standing Committee on Environment and Communications,

We welcome this opportunity to continue to participate in the development of the Australian Government's Nature Repair Market. This submission represents NRM Regions Australia's third submission on the topic of a National Nature Repair Market- our earlier submissions are included at Schedule 1 and 2.

We have learnt that to achieve sufficient environmental improvement, we need to manage our environment and natural resources in an integrated, strategic way at a landscape or catchment scale. Australia is in a unique position internationally with its infrastructure of regional NRM organisations. NRM Regions Australia is the national peak body of Australia's 54 regional NRM (natural resource management) organisations. Our members work with land managers, diverse groups and industries across Australia to manage our land, water, coast, plants and animals for the benefit of people, environment and industries. Regional NRM organisations were established across Australia nearly 25 years ago in recognition of the fact that ad hoc, disconnected, and paddock-scale responses are not sufficient to tackle biodiversity loss and landscape degradation.

Each regional NRM organisation has a regional NRM plan. Meaningful consideration and incorporation of regional NRM planning priorities and resources into planning for Nature Repair Market projects could identify and amplify opportunities and multiple benefits, while helping minimise negative outcomes, land-use conflict, and risks including from climate change. Context and information at the right scale are essential to positive outcomes from the market.

NRM Regions Australia welcomes the amendment made to the Exposure draft of the Nature Repair bill to require at least one member of the Nature Repair Market Committee member to have substantial experience, knowledge and standing in biological or ecological science relevant to the functions of the Committee.

We would also like to take this opportunity to encourage the committee to consider further amendments which we see as critical to optimising the operation of the market to maximise the environmental, social, cultural and economic benefits sought through the market, and for the

Government's conservation objectives more generally. The key areas we believe require further consideration are:

- 1. The value that can be added to projects by a requirement to align projects with regional NRM plans, as per the requirement for carbon farming projects under the CFI Act 2011.
- 2. The need to consider the Nature Repair Bill within the context of the broader legislative and policy reforms flagged under the Australian Government's Nature Positive Plan.
- 3. The interactions between maintenance and permanence periods/obligations, and how projects might be managed beyond their permanence periods to protect biodiversity that has been generated/protected through the scheme from future deliberate harm.

1. Inclusion of a requirement to align Nature Repair Projects with regional NRM plans

The Carbon Credits (Carbon Farming Initiative) Act 2011 includes a requirement for projects to confirm consistency with their relevant regional NRM plan. This requirement under the CFI Act recognises the role that regional NRM plans can play in informing these market developments to optimise benefits and minimise negative and cumulative outcomes. Regional NRM plans cover every part of Australia and are driven by a biodiversity and sustainability imperative, in the public interest. Regional NRM plans:

- a) Incorporate the best available information ideally environmental, social, cultural and economic data. The plans are also regularly reviewed and refined ensuring that up to date and context specific information and research is available to inform investment a factor that PWC (2022) stated in their report "A nature positive Australia" would be critical to underpin effective environmental restoration and protection in a biodiversity market.
- b) Provide guidance on priorities for strategic protection and enhancement of biodiversity for each region to guide investment at a landscape scale. Alignment of projects with these prioritises will optimise projects to support a range of interconnected benefits, including biodiversity improvements, water quality outcomes, control of threatening processes, improved climate resilience and threatened species protection.
- c) Are developed through participatory based planning processes- so they reflect the issues and priorities of the local communities.
- d) Are aligned with existing efforts- including national and state-based NRM policy and legislation, including land use planning and statutory approvals.

Enshrining a requirement in the legislation for biodiversity projects to align with regional NRM plans is an efficient way to ensure biodiversity projects are considered and valued in their landscape context, including connectivity, competing land uses, cumulative impacts, and perverse outcomes, including community impacts. We also recommend a requirement that projects describe how they align with regional NRM plans before biodiversity certificates are issued.

Continued alignment of projects with regional NRM plans could also be demonstrated through periodic reporting on project progress- ongoing reflection on regional NRM plans will offer project proponents opportunities to continue management that aligns with current regional goals and best practice.

2. Consideration of the Nature Repair Bill within the suite of environmental legislation and regulation reform

NRM Regions Australia is committed to ensuring the ongoing protection, enhancement and restoration of biodiversity for the good of individuals, communities and all Australians. Understanding how this can best be achieved, and the role of the Nature Repair Market within this, requires a holistic picture of the legislative and regulatory landscape. The full implications of the Nature Repair Bill cannot be understood and assessed without an understanding of how it will interact with, and be affected by, changes to other legislation currently being considered by the Government under the Nature Positive Plan, including the EPBC Act reforms. NRM Regions Australia suggests the passage of the bill be delayed until other significant environmental legislation is available for consideration. This will allow the need for any additional protections within the Nature Repair Market Bill, particularly around the use of offsetting, to be considered in the appropriate context.

3. Consideration of permanence periods and ongoing protection of biodiversity

NRM Regions Australia welcomes the additional detail on permanence period options provided in the current iteration of the Nature Repair Market Bill. We recognise that having a suite of timelines for obligations to actively maintain and restore a biodiversity site provides opportunities for a wide range of activities and participants. However, we are interested to understand the opportunities and risks for preservation of biodiversity at a site following the completion of the permanence period. For example, for a project with a 25-year permanence period that involves a revegetation component, are there any obligations for landholders (current and future) to undertake to not deliberately clear or otherwise actively undermine biodiversity at that site? While native vegetation legislation in some jurisdictions/situations may protect established native vegetation to some degree, this varies considerably. For example, in Queensland, many carbon farming projects registered under the avoided clearing method (among others) are able to be legally cleared at the end of their 25-year permanence period, regardless of the biodiversity values that have been created during that considerable period. For this reason, round 3 of the Queensland Land Restoration Fund is prioritising projects that nominate either a 100-year permanence period, or that include a commitment to some form of recognised legal security over the project area, over and above the protection of the permanence period. We recommend that further consideration is given to opportunities to permanently safeguard biodiversity generated through the market from deliberate harm. A safeguard such as this will ensure that, regardless of the relevant permanence/active maintenance period for the project, the investment in biodiversity is afforded some protection into the future. This will ensure the market is aligned with the Australian Government's objective to ensure net increases in protected biodiversity and to avoid further species extinctions.

Thank you for the opportunity to provide this submission. We would be happy to appear before the committee to discuss these points further. Please direct enquiries to NRM Regions Australia CEO Dr Kate Andrews at kate@nrmregionsaustralia.com.au or 0403 604 823.