



THECATALYSTGROUP  
planning and environment

# GWRC RPS Change 1 Hearing Stream 6 – Indigenous Ecosystems

20 February 2024

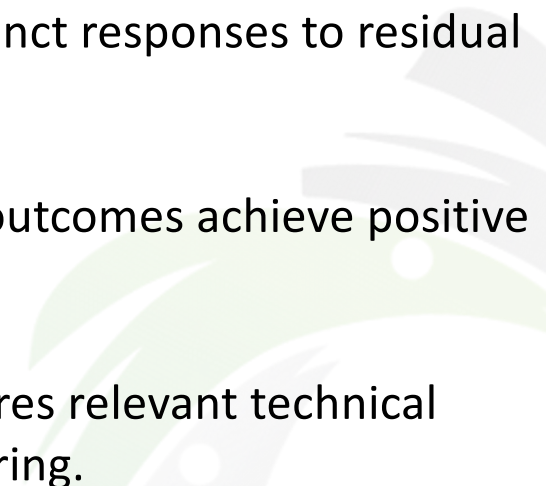
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# Key points

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- Biodiversity setting is complex, challenging, and high risk – this is particularly pertinent in the context of the dual biodiversity and climate crises.
  - Policy frameworks need to recognise this risk and take a precautionary approach – defining limits to offsetting and compensation is a key component of this necessary caution.
  - The effects management hierarchy reflects this risk by prioritising ‘avoid’ and requiring sequential application of each subsequent step of the hierarchy.
  - Biodiversity offsetting and biodiversity compensation are distinct responses to residual adverse effects, and they generate different outcomes.
  - No net loss outcomes are neutral (no loss, no gain); net gain outcomes achieve positive outcomes for the target biodiversity.
  - Application of biodiversity offsetting and compensation requires relevant technical expertise at all stages of design, implementation, and monitoring.
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# The effects management hierarchy

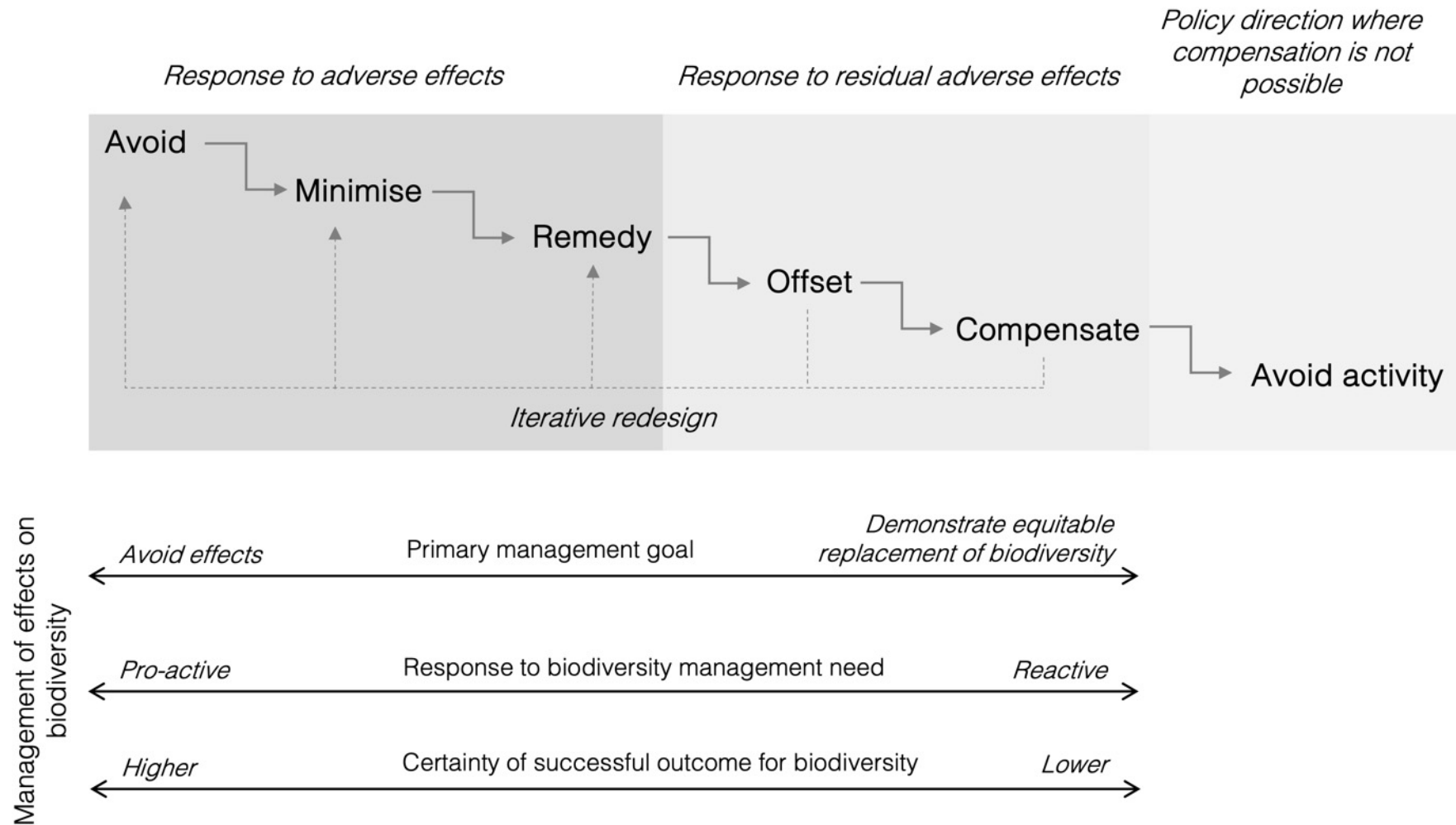


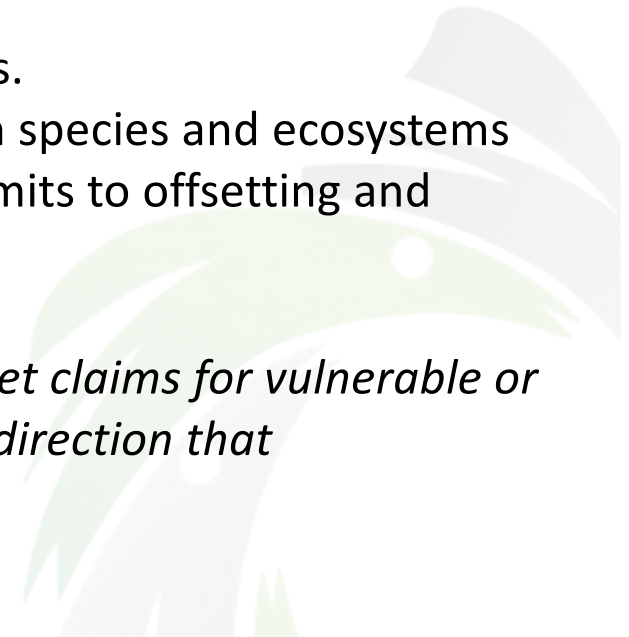
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# The effects management hierarchy

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- Further policy direction is required on the application of the effects management responses:
  - The scale of adverse effects that trigger application of the hierarchy.
  - When biodiversity offsetting or biodiversity compensation is an inappropriate response to address effects.
  - Link to principles underpinning the standards and rigour required for biodiversity offsetting and compensation (including limits)
- Policy 24A provides this direction:
  - Aligns with NPS-IB on magnitude of effect and principles.
  - Provides additional direction with regional specificity on species and ecosystems that are vulnerable and irreplaceable (Appendix 1) → limits to offsetting and compensation.

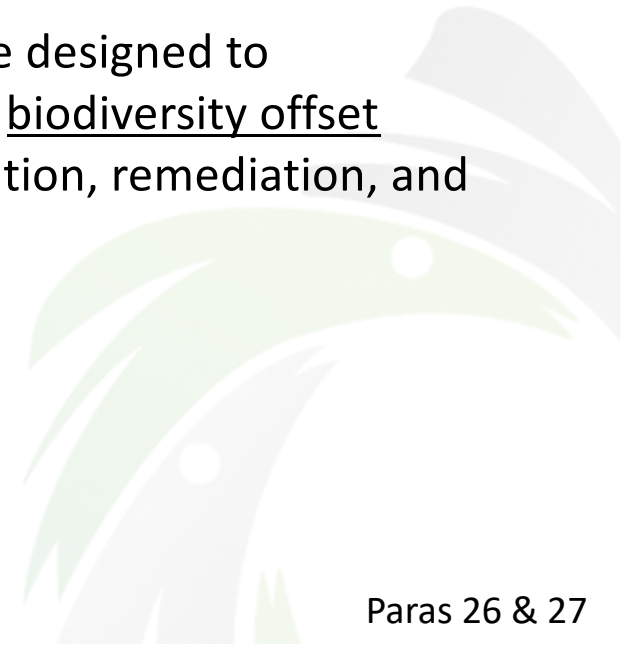
*Requires a high burden of proof to support net gain offset claims for vulnerable or irreplaceable species or ecosystems, and provides clear direction that compensation is inappropriate.*



# Biodiversity offsetting cf. biodiversity compensation

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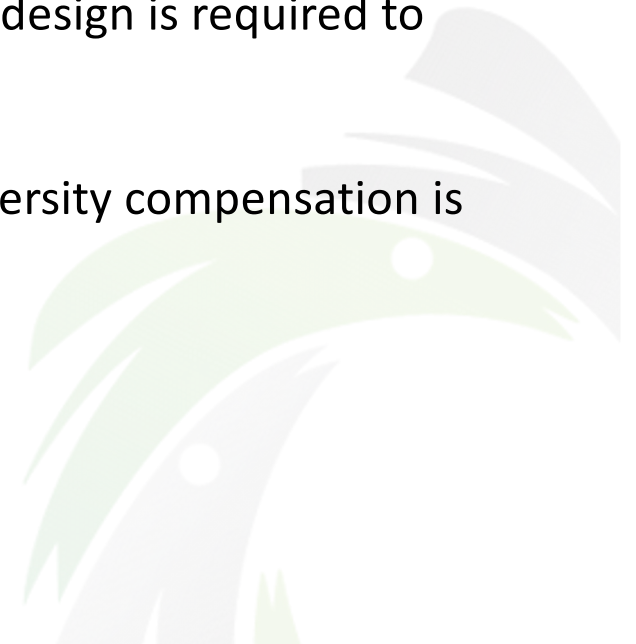
- **Biodiversity offsetting** generates a measurable conservation outcome resulting from actions that aim to generate like-for-like gains in target biodiversity in one place that are sufficient (across type, amount, and condition) to counterbalance residual adverse biodiversity effects in the same target biodiversity elsewhere due to development activities, after appropriate avoidance, minimisation, and remediation have been applied.
- **Biodiversity compensation** generates a conservation outcome designed to compensate for losses due to development activities where a biodiversity offset cannot be achieved, after all appropriate avoidance, minimisation, remediation, and biodiversity offset measures have been applied.



# Biodiversity offsetting cf. biodiversity compensation

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- Biodiversity compensation is a step after biodiversity offsetting in the effects management hierarchy.
- Biodiversity compensation does not require a stated, quantified outcome.
- There is greater uncertainty for biodiversity associated with compensation.
- Biodiversity compensation carries the most risk and is appropriately the last resort.
- Where loss of biodiversity cannot be compensated, project redesign is required to avoid effects in the first instance.
- The differentiation between biodiversity offsetting and biodiversity compensation is recognised in the NPS-IB, NPS-FM, and the NRP.



# No net loss cf. net gain

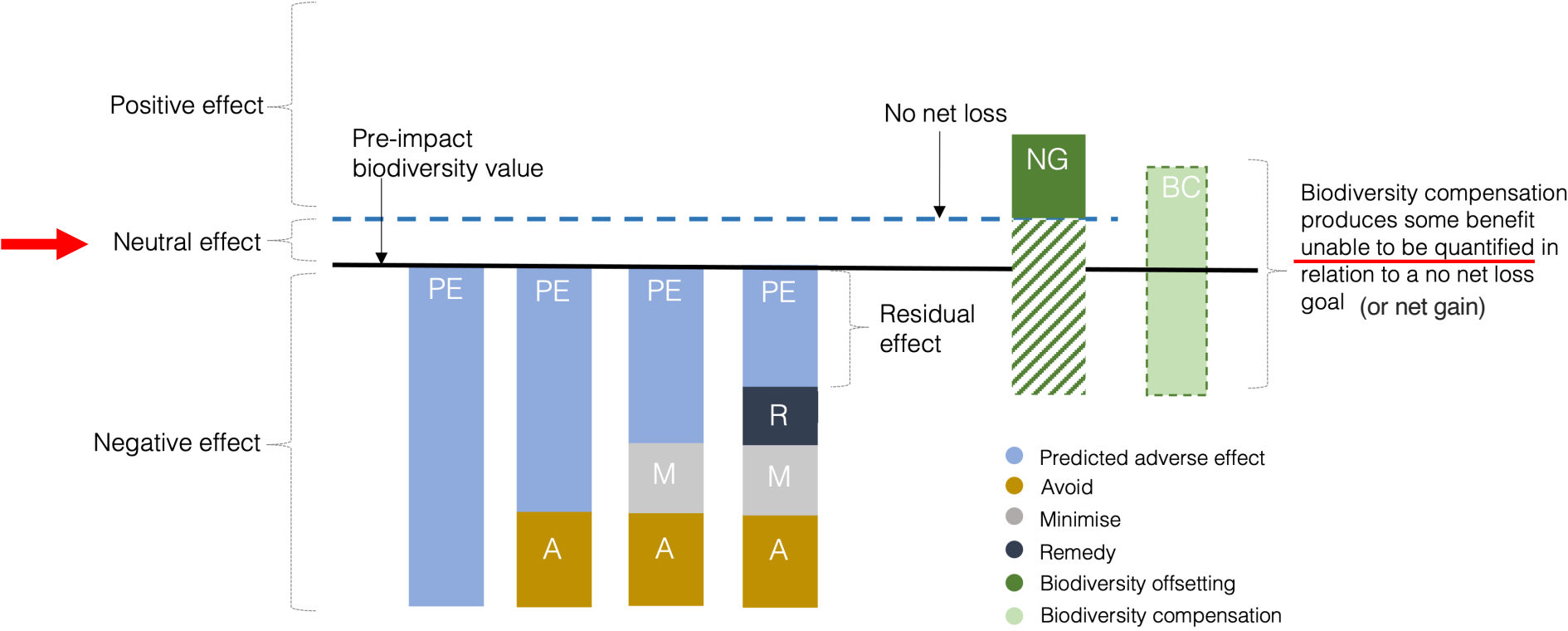


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