



The Hon. Rob Stokes MP
Minister for Planning and Public Spaces

IRF20/114

Ms Cate Faehrmann MLC
Committee Chair
Portfolio Committee No.7 – Planning and Environment
Legislative Council
Parliament House, Macquarie Street
SYDNEY NSW 2000

Dear Ms Faehrmann

Cate

Thank you for your letter regarding the Legislative Council's Portfolio Committee No.7 (the Committee), which is inquiring into koala populations and habitat in NSW.

I understand the information provided to the Inquiry, as outlined in the transcript attached to your letter, contains several inaccuracies on the biodiversity impacts of the mining projects in the Leard State Forest, particularly koalas, as well as the status of the biodiversity offsets for these projects.

The Department of Planning, Industry and Environment has prepared a short report on these matters, which is attached for your information.

Should you require anything further, I have asked Mr David Kitto, Executive Director of Special Projects at the Department of Planning, Industry and Environment, to assist the Committee. He can be contacted on

Yours sincerely

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The Hon. Rob Stokes MP
Minister for Planning and Public Spaces

ENC: Report on inquiry into koala population and habitat in NSW

Inquiry into Koala Population and Habitat in New South Wales

Leard State Forest Mining Precinct and Biodiversity Offsets

Background

Leard State Forest is an area included in the *Brigalow and Nandewar Community Conservation Area Act 2005* (BNCCA Act). The Act was the outcome of a comprehensive forestry assessment of western NSW that included extensive consultation with a range of stakeholders. The Act provides for the permanent conservation of approximately 350,000 hectares of land in the region, while also recognising the socio-economic benefits of the forestry and resource sectors.

Leard State Forest itself has an area of approximately 8,134 hectares, and has been historically disturbed by logging practices. Under the BNCCA Act, Leard State Forest is zoned for the purposes of forestry, recreation and mineral extraction.

There are three mines located within the Leard Forest Mining Precinct, including the Boggabri mine operated by Idemitsu, and the Maules Creek and Tarrawonga mines operated by Whitehaven Coal.

Approvals for the Boggabri and Maules Creek mines date back to the late 1980s, although all three mines currently operate under contemporary approvals granted by the then Planning Assessment Commission since 2010.

In this regard, the Boggabri mine operates under an approval granted on 18 July 2012 (09_0182), the Maules Creek mine operates under an approval dated 23 October 2012 (10_0138), and the Tarrawonga mine operates under an approval dated 23 January 2013 (11_0047).

All three approvals were granted following comprehensive environmental assessment and in the case of Maules Creek and Boggabri, independent review by the Planning Assessment Commission (PAC). The PAC carefully considered the impacts and benefits of these projects, including economic and employment benefits to the regional economy and the State. The approvals have been modified a number of times since the original approvals.

The approvals are subject to stringent conditions. The Department of Planning, Industry and Environment monitors and enforces compliance with these conditions.

Biodiversity Impacts

The assessment of the Leard State Forest mining projects included comprehensive assessment of biodiversity impacts, including potential impacts on koalas.

The disturbance areas approved under the consents as modified from time to time amount to a total of 3,934 hectares of native vegetation across the three mines. The disturbance areas are set out in the following table.

Table 1: Native Vegetation Clearing – Leard Forest Mining Precinct

<i>Mine</i>	<i>Native Woodland (ha)</i>	<i>Derived Native Grassland (ha)</i>	<i>Total Native Vegetation Clearing (ha)</i>
Boggabri	1,415	43	1,458
Maules Creek	1,665	414	2,079
Tarrawonga	336	61	397
Total	3,416	518	3,934

These native vegetation areas included areas of the White Box – White Cypress Pine Grassy Woodland Endangered Ecological Community (EEC), commonly referred to as Box Gum Woodland. Areas of Box Gum Woodland EEC within the approved disturbance areas are outlined in the following table.

Table 2: Box Gum Woodland EEC Clearing – Leard Forest Mining Precinct

<i>Mine</i>	<i>Box Gum Woodland (ha)</i>	<i>Box Gum Woodland Derived Native Grassland (ha)</i>	<i>Total Box Gum Woodland Clearing (ha)</i>
Boggabri	629	5	634
Maules Creek	458	87	545
Tarrawonga	10	3	13
Total	1,097	95	1,192

Koalas

The biodiversity assessments for the three mining projects included detailed targeted surveys for koalas and other threatened species.

Surveys for the Maules Creek and Tarrawonga projects did not identify any koala sightings or other evidence of koalas within the project boundaries.

Surveys for the Boggabri project did identify some evidence of koalas in early surveys, including a small number of scats and two koala sightings.

The biodiversity assessments acknowledged that some secondary koala feed tree species are present in the Leard State Forest area, but that the lack of any significant koala activity indicates that the State Forest has very low habitat use, and that preferred habitat is more likely located on the lower valley areas outside the State Forest. The ecological assessments concluded that the clearing required for the projects would not result in any significant impacts on koalas.

Since the original approvals, Whitehaven and Idemitsu report that no koalas have been sighted in any monitoring surveys undertaken. Such monitoring forms a mandatory component of the mining operations under the approvals.

Biodiversity Offsets

The approvals for the three mining projects also contain requirements on the mining companies to implement comprehensive biodiversity offset strategies to compensate for the loss of native vegetation and habitat for endangered species.

The offset areas were largely identified upfront prior to the approval of the projects. However, the approvals for the Maules Creek and Boggabri mines were subject to requirements to identify additional offsets of at least 1,000 hectares for each mine. These additional offset areas have since been identified and incorporated into revised offset strategies.

The biodiversity offsets for the projects are summarised in the following table, and shown on **Figure 1** below.

Table 3: Summary of Biodiversity Offset Areas – Leard Forest Mining Precinct

Mine	All Vegetation (ha)				Box Gum Woodland EEC Component (ha)		
	Woodland	DNG	Pasture / Other	Total	BGW Woodland	BGW DNG	BGW Total
Boggabri	7,321	3,173	148	10,642	1,578	1,960	3,488
Maules Creek	7,898	2,306	1,965	12,169	3,597	1,880	5,477
Tarrawonga	1,355	261	44	1,660	23	193	216
Total	16,574	5,740	2,157	24,471	5,148	4,033	9,180

As indicated in the table, the combined biodiversity offset strategies will result in around 22,300 hectares of native vegetation offsets (excluding non-native agricultural land), to compensate for the 3,934 hectares of native vegetation that will be cleared for the projects.

In addition to these offsets, under the consent conditions the mines are required to rehabilitate the mine sites, with some 4,000 hectares required to be rehabilitated to woodland.

The offsets include substantial areas of existing native woodland and Box Gum Woodland EEC, as well as substantial areas of derived native grassland that would be regenerated to provide additional areas of Box Gum Woodland.

The offsets (excluding rehabilitation of the mine site or non-native agricultural land) equate to a gross offset ratio of 5.7 hectares of offset land for every hectare of land disturbed by the projects. In terms of Box Gum Woodland EEC, the offset strategies provide for the conservation of 9,180 hectares of Box Gum Woodland EEC (including Box Gum Woodland grassland), which equates to a gross offset ratio of around 7.7:1.

The biodiversity offset areas have been carefully located to provide short and long term biodiversity benefits. This includes providing a regional biodiversity corridor between the Namoi River to the west and the Nandewar Range to the east, which are both areas of known koala habitat. The offsets themselves comprise extensive areas of potential koala habitat, as indicated on the Department's recently released koala habitat maps. The potential koala habitat across the region is shown on Figure 1, along with the offset areas.

To ensure a coordinated and strategic approach to biodiversity offsetting across the Leard Forest Mining Precinct, the consents for all three mines require the mining companies to jointly prepare a coordinated Regional Biodiversity Strategy. The strategy is required to be implemented in three stages, including:

- **Stage 1 – Scoping Report:** comprising the terms of reference, scope and objectives for the strategy;
- **Stage 2 – Strategy Document:** comprising the strategy framework, spatial framework, biodiversity offset management framework and offset security framework; and
- **Stage 3 – Strategy Review:** to review the strategy implementation following completion of required rehabilitation and offset area audits.

Stages 1 and 2 have been completed with the Strategy document publicly available on the mine's websites, along with currently approved Biodiversity Management Plans. These documents can be found on the individual mine websites at:

- Boggabri Coal: <https://www.idemitsu.com.au/mining/operations/boggabri-coal/>
- Maules Creek Coal: <https://whitehavencoal.com.au/our-business/our-assets/maules-creek-mine/>

- Tarrawonga Coal Mine: <https://whitehavencoal.com.au/our-business/our-assets/tarrawonga-mine/>

The consents also include a range of other biodiversity-related conditions, including requirements for the mining companies to:

- maintain a 500-metre vegetated buffer corridor between the Boggabri and Maules Creek mines;
- ensure that the biodiversity offset strategies focus on rehabilitation and maintenance of Box Gum Woodland and threatened species (including koala);
- prepare and implement comprehensive Biodiversity Management Plans, including requirements for regular biodiversity monitoring and reporting;
- make suitable arrangements to provide appropriate long-term conservation security for the offset areas;
- lodge conservation bonds to ensure the biodiversity offset strategies are implemented in accordance with agreed performance and completion criteria; and
- undertake 5 yearly independent biodiversity audits.

All of these requirements have been and are being implemented for the Leard State Forest mining projects. The only issue currently outstanding is finalising the arrangements to provide for the long-term conservation security of the offset areas for the three mines.

This has been partly delayed due to the 2017 changes to the biodiversity legislation which prevented the use of conservation agreements specified in the relevant conditions of consent for each of the mines. It has now been agreed that the mines will use alternative conservation mechanisms that are available under the *Biodiversity Conservation Act 2016*, and the mining companies have submitted applications and are working with the Biodiversity Conservation Trust (BCT) to finalise the agreements.

The mining companies are also in discussions with National Parks and Wildlife Service about its interest to transfer certain land to the national park estate.

In finalising the conservation agreements with the BCT, there has been extensive discussions between the mining companies and the BCT on the mapping of the vegetation communities in the relevant offset areas, partly due to the NSW Government moving to an improved vegetation mapping classification system since mapping was completed for the environmental assessments and subsequent vegetation validation studies completed by the mines.

The current deadline for finalising all aspects of the conservation agreement for the Maules Creek mine is March 2020. Should the long-term security arrangements not be finalised by this time, the Department will consider what actions are appropriate. However, the Department notes that finalising the long-term security arrangements is an administrative issue that would have no effect on the continued management and enhancement of the biodiversity offset areas, which are regulated under the existing conditions of the consent for each mine. The Department will continue to monitor the implementation of approved Biodiversity Management Plans for each mine to ensure the approved offsets are delivered and improve regional conservation values.

With regard to the koala, the Department considers that the conditions of consent for the Leard State Forest mining projects provide appropriate measures to ensure the protection of this nationally important species.

The Department will continue to work with the mining companies and other stakeholders to ensure that impacts on koalas are avoided and/or minimised, and that the biodiversity offsets provide net benefits for the species over the short, medium and longer term.

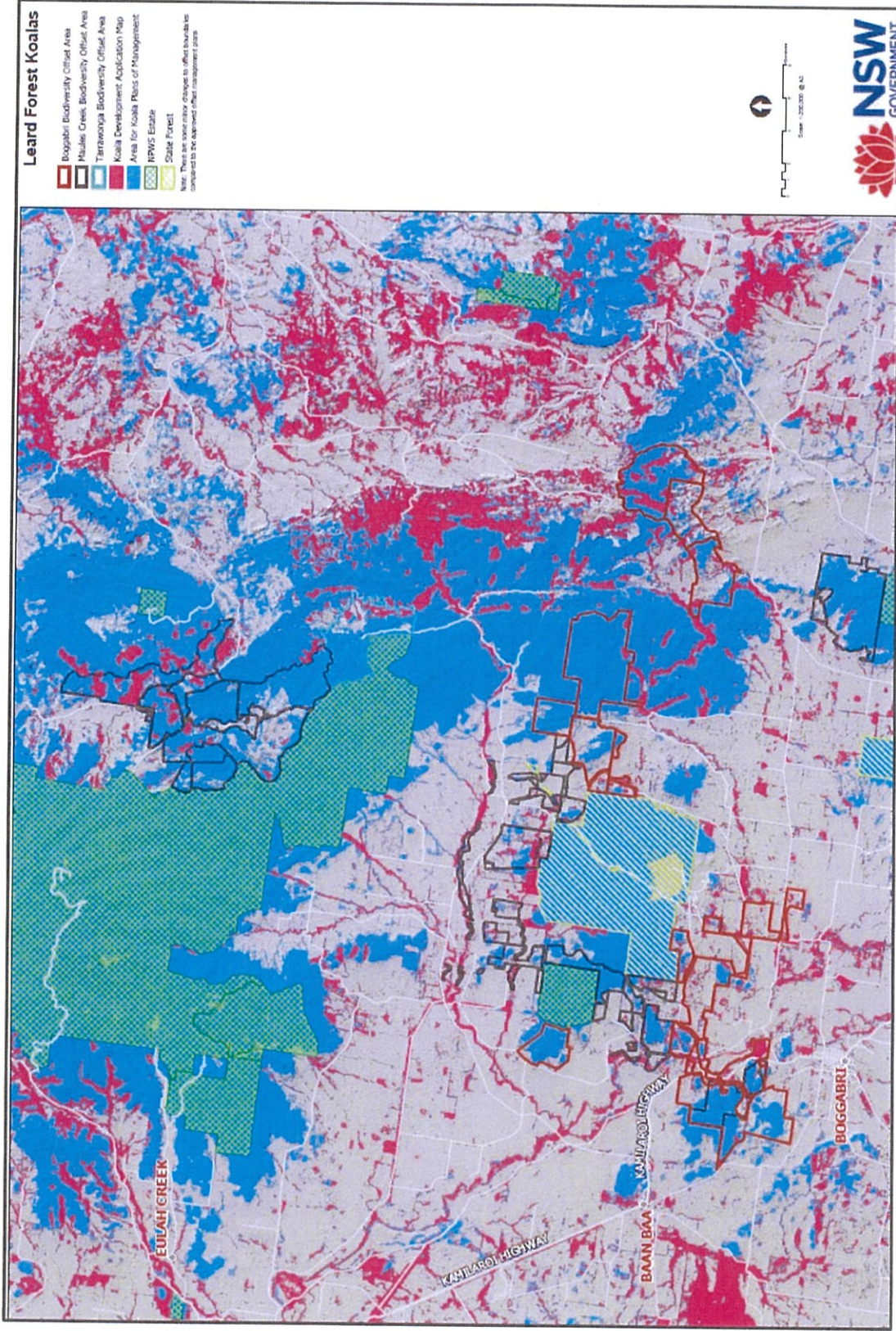


Figure 1 – Leard State Forest mine offset areas and Koala SEPP mapping