Nature Conservation Council
The voice for nature in NSW

Answers to Supplementary Questions on the Inquiry into the Impact of Renewable Energy Zones (REZs) on rural and regional communities and industries in New South Wales

03 July 2025

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About NCC

The Nature Conservation Council of New South Wales (NCC) is the state's peak environment organisation. We represent over 200 environment groups across NSW. Together we are dedicated to protecting and conserving the wildlife, landscapes and natural resources of NSW.

www.nature.org.au

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Acknowledgement

The Nature Conservation Council NSW acknowledges that we live and work on the land of First Nations . This land has been cared for since time immemorial by Traditional Owners, whose sovereignty was never ceded. We pay our respects to the Traditional Owners past and present of the many Countries within so-called New South Wales.

We respect the leadership of Traditional Owners in caring for Country, and support the development of treaties that meaningfully empower them to do so. We acknowledge the dispossession of First Nations People and the harm inflicted on people and Country since colonisation began. We acknowledge that colonisation is an unjust and brutal process that continues to impact First Nations people today. As people living and working on First Nations Country it is incumbent on us to play our part in righting the historical and ongoing wrongs of colonisation. Indeed, our vision of a society in which nature and communities thrive together depends upon it.

The Nature Conservation Council of NSW (NCC) respects and supports all First Nations people's right to self-determination as outlined by the UN Declaration of the Rights of Indigenous Peoples (UNDRIP), which extends to recognising the many different First Nations within Australia and the Torres Strait Islands. NCC commits to maintain open lines of communication and to build respectful mutual relationships with First Nations people in all the work we do and wherever possible, seek aligned outcomes with and support the goals of First Nations groups.

We commit, as an organisation, to empower and work together with First Nations people to protect, conserve and restore the land, waters, air, wildlife, climate and culture of the many First Nations people in NSW.

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Environmental Integrity & Biodiversity

(1) You suggest strategic siting on degraded land. Should that be a formal precondition for project approval, or a preference? How do you propose to ensure developers comply with that preference?

Strategic siting on degraded land should be a preference, not a formal precondition, as it may not be feasible in all cases across NSW. However, projects that are sited on degraded land should be prioritised in planning and approval processes.

As NCC recommends on page 6 of our submission, the NSW government should identify ecological protection and restoration priorities for each REZ and require developers to contribute to nature positive environmental regional outcomes. This will identify areas of degraded land with renewable energy potential which developers should be guided to build their projects on. Collaboration with local environmental organisations, ecologists, and First Nations groups should also inform strategic siting decisions.

To ensure developers comply, SEARs should include questions on developers' rationale for siting decisions. If projects are not proposed on already degraded or cleared land, developers should outline why those sites have not been chosen in line with the mitigation hierarchy.

(2) You call for "early and meaningful" engagement. What definition would you assign to "early" and "meaningful"? Should there be penalties for failing to meet that threshold

Early engagement should begin at the scoping stage and continue throughout the project lifecycle.

As in NCC's submission on page 5, we recommended that the NSW Renewable Energy Planning Framework should provide clearer guidance as to what "early and meaningful" community engagement looks like. For example:

1. Early: some regional community members face barriers for participating in consultation processes, such as lack of internet access. When providing notice for a community meeting, developers need to take the specific barriers and needs for that community into consideration and ensure plenty of notice is given to allow full community participation. Early consultation also means early education for communities on the process and the options for defining benefits and how they work.
2. Meaningful: developers can demonstrate a culture of genuine community consultation by investing in ensuring community engagement processes are accessible to all members of the community, including consideration of nature, and cumulative impacts. Community consultation should also incorporate opportunities for capacity building and engage diverse representatives from across the regions

(3) Should developers be required to publish a consultation report with independent verification outlining how community feedback changed their project?

Developers are already required to list any changes to their project in the submissions report, following submissions made during the public exhibition of the EIS. The submission report generally

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outlines the key themes of submissions that were made and any actions the developer has taken in response.

To ensure developers achieve trust with communities they need to have strong community engagement and participation. Our recommendations to strengthen community engagement and participation are outlined in our original submission and in our response to Question (2).

Fire Risk & Insurance

(4) You state that REZs don't increase fire risk. Given rural firefighting experts have raised concerns, have you independently verified this with NSW RFS or other incident data?

NCC has followed guidance from the NSW Department of Planning, Housing and Infrastructure who addressed various risks and hazards that are considered when assessing renewable energy projects. This includes clarification that renewable energy does not increase the risk or impact of fires.

NCC understands that Fire and Rescue NSW reviews and provides input on renewable energy project assessments to ensure hazards are considered, including the capability of local firefighting agencies and the need to ensure on-site fire safety capabilities suited to the hazards present on each site.

First Nations Participation

(5) Should the NSW Government make First Nations participation and benefit-sharing a mandatory condition of project approval, or leave it as a negotiated component?

First Nations communities have cared for Country, sustainably looking after the land, waters, air, wildlife, climate and culture, for over 60,000 years. Genuine engagement and consultation with First Nations communities is essential to achieving positive environmental and cultural outcomes through the transition to renewable energy.

The First Nations Guidelines for the NSW Electricity Infrastructure Roadmap outlines that renewable energy proponents are required to develop Industry and Aboriginal Participation Plans (IAPPs), following respectful engagement with the local Aboriginal community. An IAPP outlines the employment and income opportunities which the local Aboriginal community has identified as key priorities.

Regarding First Nations participation and benefit sharing, the guidelines state that IAPPs should:

- "Commit to, or exceed, the 3% First Nations economic participation requirement, including reasons if the requirement cannot be committed to" (p.24)
- "Identify any other opportunities the local Aboriginal community has identified as a priority, including co-ownership or shared equity, as alternative social license benefits." (p.24)

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It is a requirement that proponents comply with the overall guidelines and decision makers are encouraged to consider the detail of IAPPs when approving projects. However, specific actions are not a requirement and therefore it is a risk that a project could have weak First Nations participation plans and benefit sharing models.

General

(6) What do you see as the greatest opportunities for regional and rural communities in relation to Renewable Energy Zones, and the renewable energy transformation more broadly?

The build of renewable energy through REZs is a once in a generation opportunity to transform rural and regional communities in NSW for the better through economic community benefits, the ability to diversify industry, provide drought-proof income streams for farmers and local businesses, and increased nature restoration and protection opportunities.

More broadly, the renewable energy transition will allow us to minimise the impacts of climate change on our environment by reducing carbon emissions, provide reliable energy for our state, and bring down energy prices to alleviate cost of living pressures.

There are great risks, for both regional and rural communities and Australians more broadly, if the transition is delayed. Economically, new modelling shows that Australia's GDP will take a hit of $6.8 trillion between 2024 and 2050 as a result of the broad impacts of climate change, if serious action is not taken. The increase in extreme and intense weather events due to climate change has led to a rising cost of home insurance. Australians are collectively paying $30 billion more today on insurance than 10 years ago. An August 2024 report by the Actuaries Institute shows that Australian households experiencing home insurance affordability stress increased by 30% in the past year. Households in areas at higher risk of extreme weather, including many regional areas in NSW, are even being priced out of accessing insurance altogether.

Please refer to NCC's submission for the greatest opportunities for regional and rural communities in relation to Renewable Energy Zones. We outline the socioeconomic benefits on page 4, agricultural opportunities on page 5, and environmental restoration opportunities on page 6.

(7) What is the broader impact for animals and the environment if we don't make an urgent transition towards renewable energy?

The transition towards renewable energy is essential to combating the devasting impacts that climate change will have on animals and the environment.

Climate change poses one of the biggest risks to nature, through impacts including drought, bushfires, storms, ocean acidification, sea level rise and global warming. Many plants and animals cannot adapt to the effects of climate change. NSW has 1018 plant and animal species and

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ecological communities that are at risk of extinction, with climate change, habitat destruction, and invasive species the key drivers.

The bushfires and floods over the last few years gave us a taste of what is to come if we don't take action to prevent climate change. Billions of animals were killed in the 2019-2020 Black Summer bush fires, and if fire seasons are allowed to become even more intense, nature will struggle to recover. The Paris accord states that to limit global warming to 1.5 degrees and prevent catastrophic climate events and mass extinction we must reduce emissions by 43% by 2030.

(8) What reforms would you like to see made to the Biodiversity Conservation Act as a priority, to ensure that animals and the environment are protected in renewable energy projects?

To ensure the Biodiversity Conservation Act (BC Act) is fit for purpose in maintaining a healthy, productive and resilient environment in NSW, it must protect animals and the environment in renewable energy projects and all other development projects in NSW.

Fundamentally, the Act needs to move to ensure that each project leaves nature in its region better-off, and away from the current scheme that has merely enabled unchecked harm to nature, at a price.

Legislative reform is needed to add a strong and robust legal mechanism to the BC Act for protecting habitat from impacts, including, but not limited to, the impacts of renewable energy projects. Current mechanisms have failed to deliver the protection needed to safeguard against serious and irreversible impacts and reverse biodiversity decline. Reforms and mechanisms introduced to an updated BC Act need to have the effect of linking all laws and instruments to the objectives and outcomes required in an effective NSW nature strategy to ensure consistency in approaches to decision making for all impactful projects.

Changes to the Biodiversity Offsets Scheme (BOS), established under the BC Act, to align it with best practice offsetting are long overdue. Public confidence in the much-maligned BOS is low. Media and formal analysis have found conclusively that it is dysfunctional. Changes made by the Biodiversity Offsetting Scheme Amendment Bill 2024 (yet to be enacted by regulation) may make some difference to the extent that developers engage with a "cash for habitat" approach to the Biodiversity Conservation Trust. They may also make some difference to the efforts of developers to minimise and mitigate harm to habitat or to have nature positive impacts overall. However, all biodiversity is unique and non-fungible. Achieving like-for-like offsets is difficult, and often impossible in practice. When time-lags between destruction, and the functional maturation of an offset are also considered, offsetting almost always delivers negative outcomes for nature. NCC is therefore principally opposed to biodiversity offsetting.

Where biodiversity offsetting does occur, scheme design must follow best practice, be transparent, and include regular comprehensive evaluation of its implementation, ecological outcomes and cumulative impacts. Offsets should only be used as a last resort and should never be permitted in

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high biodiversity value areas, such as those with threatened species or ecological communities, or those that are important for maintaining landscape habitat connectivity.

Please see the summary of NCC's recommendations to reform NSW Biodiversity Offsetting Scheme (BOS):

1. Amend the Act to give the Minister for the Environment call-in powers in relation to serious and irreversible impacts, as outlined in the Henry report recommendations 13 and 14;
    a. a call-in power to determine if a proposed local development or clearing would give rise to a serious and irreversible impact, and
    b. a call-in power and concurrence role for major projects in determining serious and irreversible impacts.
2. Amend the Act to require the Minister for the Environment to develop ecological protection and restoration strategic plans to ensure that areas of high habitat and where there would be serious and irreversible impacts are avoided.
3. That the regulations provide for a strong mitigation and conservation hierarchy which goes beyond requiring demonstrated steps to avoid and minimise, to conditions including rehabilitation, restoration, and enhancement of nature impacted by developments.
4. That the Act be amended to allow the Environment Agency Head or Environment Minister to publish a list of credit types where payment into the BCF will be refused, because credits are not available, and it is unlikely that a like-for-like offset will be achieved. Outside of the published list, this refusal power should also be administered on an ad-hoc basis where needed.
5. In the absence of the above, that the Act be amended to allow the BCF to expend funds on the conservation, rehabilitation, restoration and enhancement of the specific species or ecological communities impacted by developments where no like-for-like amendments are available when acquitting obligations.
6. Extend the timeframe for Environment Minister concurrence on variations to consent conditions and offset credit requirements for SSD and SSI from 14 to a minimum of 28 days, with powers for the Minister for the Environment to extend the deadline for consideration where necessary.
7. That a package of transparency measures to allow the community to see, understand and raise concerns about the extent and impact of biodiversity offsetting measures be created and maintained through the Amendment Bill.
8. That the reformed scheme include mechanisms that proactively protect species and ecological communities harmed by significant events.
9. For biodiversity stewardship agreements and conservation agreements specify that areas subject to such agreements are protected from incompatible land uses, such as mining.

For full detail on the above recommendations please refer to NCC's full Submission to the Inquiry into the Biodiversity Offsetting Amendment Bill 2024 (6 September 2024).

(9) A number of landowners have raised concerns about renewable energy projects impacting native animals and their habitats, such as taking down large numbers of trees on

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their property that are known koala habitat. How do we overcome these issues and ensure native animals and their habitats are protected, while also moving forward on renewable energy projects?

There are several mechanisms to ensure that we can move forward on renewable energy projects will still protecting native animals and their habitats. Such as:

- Strategic siting of renewable energy projects on already cleared or degraded land, or in areas that will have the least impact on habitat. Strategic siting of projects is one of the most important opportunities to reduce the impact of biodiversity from a project, which is why getting it right is so important.
- Proper implementation of mitigation hierarchy. While existing planning rules require developers to avoid and minimise impacts on nature before resorting to offsets, in practice, communities often identify missed opportunities for impactful nature mitigation, protection and/or restoration. Developers should consult with local environment organisations and ecologists to determine how best to apply the mitigation hierarchy throughout all aspects of the development. This includes implementing mitigation strategies and technologies and pursuing on-site ecological restoration opportunities.
- As previously recommended, strategic ecological planning at the REZ scale is crucial to identify ecological protection and restoration priorities for each REZ. Such a strategy would allow for implementing habitat connectivity and climate connectivity across the REZ and minimising the impact of renewable energy development on native animals and their habitat.

Implementing key reforms to the Biodiversity Conservation Act, as highlighted previously, will be crucial to ensure that native animals and their habitats are protected. This includes improving the operation of the 'serious and irreversible impacts' provisions in the Biodiversity Conservation Act by introducing stronger regulations, equipping the Minister for the Environment with call-in powers and developing publicly available spatial tools that allows proponents to identify key habitats to avoid.

(10) How can REZ planning better integrate landscape-scale conservation goals and agricultural co-benefits?

As previously recommended, strategic ecological planning at the REZ scale will allow for better integration of landscape-scale conservation goals and agricultural co-benefits. This can include:

- Identify and promote agrivoltaics and other dual land use opportunities
- Provide incentives for private landholders to undertake on-site conservation and restoration, that go beyond offsetting
- Coordinate offsets across multiple developments to reduce cumulative impacts and maximise ecological connectivity

(11) What policy tools would ensure “nature-positive” renewable energy development becomes the norm?

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Strategic plans that identify ecological protection and restoration priorities for each Renewable Energy Zone are a key policy tool that would ensure nature positive outcomes are considered from the beginning of the planning process, rather than waiting until the environmental impact statement stage. "Nature positive" means there has been an improvement in the diversity, abundance, resilience and integrity of ecosystems from an agreed baseline.

These priorities should include:

- Defining areas of high value and critical habitat as well as wildlife and climate corridors linked to national parks or areas of high biodiversity value for protection. Assessment of high value and critical habitat should be ongoing and consider cumulative environmental impacts and emerging environmental risks.
- For coal-mining regions in transition, development of region-wide post-mining land use plans incorporating wildlife and climate corridors, with no reductions in existing mine rehabilitation obligations as set out in development consents. Existing mine rehabilitation obligations should be made transparent to the public.
- The NSW government and developers working collaboratively with landholders to restore habitat including through provision of financial incentives to landholders.

To incentivise developers' contributions to positive environmental regional outcomes, the NSW government should:

- Add a guideline to the Renewable Energy Planning Framework on practices to incorporate positive environmental outcomes into developments. As complying with the Renewable Energy Planning Framework is part of the secretary's environmental assessment requirements (SEARs), this will require developers to include strategies that have positive environmental benefits.
- Include positive outcomes for the environment and biodiversity as merit criteria in tender processes for renewable energy developments. This will prioritise development proposals that go above and beyond the current environmental requirements and lead to better outcomes for nature.
- Establish a transparent and public verification process post-project implementation, tied to grid access, to ensure that developers have implemented the impact mitigation and restoration strategies they committed to.

(12) What best-practice models exist for ensuring meaningful, long-term community benefit sharing from REZs

The following case studies, while not always best practice, demonstrate good models:

(1) Mortlake South Wind Farm, Victoria

The wind farm was constructed on cleared, level land that is predominately used for dairy farming, with livestock grazing continuing around the wind turbines. The dual use agri-wind model ensures that agriculture activities continue, which allows for projects to acquire land with minimal disruptions.

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New technology was also used for transporting turbines which eliminated the need for additional roads to be built to the site. The new transport method meant that over 20,000 squared metres of farmland and vegetation was not cleared. A Neighbourhood Benefit Payment is available for those who live in a dwelling that is within 4 kilometres of a wind turbine generator. Payments are offered to eligible residents, who can purchase goods and services at participating local business with the aim of assisting the local economy. A Community Engagement Committee (CEC) has also been established to create an effective flow of communication from the developer to the community.

(2) Blind Creek Solar Farm, New South Wales

The project aims to co-exist with organic grass-fed lambs, regenerative agriculture, a soil carbon sequestration project and restoration of biodiversity. There is a focus on co-location of regenerative agriculture with solar while engaging with community consultation. The project team consulted early with nearby landowners, First Nations peoples, local councils and community to design a shared-benefit model tailored to stakeholder needs. Developers led regular in-person individual conversations, community open days and online information sessions, while also releasing early media materials to prioritise transparency and earn community trust from the beginning. This is the First solar farm with a Community Shared Benefit Scheme. This involved sharing financial benefits directly with neighbours and broader community. This aligned with a vision for sustainable agriculture, environmental restoration and community building. Blind Creek Solar Farm won the Clean Energy Council's community engagement award for its "pioneering benefit sharing scheme and agri-solar initiatives". It is expected that over the lifetime of the project, the community could share in up to $3.5 million in benefits.

(3) Coonooer Bridge Wind Farm, Victoria

This wind farm combines community co-ownership with a rent proximity model. Landowners within a 3km, or homeowners within a 3.5km radius of a turbine receive an equity share per hectare based on the distance to the turbine. To fund this equity, landowners agree to take a smaller lease payment and the developer agreed to smaller profits. From the outset, the consultation process was an open and transparent discussion about calculating payments for landowners within a 3km proximity. Landowners have ownership and a say in the decision- making process for the wind farm which has been key for building social licence. The developer also established a Community Grant Fund and allocated $1,315 per installed MW per year to go towards community initiatives. All neighbours of the project are able to vote on which applications receive the grant funding. To date, the grants have supported the local bowling club and the Coonooer Bridge Recreation Reserve, as well as a number of other local groups.

Further detail and additional case studies can be found the States of Transition report.

(13) What are the most critical elements missing in current consultation frameworks for REZ projects?

The NSW government should strengthen the community consultation and engagement by:

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- Ensuring renewable energy developers work with local environment groups and experts to draw upon their local knowledge of the area to inform the siting of projects and environmental restoration and protection opportunities.
- Work with the Federal Government to urgently implement the recommendations from AEIC's Community Engagement Review (a.k.a. 'Dyer Review'), including by supporting Local Energy Hubs
- Allocate and resource state government capacity for REZ coordination, whether this is through EnergyCo, a whole-of-government approach, or a locally-based consortium
- Resource the implementation of a place-based, community development approach to manage the energy transition in regional and rural communities
- Prioritise genuine engagement, consultation and partnerships with First Nations communities
- Develop regional community benefit plans and strengthen developer consultation with communities

(14) How should the NSW Government resource disadvantaged communities to participate in REZ planning?

The NSW government should:

- Supplement community engagement and benefit sharing practices with initiatives (such as Local Energy Hubs) to support communities to engage in REZ consultation processes, and enhance best-practice standards and a 'race to the top' for benefit sharing and community co-ownership of renewable energy assets across NSW.
- Invest in on-the-ground community development staff in REZs and ensure that REZ oversight committees and reference groups include representation from the community development sector and First Nations organisations.
- Develop guidance on benefit sharing payments to significantly impacted neighbours of transmission infrastructure to create more equitable outcomes.
- Develop guidance on benefit sharing payments to local communities hosting nearby transmission infrastructure, beyond host landholders and neighbours.

(15) What role can REZs play in supporting economic transition in post-coal communities?

Successive use of post-mining land to create new employment opportunities, especially for renewable energy and clean industry can create positive economic, social and environmental benefits for NSW. There is considerable merit to using the existing infrastructure and utility connections for new, clean industry opportunities that support economic diversification of mining regions, and ultimately assist Australia transition to net zero.

However, such opportunities must not be at the expense of environmental and biodiversity outcomes. Mining approvals are granted on the expectation that sites are rehabilitated to high standards. Communities expect that the widespread destruction caused by operating mines will be permanently rehabilitated. PMLU reforms must not be seen as a way for mine operators to minimise their rehabilitation obligations.

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The economic and employment benefits that landscape restoration provides must not be overlooked. Landscape restoration and ongoing management for biodiversity is a labour-intensive activity that can support employment opportunities varying from professional to skilled, and semi-skilled roles including machinery operators, ecologists, Indigenous Rangers, surveyors, labourers and more. There is an opportunity to dovetail land restoration and renewable energy projects.

Further information can be found in NCC's submission to Inquiry on Beneficial and productive post-mining land use.

(16) How should the Net Zero Commission tailor its public engagement strategy to improve regional awareness and trust in the transition?

The responsibility for an effective and successful public engagement strategy to improve regional awareness and trust in the transition should not just lie with the Net Zero Commission. There must be a coordinated, collaborative and well-resourced all of government approach to ensure that communities in NSW are aware of the transition and government bodies and departments are taking active and transparent steps to increase trust.

There is an existing education and information gap that needs to be closed. 2024 polling revealed that only 8% of Australians knew how much solar and wind energy had been built into the national electricity grid, with 56% underestimating how far along the energy transition is.

As a trusted, expert, and independent body, the Net Zero Commission may be well placed to tailor information resources and events to regional NSW, outlining the role that the clean energy transition plays in meeting climate goals and mitigating climate-fuelled disasters, the costs of climate change on regional NSW, and answering questions and concerns regional people have about climate and clean energy.

(17) It was said that the NCC supports reforms to the Biodiversity Conservation Act and a shift to a nature positive framework with net benefits for ecosystems and wildlife. What specific provisions or mechanisms should be included in the Biodiversity Conservation Act to ensure that REZ projects achieve net environmental gains, rather than relying on offsetting alone?

The BC Act's objects should reflect the necessity of protection and restoration of nature.

The Objects of the Biodiversity Conservation Act (BC Act) should be reformed to be brought in line with international and national commitments and obligations aimed to bring the world closer to achieving a safe future the protection, conservation and restoration.

The objects of the Act should reflect the following:

- Objects of the updated Act should 'commit to', not just 'consider' national and international goals and targets.

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- The Objects should include a clause requiring the condition of biodiversity in NSW be maintained and enhanced.
- We encourage the pursuit of primacy of the BC Act, or at the very least, clarify and improve its standing in respect of other legislation through suitable mechanisms.
- The Act should work toward the outcomes of:Halting and reversing biodiversity loss, protecting what is left, and restoring integrity and resilience to what is degraded
- Preventing new extinctions and facilitating effective species protection and recovery
- Protecting and restoring wildlife habitat corridors and areas of connectivity with a focus on present and potential habitat
- Communities enjoying, valuing and acting for nature

Increasing investment in private land conservation is core to achieving environmental gains. For conservation agreements, the Act should be amended to specify that areas subject to such agreements are protected from incompatible land uses such as mining. Such protections are necessary to ensure that conservation gains on private land are genuine and operate in perpetuity.

The NSW Nature Strategy should be enabled to be a strong framework for delivering outcomes for nature

NSW Government has committed to developing and implementing a NSW Nature Strategy (the Strategy), and 'make it a legal requirement under the BC Act'. The NSW Plan for Nature, the Government's response to the statutory reviews of the BC Act and Part 5A of the Local Land Services Act 2013 (LLS Act), states that the strategy will guide public and private investment and action to protect, connect and restore ecosystems and landscapes across tenures. The strategy will also set goals and targets for conservation and restoration – including landscape restoration, species recovery and addressing threats to nature – and articulate our contributions towards national targets and commitments. The NSW Nature Strategy has the potential to be an important tool to drive nature conservation and recovery in NSW.

To be effective, the requirement to develop and effectively implement the NSW Nature Strategy must be embedded in legislation, with clear accountability mechanisms.

The BC Act should require the the Strategy to give effect to its objects and set out clear requirements for the purpose and content of the Strategy, including requirements to set targets for conservation and recovery.

There must be legislative requirements to apply and make decisions consistent with the Strategy, across all portfolios (whole-of-Government). This will be critical for the effective implementation of the Strategy and to ensure that targets and outcomes in the Strategy can be achieved (and not undermined by contrary decisions).

Mechanisms specific to REZs

For REZs, the NSW government should determine the baseline assessment of nature in each REZ and the Strategy should outline targets, the investment required, and actions needed to protect and

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restore nature to achieve a net gain. Mechanisms should be introduced for renewable energy developers to financially contribute to these protection and restoration strategies, demonstrating an investment in the long-term environmental benefit for the communities where they are building projects. Options for such mechanisms could include:

- A percentage (to be determined by the Department of Planning, Housing and Infrastructure) of local benefit funds to be set aside for a Nature Fund. The local community, including local environment groups and ecologists, gets to have a say in how the funding is used to restore the local environment.
- In the scoping report, developers need to demonstrate how their projects align with both the conservation and restoration targets set out in the NSW Nature Strategy, and the specific targets for the REZ in which their project will be located.

(18) Further to the NCC's support for nature-positive practices being embedded in tender merit criteria and model agreements for REZ access and development rights, could you provide examples of best-practice tender frameworks from domestic or international contexts that NSW should adopt to embed nature restoration directly into renewable energy procurement?

NCC's recommendation for including positive outcomes for the environment and biodiversity as merit criteria in tender processes for renewable energy developments was based off improvements made to the First Nations merit requirements in the Capacity Investment Scheme. While the First Nations merit requirements could still be further strengthened, they have improved over time. The same should be done for nature outcomes.

There are international organisations focused on researching and implementing nature positive outcomes in renewable energy generation, storage and transmission, that NCC would recommend the NSW government looks to for guidance and inspiration. These include:

- The Renewable Energy Wildlife Institute (REWI) based in the United States. REWI works collaboratively with the renewable energy industry, conservation and science organisations, and wildlife management agencies to ensure that renewable energy and wildlife both thrive. More information can be found on their website: https://rewi.org/
- The Global Initiative for Nature, Grids and Renewables (GINGR) facilitates Nature- and People-Positive renewable energy and grid deployment by establishing an industry-supported and government-endorsed monitoring and reporting framework on a global scale. More information can be found on their website: https://www.gingr.org/

We need to ensure that NSW's planning and environment laws ensure the standard is lifted so that all developments, including renewable energy, prioritise the protection and restoration of nature. There has been extensive research on how better biodiversity outcomes can be achieved in the planning, building and running of renewable energy development. This includes:

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- Better Practice Renewables and Biodiversity: Opportunities for Collaboration Guide – by RE-Alliance and The Energy Charter
    - This guide offers strategies to integrate better biodiversity outcomes throughout the lifecycle of renewable energy developments. It showcases several environmental interventions at every stage of renewable energy project development, from energy system design to end-of-life. It outlines some of what is possible through case studies and identifies opportunities for cross-sector collaboration.
- Building Better Biodiversity on Solar Farms: A regenerative guide to nature-positive solar farming – by Community Power Agency and Stringybark Ecological
    - This guide demonstrates strategies and practical methods designed to overcome land use conflict through a biodiversity net gain approach to development and land management. It is an approach that aims to leave the natural environment in a measurably better state than it was before it hosted a solar farm.
- Blueprint to Repair Australia's Landscapes: National case for a 30-year investment in a healthy, productive & resilient Australia – by Wentworth Group of Concerned Scientists
    - This report presents a 30-year plan to restore Australia's degraded landscapes, including 24 practical actions to do so. While this research is focused on degraded land across Australia, it serves as a useful guide for developers on how to incorporate practical actions to restore degraded land that may be on the site of a renewable energy project.
- Our Renewable Future: a Plan for People and Nature – by WWF-Australia and the Australian Conservation Foundation
    - This joint report charts a path for renewable energy and nature to work in harmony. It identifies key steps that government, industry and communities can take and shows how an energy transition can be done in a way that not only avoids and minimises nature impacts but improves nature overall.

(19) The NCC representatives mentioned that there are millions of hectares of degraded ecosystems (e.g. box-gum woodland) that could be restored and called for incentives for ecological restoration as part of REZ rollout. What specific financial or regulatory incentives would best support large-scale ecosystem restoration in REZ zones, and who should administer them?

The NSW Nature Strategy, as committed, must set ambitious nature restoration targets alongside adequate government funding to implement activities to achieve targets. These restoration targets and subsequent activities need to be clearly separate from any offsetting schemes and strategies (which regardless, should always be a last resort for developments).

There are six key areas NCC recommends to best support large-scale ecosystems restoration:

3. End policies which enable ongoing habitat destruction

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   a. Return to objectives such as those of the repealed *Native Vegetation Act 2003* which were more effective at minimising habitat clearing, namely 'to prevent broadscale clearing unless it improves or maintains environmental outcomes'
   b. Implement regulatory reforms to the *Local Land Services Act 2013* which remove the reliance on self-assessment and self-approval processes for vegetation removal, instead increasing regulatory approvals
   c. If land management is to remain in its current legislative framework, make a series of long-advocated changes to the Codes as detailed below
   d. Revisit and finalise the Native Vegetation Regulatory map
   e. Reform other frameworks that are facilitating unjustified habitat clearing, such as the rural boundary clearing and 10:50 clearing codes.
   f. Ensure cross-government collaboration so that policies and programs (such as strategies guiding the agricultural sector) are harmonised in a way that does not encourage the clearing of land.
4. Implement a requirement for overall benefit to biodiversity
   a. End land clearing in all habitats important to the survival of species and ecosystems
   b. Implement a legislative objective of maintaining and improving environmental outcomes on regional land overall
   c. Consider climate change and cumulative impacts in any development or clearing assessment and approval process
5. Support and incentivise rural land holders to protect and restore their property
   a. Increase public funding to support private protected areas and conservation agreements
   b. Protection and restoration programs should be regionally designed and prioritised, ideally using a whole-of-catchment or landscape-scale approach and aligned with the future NSW Nature Strategy
   c. Consider options including restoration, private land conservation programs under the BCA, land trusts, innovative conservation for the 'commons' and financial mechanisms. Efficiency can be gained where multiple benefits intersect.
   d. Strengthen protection options for private landholders that enter conservation agreements so that privately protected areas are safe from future resource extraction, such as mining.
   e. Create new types of stewardship agreements, funded by the NSW government and administered by the Biodiversity Conservation Trust, focused on restoration projects that are not linked to offsetting.
6. Accompany reforms with strong communications and engagement
   a. Reforms must be supported by a clear, multi-format communications strategy, including in-person community education
   b. Review and streamline existing online platforms targeted at landholders to establish easy-to-access and clear information for landholders for the long-term.
   c. Increasing staffing for agencies that provide on-property advice and conservation support is important to success
7. Recognise and respond to the government's incentives to restore biodiversity

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   a. Use this process to progress toward the Kunming-Montreal Global Biodiversity Framework (30x30), to which Australia is a signatory
   b. Take advantage of employment opportunities offered by restoration and conservation activities
   c. Support Indigenous leadership and self-determination
8. Support nature positive innovation and create incentives for developers to include nature positive outcomes in their projects
   a. Include nature positive outcomes in merit criteria for renewable energy tender processes
   b. Establishing a Nature Positive Center for Excellence to support research and innovation for achieving nature positive outcomes in all developments, including renewable energy generation, storage and transmission
   c. Establish programs to support farming innovation and regenerative agricultural practices that lead to nature positive outcomes. Such programs need to include investment for outreach into farming communities and education on programs available to maximise take up.

Further detail on the above recommendations can be found in NCC's *Submission on the Natural Resources Commission review of options to further protect and restore biodiversity and ecosystem functions in regional landscapes, and enhance value and support for landholders* .

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