

**INQUIRY INTO INTEGRITY OF THE NSW
BIODIVERSITY OFFSETS SCHEME**

Name: Mr Andrew Knop
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Submission to the Inquiry into the Integrity of the NSW Biodiversity Offsets Scheme

I submit the following comments and issues under the listed terms of reference.

- (a) the effectiveness of the scheme to halt or reverse the loss of biodiversity values, including threatened species and threatened habitat in New South Wales, the role of the Biodiversity Conservation Trust in administering the scheme and whether the Trust is subject to adequate transparency and oversight,
- (b) the use of offsets by the NSW Government for major projects and strategic approvals,
- (c) the impact of non-additional offsetting practices on biodiversity outcomes, offset prices and the opportunities for private landowners to engage in the scheme, and
- (d) any other related matters.

As an owner and manager of conservation properties with three decades of on-ground restoration experience (see background notes below) I question the 'effectiveness of the scheme to halt or reverse the loss of biodiversity values, including threatened species and threatened habitat in New South Wales'. I submit the process of allowing remnant vegetation to be cleared in an area by paying for it to be retained in another area does not meet the historically applied principles of 'No Net Loss' of native vegetation. In essence native vegetation, ecosystems and critical habitat is being permanently lost, traded off against an already existing 'offset areas' the net result for NSW is permanent biodiversity loss.

The only way no net loss can be achieved is by the 'offset area' creating a new ecosystem of a size, condition and connectivity threshold far superior to the area being cleared. This is technically very difficult to achieve. There is also a significant lag time before the beneficial offset characteristics are realised (ie many decades before a reconstructed woodland or dry sclerophyll forest develops the rudimentary habitat features and functionality of a mature ecosystem).

The permanent loss of habitat structures such as tree hollows which require mature vegetation with 100 years plus growth characteristics, cannot be created from scratch. It needs to be recognised that creating threatened species habitat is prohibitively expensive and technically beyond most land managers capabilities. The only practical solution is to fully cost the environmental impact against the development proposal to ensure only the most financially robust and beneficial development activities are permitted. If a proposal can't support the combined cost of planning, construction, maintenance and environment management they should be considered of nil to negative social value and effectively a potential liability for future generations.

Qualitative issues impacting the Biodiversity Offsets Scheme.

Recently I had cause to review two projects impacting our local community. In both cases I found that the certified consultants who conducted the biodiversity assessment undertook substandard desktop and field evaluations of the biodiversity and hydrological impacts. Their work was characterised by inadequate community consultation, failures to disclose known and predicted threatened species and ecosystems, failures to reference locally pertinent desktop data sources such as topographic mapping and flood management plans. These failures directly led to incorrect reporting of biodiversity and flooding impacts. Issues included:

- Failure to acknowledge or analyse threatened species and ecological communities provided by the local community (eg bird, plant and EEC sightings);
- Tendency to classify remnants as low conservation status communities over HCV and EEC communities. Examples include misidentification of native plants resulting in EEC being not evaluated. These substantial errors would have likely resulted in adjacent derived grassland communities being incorrectly classified and not considered as derived grasslands of listed NSW and EPBC EEC communities.
- Field work being undertaken during extreme drought conditions resulting in misidentification of plant species /community and incorrect evaluation of condition classes.
- Failure to list topographic and hydrological systems impacting the development proposal;
- Failure to survey and accurately map stream flow routing impacting the development proposal and surrounding landscapes;
- Failure to accurately evaluate the catchment watershed (size and character) impacting the development proposal and surrounding landscapes;

- Failure to reference and analyse regional Flood Management Plans resulting in non-disclosure of significant flood risk implications. This failure not only has direct impact on native ecosystems and farmland, it also directly impacts the township of Narromine and regional and national road users.

These failures are very concerning. They point towards systemic issues associated with having ‘consultants’ evaluating nationally significant issues for a customer who has a pecuniary interest to downplay the reported impacts. A similar systemic problem recently rocked people’s confidence in the construction industry with grossly substandard buildings being erected and sold to very unfortunate buyers. It is of concern that consultants are prepared to directly compromise the safety of the community and the quality of a final product to save a few bucks in the very short term.

I am concerned that the above listed environmental issues represent the tip of the iceberg. I submit the solution is to minimise pecuniary interest interactions. Biodiversity reporting and evaluation should be undertaken by a well-resourced, independent regulatory authority. Ideally the development authority would operate independent of the evaluation authority to manage potential conflicts of interest. This approach offers clarity, consistency and transparency in the assessment process. It will create jobs, employing people to be stewards of our future, protecting our fundamental resources. This also provides social stability and will assist future generations to tackle the combined issues of escalating climate change, declining biodiversity and natural resource condition.

Historically, ecosystems and their biodiversity adapted to change and extreme events by moving through connected systems. Modern day ecosystems are barely connected, with biodiversity effectively locked into ecological fragments. Even the largest remnants such as the Pilliga are internally fragmented and not large enough for biodiversity to migrate and adapt. Extreme climate events such as droughts, floods and fire could easily impact entire populations.

The combination of climate change and habitat fragmentation creates a bleak outlook for our unique biodiversity. Consider how the owners of the newly built, yet essentially decrepit apartments, now feel? Forced out of their homes, burdened by debt and ongoing costs, living in anxiety, all because a group of people removed the checks and balances which would have picked up the issues in a timely fashion. It’s not only those directly impacted that wear the cost and burden. Neighbouring owners will be worried about the safety of the derelict buildings. Regional homeowners watch the social ripple effect erode the value of their largest asset. These construction issues are a microcosm of what will happen to our biodiversity if the current system continues. Loss of biodiversity will have flow-on impacts on water quality, soil health, air quality and quality of life for our communities. Forget ‘trickle down effect’, socially we will experience a full-blown cascade. We need the government to step up and build and invest in the appropriate public institutions to fix these serious problems.

I thank the committee for undertaking this important inquiry and their consideration of the issues raised.

Your sincerely

Andrew Knop
Narromine

Background

My wife and I manage just over 2,000 acres of registered on title conservation properties. Our management aim is to restore indigenous ecological function and resilience and protect cultural heritage values. This is achieved through historical research to establish benchmark conditions, undertaking thorough threat evaluation and implementation of a wide range of targeted solutions.

Typically the solutions include:

- managing total grazing pressure;
- managing invasive plants and animals;
- strategic revegetation;
- ecological thinning,
- habitat restoration.

The results are a naturally driven regeneration of diverse plant communities, vegetation structure, nutrient and hydrological cycles along with a return of declining flora and fauna. Several species extension of range have occurred as a direct result, with formal identification of plants and animals not previously known to occur at a regional level.

Below are a few photos of what has been achieved.



Understory regeneration in Box/Ironbark woodlands (*E. sideroxylon* and *E. microcarpa*). An understory of dense and diverse Acacia and bush peas was frequently encountered by the early explorers Oxley and Cunningham in our western woodland landscapes. This understory not only provides diverse habitat, it fixes atmospheric nitrogen creating complex pathways for nutrient to move through the soil and browsing fauna.

All plants visible are grazing sensitive species which have forage value for many animals. This regeneration not only restores biodiversity values it has potential to contribute to primary production grazing systems through diversification of forage values and nutrient cycling improving growth yields.

This has been achieved through long term total grazing pressure management, invasive fauna control and low-level ecological thinning of white cypress pine and grey box overstorey.



Woodland ground cover restoration. Here the conspicuous western donkey and wax-lipped orchid put on a spectacular floral display amongst the herbage. The large tussocks of the red-anther wallaby grass provide shelter and protected forage sites for insect, geckos, skinks, dunnarts and antechinus.



Ecological thinning and storm windfall can be added to revegetation areas to strategically reinstate wood debris habitat. Positioned as habitat stepping stones they allow ground dwelling fauna to colonise revegetation areas long before natural timber fall would occur.