

Public Environment Report

Chapter 11

Offsets



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This chapter responds to Section 2.7 of the PER Guidelines. It explains how North East Link would compensate for residual impacts to Matters of National Environmental Significance (MNES) or environmental values on Commonwealth land.

11.1 Background

The term 'environmental offsets' refers to measures that compensate for the residual adverse impacts of an action on the environment. Offsets provide environmental benefits to counterbalance the impacts that remain after avoidance and mitigation measures are implemented. These remaining, unavoidable impacts are termed 'residual impacts'.

As indicated in section 5.2 of the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) *Environmental Offsets Policy*, offsets are not required where the residual impacts of a proposed action are not thought to be significant, or could be reasonably avoided or mitigated.

For offsets to be considered suitable, they must meet the following offset principles:

- Deliver an overall conservation outcome that improves or maintains the viability of the aspect of the environment that is protected by national environment law and affected by the proposed action
- Be built around direct offsets but may include other compensatory measures
- Be in proportion to the level of statutory protection that applies to the protected matter
- Be of a size and scale proportionate to the residual impacts on the protected matter
- Effectively account for and manage the risks of the offset not succeeding
- Be additional to what is already required, determined by law or planning regulations or agreed to under other schemes or programs (this does not preclude the recognition of state or territory offsets that may be suitable as offsets under the EPBC Act for the same action; as per section 7.6 of the Environmental Offsets Policy)
- Be efficient, effective, timely, transparent, scientifically robust and reasonable
- Have transparent governance arrangements including being able to be readily measured, monitored, audited and enforced.

11.2 Commonwealth offsets

As discussed in Chapters 7 to 10 of this PER, avoidance and mitigation measures have been developed to manage potential impacts associated with the action. North East Link would therefore be unlikely to result in significant residual impacts to MNES or environmental values on Commonwealth land that require offsetting under the EPBC Act.

This includes Matted Flax-lily *Dianella amoena*, where salvage and translocation has been proposed to prevent the loss of individual plants that otherwise would be affected by North East Link. The plan for the salvage and translocation of Matted Flax-lily is described in Chapter 7 – Impacts on listed threatened species and ecological communities, and on migratory species. The plan would involve plant subdivision (cloning) of those plants requiring salvage and managing them in a nursery before translocating them to suitable recipient sites that would support the success of the species. A copy of the draft Salvage and Translocation Plan is provided as Appendix F to PER Technical Appendix A – Flora and fauna technical report.

Therefore, offsets under the EPBC Act for Matted Flax-lily are not proposed.

11.3 State offsets

It is acknowledged that under Victorian legislation, offsetting is required to compensate for the loss of native vegetation (containing large trees) and scattered native trees in accordance with the *Guidelines for the removal, destruction or lopping of native vegetation* (DELWP, 2017a). The PER Guidelines specify that *'Offsets required for residual impacts to state listed matters occurring on Commonwealth land can be offset using state offsets policies but must also meet the principles of the EPBC Act Environmental Offsets policy'*. North East Link Project (NELP) is committed to offsetting the loss of all native vegetation in accordance with the state requirements, including native vegetation on Commonwealth land. This approach has been discussed with the Australian Government's Department of Energy and Environment (DoEE) and agreed to in principle in October 2018.

As discussed in Chapter 9 – Impacts on the whole of the environment on Commonwealth land, approximately 10.98 hectares of Plains Grassy Woodland and 39 large trees, including a number of Studley Park Gum, are expected to be lost from Commonwealth land due to North East Link. These losses would be offset along with the rest of the vegetation lost due to the action (that is outside Commonwealth land) under the State process administered by Victoria's Department of Environment, Land, Water and Planning (DELWP).

It should be noted that NELP conservatively considered all native vegetation within the project boundary would be lost due to the action, to determine the maximum possible offsetting required. However, there would be requirements to minimise the amount of native vegetation lost through the detailed design development of North East Link, and the overall impact is expected to reduce.

The expected project-wide vegetation removal was analysed through DELWP's EnSym Native Vegetation Removal (NVR) tool to determine the project offset requirements. This tool assesses whether the removal of vegetation (including scattered trees) has the potential to affect significant habitat of threatened species and uses mapped habitat to determine the offset requirements that compensate for vegetation loss due to North East Link. The results of the analysis were provided in a 'Native vegetation removal report' issued by DELWP and are summarised below.

- **General offset amount:** 8.025 general habitat units
 - Vicinity – Port Philip and Westernport Catchment Management Authority (CMA) or Banyule City, Boroondara City, Manningham City, Nillumbik Shire, Whitehorse City Council
 - Minimum strategic biodiversity value: 0.155
 - Large trees: 103 large trees
- **Species offset amount:**
 - 22.945 species units of habitat for Grey-headed Flying-fox
 - 24.980 species units of habitat for Australian Grayling
 - 9.490 species units of habitat for Yarra Pygmy Perch
 - 17.269 species units of habitat for Small Golden Moths
 - 18.821 species units of habitat for Melbourne Yellow-gum
 - Large trees: 76 trees
- **Total number of large trees that the offset must protect:** 179.

The ability to achieve the offset requirements is subject to the State offsetting process administered by DELWP. The purpose of the offsets is to secure vegetation that is equivalent to the native vegetation being removed or assumed lost, and in this way, make a contribution to Victoria's biodiversity.