

Department of Environment, Tourism, Science and Innovation

Via email: offsetsreview@detsi.qld.gov.au

13 June 2026

Submission on the discussion paper: “A fresh start for Queensland’s Environmental Offsets Framework”.

Environmental Advocacy in Central Queensland (**EnvA**) appreciates the opportunity to make a submission on the “*A fresh start for Queensland’s Environmental Offsets Framework – Discussion paper*” (**Discussion Paper**).¹

EnvA considers that the current Queensland environmental offsets framework has failed to halt biodiversity decline and is not delivering the conservation outcomes intended by the *Environmental Protection Act 1994 (EP Act)* and *Environmental Offsets Act 2014 (Offset Act)*.

About Environmental Advocacy in Central Queensland

EnvA is a Central Queensland community organisation committed to ensuring that all land use is sustainable and does not significantly impact on the environment. We are particularly concerned about the environmental impacts caused by new and expanding coal mining and coal seam gas projects in Central Queensland – particularly habitat loss, impacts on water quality and the significant production of greenhouse gas emissions which are contributing to accelerating adverse climate change impacts on communities and the environment.

Many of our previous submissions on proposed coal and gas developments in Central Queensland have included comments on the inadequacy of offsets in protecting Queensland’s environment.²

General comment

The Discussion paper does not provide “a fresh start” for offset policy but rather relies only on tweaking the existing offset framework. Specifically, the discussion paper discusses and requests public comments on only three matters:

- How we can unlock the Offsets Account to deliver outcomes
- How financial offsets are calculated, and
- How we can improve regulation.

¹ [DETSI \(2026\) A fresh start for Queensland’s Environmental Offsets Framework Discussion paper](#)

² [EnvA – CQ. Overview of submissions](#)



EnvA considers that a genuine “fresh start” requires a fundamental reassessment of whether the current offsets framework can deliver biodiversity outcomes, rather than merely improving the administration of financial settlements and offset delivery within the current framework.

Further detail on our key concerns about the current framework are described below, followed by comments on the specific questions raised in the Discussion Paper.

Offsets are not the solution

EnvA holds serious concerns about the general ineffectiveness of biodiversity offsets in Australia. Biodiversity offsets allow developers to destroy habitat in one area in exchange for protecting or restoring habitat elsewhere.

Since the Queensland Environmental Offsets Policy was introduced in 2014, biodiversity indicators— including vegetation extent and condition, and populations of threatened species— have continued to decline across the state.³ Further to this, there is a lack of suitable land for offsetting the impacts of development⁴, particularly in the Brigalow Belt bioregion which has been, and continues to be, extensively cleared for agriculture and resource extraction.⁵

Queensland continues to experience some of the highest rates of land clearing in Australia, particularly within regional ecosystems that support threatened species. Against this backdrop, an offsets framework that merely manages environmental decline rather than achieving measurable ecological gains is no longer adequate. Any reform must demonstrably contribute to reversing biodiversity loss rather than simply compensating for it on paper.

Numerous government audits, academic studies and independent reviews have identified significant shortcomings in biodiversity offset schemes, including failure to achieve additional conservation outcomes, uncertainty regarding long-term management, inadequate monitoring and enforcement, and substantial time lags between ecological losses and offset benefits.^{6, 7, 8, 9}

The most significant flaw in the current system is that the “like-for-like” approach fails both practically and ecologically and does not replace the habitat lost to development. Matters of State Ecological Significance (**MSES**) or Matters of National Ecological Significance (**MNES**) cannot simply be re-established in a new area without an overall loss of habitat.

EnvA remains unconvinced that offsets can reliably deliver measurable improvements sufficient to compensate for the loss of existing habitat and ecological values. Offsets cannot replace mature habitat, ecological connectivity, species interactions or landscape-scale ecological function that may be permanently lost through development.

Confounding factors that need to be considered in this review include:

- Offset sites are frequently established on land that already provides suitable habitat for MSES. A recurring flaw in offset implementation is the designation of land that already contains the relevant environmental values as an offset. While this may temporarily secure existing habitat from future disturbance, it does not replace habitat lost

³ [Queensland Government \(2024\). State of the Environment Report](#)

⁴ [Queensland Government. In-demand offsets](#)

⁵ [Accad, A. Kelley, J.A.R., Richter, D., Li, J., Neldner, V.J. and Ryan T.S. \(2023\). Remnant Regional Ecosystem Vegetation](#)

⁶ [Australian Conservation Foundation \(2024\) ‘Set and forget’ offsets are killing biodiversity](#)

⁷ [NSW Audit Office \(2022\) Effectiveness of the Biodiversity Offsets Scheme](#)

⁸ [Josefsson, J. et al \(2021\) Compensating for lost nature values through biodiversity offsetting – Where is the evidence?](#)

⁹ [Sydney Morning Herald \(15 March 2026\) Environmental offsets scheme rife with non-compliance](#)

through development and therefore fails to achieve true additionality. In many cases the result is a net reduction in available habitat despite compliance with offset requirements.

- Where an offset is proposed to assist in the recovery of habitat or re-establish the habitat, there is a significant time lag in the area reaching the same ecological value as the habitat that would be lost.

It is essential that the avoidance of impact—not offsetting—remains the priority. Offsets should only ever be used as a last resort.

“Pay-to-destroy” is not the way to go

The concept of payment into an offset fund is a fundamental flaw in the current and proposed Queensland offset framework.

The fact that more than 90% of offset obligations have been discharged through financial settlement demonstrates that the framework is overwhelmingly functioning as a financial transaction rather than a biodiversity conservation mechanism.

EnvA firmly believes that it must be the proponent’s responsibility to secure suitable offset sites and to ensure that offsets:

- are relevant and available to compensate for the impact to the MSES and support the recovery and conservation of the prescribed matter in line with the concept of additionality of habitat,
- result in a measurable improvement from the baseline distribution and quality of the MSES at the time the relevant decision is made under the Act, and
- provide certainty that MSES will be protected in perpetuity.

Damage and destruction of MSES should not be for sale – real protection and management is the only way to ensure their current (and hopefully improved) conservation status.

If the proponent is unable to secure an appropriate offset consistent with the requirements of the Offset Policy, it is likely that the offset fund-holder will also be unable to secure a suitable offset that provides a conservation benefit to a prescribed matter and is in line with the aims of the Offset Policy.¹⁰ We further note that the Discussion Paper clearly outlines the issues that the Department is already experiencing in securing suitable offsets.

While offset funds may offer efficiency and strategic pooling of resources, concerns remain about delivery timeframes, transparency in fund allocation, and whether restoration outcomes are achieved on the ground.¹¹ The current Queensland offset framework is resulting in an accumulation of funds, but it is resulting in offset delivery delay and limited restoration and management outcomes as the fund grows.

EnvA is concerned that biodiversity offsets create an "extinction debt", whereby habitat is removed immediately while any ecological gains from restoration may take decades to materialise, if they occur at all. During this period species populations may continue to decline due to habitat fragmentation and reduced ecological connectivity.

EnvA considers that where no suitable offset can be identified and secured by the proponent, the project should be refused to prevent the loss of Queensland’s MSES. Financial contributions

¹⁰ [DETSI \(2025\) Queensland Environmental Offsets Policy. Version 1.17](#)

¹¹ [MinterEllison \(2025\) EPBC Act Reforms: Offsets, restoration contributions and net gain](#)

to an offset fund should only be accepted when the economic and social benefits of the project can convincingly justify the environmental impacts that cannot be mitigated.

EnvA strongly recommends that financial contributions to an offset fund should be disincentivised through this review of the Queensland's offset framework. Many developers and resource proponents frequently choose to pay a financial offset charge rather than taking direct action to save time, reduce operational costs and transfer risk of failure. However, in taking the 'easy' payment option, the time required to identify and secure a suitable site, the operational costs and the risks are transferred to the fund operator.

Emphasis on land-based offsets and reduction in financial contributions could be achieved through:

- Limiting the financial contribution to a percentage of the total required offset - effectively forcing the proponent to secure a direct, land-based offset; and/or
- Increasing the cost of the financial contribution so that it is a less attractive 'easy' option for proponents. This is further discussed in the "How financial offsets are calculated" comments below.

EnvA consider that pay-to-destroy options should be removed, the availability to use the option reduced, or the costs to the Proponent increased to reduce the attractiveness of the option.

Responses to specific questions raised in the Discussion Paper

EnvA prefaces the following responses with the caveat that our preference is for a "fresh start" to the offset framework discussed above which places the onus on proponents to secure suitable offsets rather than the Queensland government implementing an offset fund.

How we can unlock the Offsets Account to deliver outcomes

The Discussion Paper identifies that since the inception of the Offset Account (the fund used for financial settlement offsets) over 90 per cent of offset conditions have been fulfilled by way of financial settlement, with over \$129.2 million received as financial settlement payment.

However, the Government has experienced challenges in delivering offset projects using those funds and accumulation of funds in the Offset Account needs to be addressed.

The challenges identified are the like-for-like offsets approach, the availability and cost of suitable land and landholder concerns associated with long-term legal security requirements.

Our recommendations:

- It is likely that the funds held in the Offsets Account can be grouped into similar ecosystems and/or habitats. A pragmatic approach is needed to maximise the impact of Offsets Account expenditure on multiple biodiversity values rather than individual species/ecosystem offsets. This will require expert and experienced analysis and a strategic approach based on the range of biodiversity values to be improved.
- Purchase of land for protected estate (State or private), binding covenants, legally binding agreements, species/community recovery intervention, and combinations of these should be considered as options for long-term management and protection of offset areas.
- Trust funds such as Bush Heritage have a track record for acquiring and managing strategic areas for biodiversity conservation, and for developing partnerships with landowners to achieve strategic outcomes. Greater use should be made of these Trusts to appropriately use funds from the Offset Account.

- Oversight will be required to ensure that the values intended to be restored/improved on by the offset payments are being addressed.

Again, EnvA's view is that the option of pay-to-destroy is removed as an option for project proponents into the future. Our above comments only apply to the concepts for the expenditure of the current offset fund.

How financial offsets are calculated

The Discussion Paper identifies a number of key issues in relation to the financial offset calculator including:

- outdated cost estimations (based on 2014 data), and
- reduced costs for larger offset requirements underestimation of real costs of implementing the offset.

It is clear that proponents have used the "pay-to-destroy" option as the cheapest, easiest and least-risk method to meet offset requirements rather than finding and securing land.

The issues outlined in the Discussion Paper do need to be addressed. Cost estimates must be updated, remove the sliding scale discounts, adjust multipliers and provide a risk cost to address contingency margins.

With respect to alignment with the Commonwealth financial offset calculator, it is difficult to make meaningful comment while this calculator is still under development. The National Environmental Standard (**NES**) for Environmental Offsets has not been finalised and hence it is premature to support alignment between Queensland and the Australian government at this time.

However, EnvA would be supportive of aligning offset requirements for MNES with the EPBC Act and supporting instruments when either the potential impacts of MNES are not referred for EPBC Act assessment or have been determined to not be a controlled action under the Act.

EnvA understands that further input into the review of the settlement offset calculator is proposed to be undertaken this year and we will provide further detail once the NES have been finalised and further information is provided on the Federal and State financial offsets calculators are available.

How we can improve regulation

As outlined in our earlier comments in this submission, EnvA is of the view that there needs to be significant amendments to legislation, regulation and policy to enable an offset framework that genuinely compensates for the loss of prescribed matters through project implementation.

The prompts for input are challenging to address when our view is that major reform is required. However, we are supportive of amendments that:

- increase clarity and meet contemporary drafting standards,
- improve consistency and clarity around rules for locating an offset site,
- streamline and define the legal security process for offset areas, and
- enhance Queensland's protected area system through offset delivery only where it demonstrably provides additional habitat protection and measurable conservation gains beyond existing management obligations.

Key recommendations

EnvA recommends that the Queensland government:

- Considers a wider-reaching review of the environmental offset framework.
- Reduce reliance on financial settlement offsets and require proponents to secure direct offsets wherever possible.
- Reaffirm that avoidance and minimisation of impacts remain the primary mechanisms for protecting biodiversity, with offsets used only as a genuine last resort.
- Consider refusing developments where suitable offsets cannot be secured and ecological impacts cannot be adequately compensated.
- Update the financial offset calculator to reflect contemporary land values, offset management costs, administration of the fund and implementation risks.
- Ensure all offsets demonstrate genuine additionality and measurable conservation gains for all prescribed matters.
- Improve transparency, monitoring and compliance reporting for all offset arrangements.
- Direct existing Offset Account funds toward strategic, landscape-scale conservation outcomes that deliver long-term biodiversity benefits.

Thank you again for the opportunity to comment on the “A fresh start for Queensland’s Environmental Offsets Framework – Discussion paper”.

Kind regards



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