

The Department of Conservation Biodiversity Offsetting Programme

Presentation to the New Zealand Planning Institute Conference 2 May 2012

Background

- DOC is currently managing a 3-year Cross Departmental Research Pool (CDRP) programme investigating the feasibility of biodiversity offsetting in New Zealand.
- The programme is overseen by a Governance Group comprised of five central government departments.
- The Department is in a position, through its science-led research programme, to develop and provide **best-practice guidance on offsetting** to help promote a better understanding and better application of biodiversity offsetting nationally.



What is biodiversity offsetting?

- Biodiversity offsets seek to make up for unavoidable residual adverse effects on biodiversity caused by development that cannot be avoided, remedied or mitigated, by enhancing the state of biodiversity elsewhere.
- The Department of Conservation's Biodiversity Offsets Programme supports the BBOP definition of biodiversity offsetting as 'measurable conservation outcomes resulting from actions designed to compensate for significant residual adverse biodiversity impacts arising from project development after appropriate prevention and mitigation measures have been taken. The goal of biodiversity offsets is to achieve *no net loss* and preferably a net gain of biodiversity on the ground.



DOCs position on offsetting

- Not advocates for offsetting
- Not a permissive methodology will not gain you a consent / concession
- No intention to regulate
- If you <u>voluntarily</u> choose to design an offset as part of your mitigation strategy, we can suggest what would represent a best-practice offset



Best-Practice Guidance on biodiversity offsetting



DOC is developing Best-Practice Guidance on biodiversity offsetting.

Has support of Governance Group.

Will include guidance on:

- Key steps necessary for a successful biodiversity offset
- Fit with New Zealand legislation
- Interpretation of BBOP Standard in NZ
- 'Offsetting' vs 'compensation'
- Best practice on key components of biodiversity offsetting (bottom lines / currencies / discount rate)
- Additionality
- Monitoring and enforcement
- Glossary
 - Key definitions from BBOP and NZ specific definitions

Hope to release Guidance late this year.

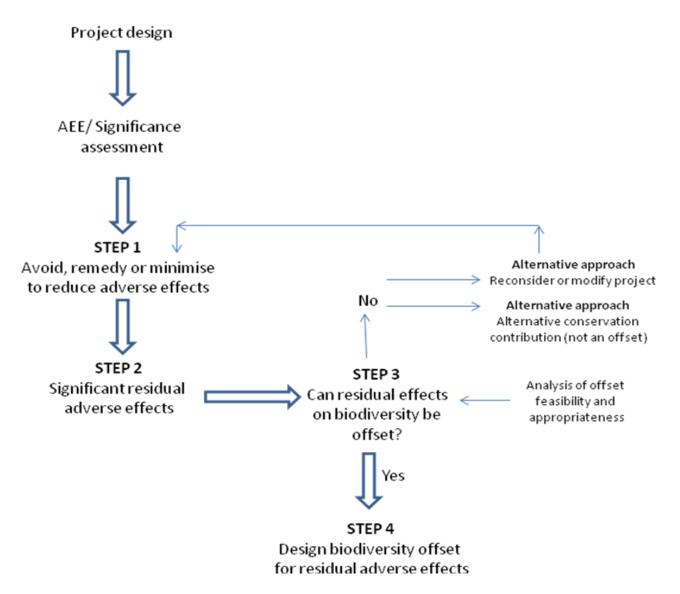
Technical Support Tool

Will include guidance on:

- Feasibility analysis
- Options to mitigate residual adverse effects
- Decision to investigate biodiversity offsetting
- Like-for-like biodiversity offsetting
- Assessment of ecological importance (i.e. risk assessment: based on irreplaceability and vulnerability)
- Landscape context
- Frameworks for ecological assessments



Steps to offset design (1)





Steps to offset design (2)

STEP 5

Choose methods to calculate loss/gain and quantify residual losses



STEP 6

Review potential offset locations and assess biodiversity gains potentially generated



STEP 7

Calculate offset gains and confirm offset locations and management activities



Components for determining biodiversity loss-gain

Biodiversity components and measures

Choice of biodiversity currency

Choice of biodiversity accounting model

Access to spatial and temporal biodiversity information



Steps to offset design (3)

STEP 8

Record the offset design in a Biodiversity Offset Management Plan



STEP 9

Develop and implement an adaptive management and monitoring programme



STEP 10

Apply legal instruments to ensure permanence (e.g resource consent conditions and non-wasting endowment fund)



STEP 11

Ensure appropriate compliance mechanisms and verification procedures exist so that no-net loss or net-gain is achieved and maintained



BBOP Principles

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- 1. No net loss
- 2. Additional conservation outcomes
- 3. Adherence to the mitigation hierarchy
- 4. Limits to what can be offset
- 5. Landscape Context
- 6. Stakeholder participation
- 7. Equity
- 8. Long-term outcomes
- 9. Transparency
- 10. Science and traditional knowledge



BBOP Standard

The BBOP Standard on Biodiversity Offsets (released Jan 2012) at: http://bbop.forest-trends.org/guidelines/Standard.pdf

The Standard is intended for:

- Assessors and Auditors
- Offset designers and implementers
- Policy-makers

Designed to enable assessors to determine whether a particular *project* has met the BBOP Principles. However, biodiversity offsets can also be used to address the broader effects of *programmes, plans, policies and schemes* that have larger-scale, on-the-ground impacts on biodiversity; such as when developing:

- A regional development plan or strategic environmental assessment
- A **national** scheme or system for biodiversity offsets
- Conservation banks to provide offsets for multiple projects

The BBOP Standard includes accompanying **Guidance Notes for Assessors**, and a **glossary** of terms.



Offsets and the RMA

Final Decision and Report of the Board of Inquiry in the NZTA Transmission Gully Plan Change Request, Appendix 4, pg 2:

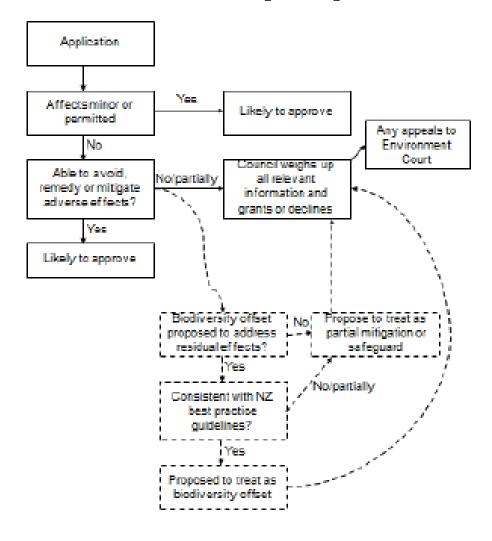
Offsetting

We have rejected.... We have done so because the evidence of the ecologists led us to view that offsetting is a technique commonly used for ecological management. Whether or not.... Policy 4.2.33A does not require the application of offsetting in any given instance, it simply makes that method available (as a <u>subset of mitigation or remedy</u>) if it is appropriate.

We have accepted those... We have accepted in part the submission seeking a cascading hierarchy in Policy 4.2.33A by accepting the preference for avoidance where practicable

Draft flowchart for the potential assessment of a proposed offset

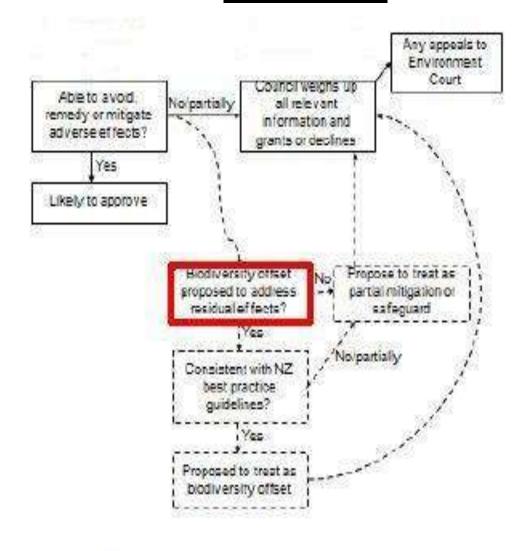




= existing process

--- = potential new process

Offsets address <u>residual</u> effects

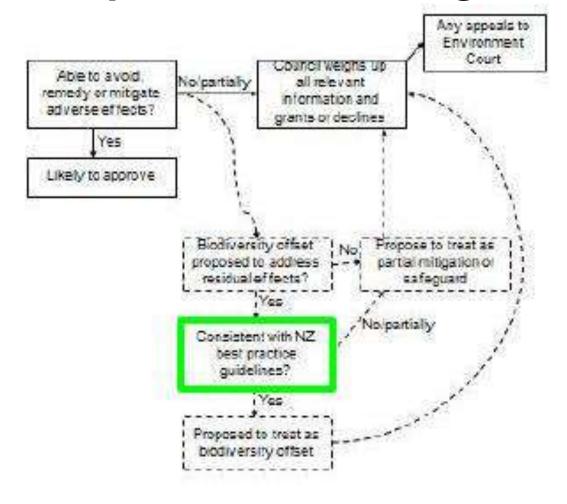


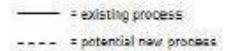


---- = potential new process



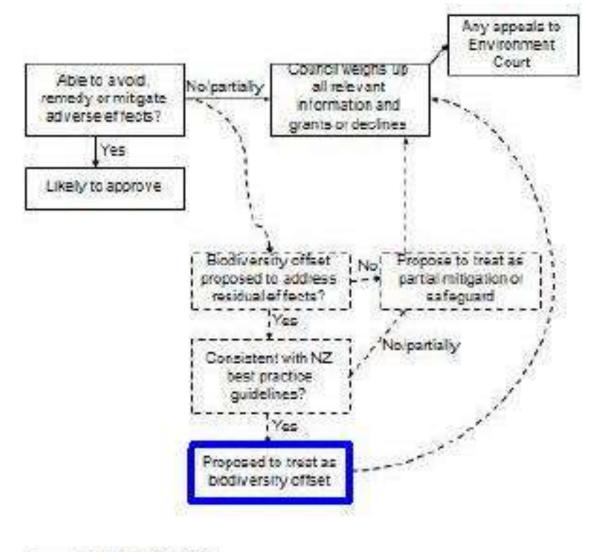
Guidance provides framework for best-practice offsetting

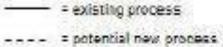






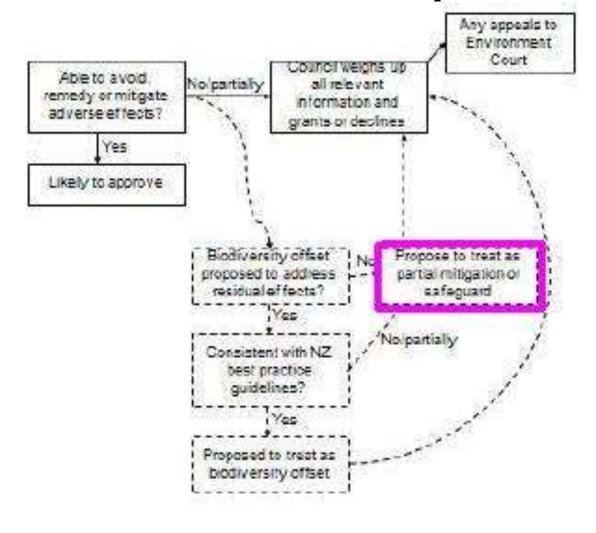
Consistent with best practice?

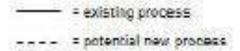






If not consistent with best practice







Future role of offsetting?

Proposed National Policy Statement on Indigenous Biodiversity: POLICY 5

- "... local authorities must manage the effects of activities through district and relevant regional plans...to ensure 'no net loss' of biodiversity of areas of significant indigenous vegetation and significant habitats of indigenous fauna by:
 - a. avoiding adverse effects
 - b. where adverse effects cannot be avoided, ensuring remediation
 - c. where adverse effects cannot be remedied, ensuring mitigation
 - d. where adverse effects cannot be adequately mitigated, ensuring any residual adverse effects that are more than minor, are offset in accordance with the principles set out in Schedule 2.

For the avoidance of doubt, in accordance with the principles of Schedule 2, there are **limits to what can be offset** because some vegetation or habitat and associated ecosystems, is **vulnerable or irreplaceable**. In such circumstances off-setting will not be possible and local authorities will need to take full account of residual adverse effects in decision-making processes.



Future role of offsetting? (cont.)

- The accompanying Cabinet Paper suggested NZ-specific guidance on offsets should come out of DOC programme.
- The release of the Best-Practice Guidance on Biodiversity Offsetting is not contingent upon the status of the proposed NPS-B.
- Green Growth Advisory Group Report one of recommendations is that the Government should create a nationally consistent biodiversity offsetting regime that will facilitate projects for economic growth and, at the same time, deliver net gains to New Zealand's biodiversity and environmental quality.

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