

Policy for Vegetation Management Offsets

Version 3

30 September 2011

Prepared by: Ecosystem Outcomes, Department of Environment and Resource Management

© The State of Queensland (Department of Environment and Resource Management) 2011

If you need to access this document in a language other than English, please call the Translating and Interpreting Service (TIS National) on 131 450 and ask them to telephone Library Services on +61 7 3224 8412.

This publication can be made available in an alternative format (e.g. large print or audiotape) on request for people with vision impairment; phone +61 7 3224 8412 or email <library@derm.qld.gov.au>.

#29894

1 Table of contents

| | | |
|----------|--|-----------|
| 1 | Table of contents | 3 |
| 2 | Purpose | 5 |
| 3 | Definitions | 6 |
| 4 | Rationale | 7 |
| 5 | Policy | 8 |
| 6 | Compliance and monitoring | 9 |
| 7 | How to use this policy | 10 |
| 7.1 | Vegetation offset criteria | 10 |
| 7.2 | Advance offset | 10 |
| 8 | Vegetation offset criteria | 11 |
| 8.1 | Criteria 1 — offset limitations | 11 |
| 8.2 | Criteria 2 — performance requirements | 12 |
| 8.2.1 | Wetlands | 12 |
| 8.2.2 | Watercourses | 12 |
| 8.2.3 | Connectivity | 12 |
| 8.2.4 | Endangered regional ecosystems | 12 |
| 8.2.5 | Of concern regional ecosystems | 12 |
| 8.2.6 | Essential habitat | 13 |
| 8.2.7 | Essential habitat for Koalas in South East Queensland | 13 |
| 8.2.8 | Threshold regional ecosystem | 13 |
| 8.2.9 | Critically limited regional ecosystems | 13 |
| 8.2.10 | Offsetting values within a highly vegetated bioregion | 13 |
| 8.3 | Criteria 3 — obtaining ecological equivalence | 14 |
| 8.4 | Criteria 4 — ensuring the offset area is legally secured | 14 |
| 8.4.1 | Direct offsets | 14 |
| 8.4.2 | Offset transfer | 15 |
| 8.4.3 | Offset payment | 16 |
| 8.4.4 | Indirect offsets | 16 |
| 8.5 | Criteria 5 — Information requirements | 18 |
| 8.5.1 | General assessment requirements | 18 |
| 8.5.2 | Offset proposal requirements | 18 |
| 8.5.3 | Offset area management plan requirements | 18 |

| | | |
|-------------------|---|-----------|
| 8.5.4 | Management costs and activities (to be provided for all offset proposals) | 19 |
| 8.6 | Criteria 6 — when an offset ceases to have effect | 19 |
| 8.7 | Criteria 7 — Offset requirements to address concurrence agency policies, assessment criteria table F-1 | 20 |
| 8.8 | Advance offset | 21 |
| 9 | Definitions | 22 |
| Appendix A | Critically limited regional ecosystems | 24 |
| Appendix B | Ecological equivalence indicators | 27 |

2 Purpose

The purpose of the Policy Vegetation Management Offsets (offsets policy) is to set the requirements for an offset as a condition of a development approval that the chief executive considers is necessary or desirable for achieving the purpose of the *Vegetation Management Act 1999* (VMA).

The chief executive must comply with the offsets policy when imposing an offset as a condition of a development approval.

3 Definitions

Words underlined in the text of the offsets policy are defined in the glossary of terms. Where any term is already defined in the VMA or an applicable Regional Vegetation Management Code, regrowth vegetation code or 'material change of use'/reconfiguration of a lot' policies (concurrency agency policies), or the *Sustainable Planning Act 2009*, the offsets policy does not redefine the term.

4 Rationale

The VMA regulates the clearing of vegetation over all tenures in a way that:

1. conserves remnant vegetation that is:
 - i. an endangered regional ecosystem; or
 - ii. an of concern regional ecosystem; or
 - iii. a least concern regional ecosystem; and
2. conserves vegetation in declared areas; and
3. ensures the clearing does not cause land degradation; and
4. prevents the loss of biodiversity; and
5. maintains ecological processes; and
6. manages the environmental effects of the clearing to achieve the matter mentioned in paragraphs (1) to (5); and
7. reduces greenhouse gas emissions.

The offsets policy was made by the chief executive on 5 September 2011 in accordance with provisions set out in the VMA.

5 Policy

The offsets policy is a policy under the Queensland Government Environmental Offsets Policy¹ (QGEOP).

Under the VMA, regional vegetation management codes and concurrency agency policies set out performance requirements that development applications for clearing native vegetation must meet.

A land-based offset may be proposed by an applicant for particular development activities as a solution to meet specific performance requirements (PRs) that require a development to maintain the current extent of a particular regional ecosystem.

However, this may only occur where the applicant has demonstrated to the chief executive that the development has first avoided and minimised the impacts of the development on vegetation prior to proposing an offset. This is consistent with:

1. Section 22A(2)(d) under the VMA for a vegetation clearing application which is for a relevant purpose for establishing a necessary fence, firebreak, road or vehicular track, or for constructing necessary built infrastructure, and the clearing for the relevant infrastructure can not reasonably be avoided or minimised; and
2. maintaining the current extent of a particular regional ecosystem by:
 - i. not clearing the regional ecosystem; or
 - ii. if subparagraph (i) is not reasonably practicable, ensuring the structure and function of the regional ecosystem is maintained; or
 - iii. if subparagraphs (i) and (ii) are not reasonably practicable, imposing an offset as a condition of the development approval; and
 - iv. the applicant proposes an offset to satisfy the required outcome.

Where a development does not meet all the PRs in the regional vegetation management codes or concurrence agency policies, irrespective whether an offset has been proposed, the development will not be approved.

¹ Queensland Government Environmental Offsets Policy <www.derm.qld.gov.au>

6 Compliance and monitoring

An evaluation of the offsets policy will be incorporated in the Department of Environment and Resource Management's (DERM) annual compliance plan. This evaluation will assess the level of compliance of individual offsets, offset area management plans, as well as evaluating the policy's overall success in maintaining the current extent of regional ecosystems.

This evaluation will be based on information sources including:

- satellite analysis based on the state-wide Landcover and Tree Study (SLATS)
- regular reporting provided by approval holders and offset providers
- targeted field audits by DERM officers.

7 How to use this policy

7.1 Vegetation offset criteria

All offsets must meet vegetation offset criteria 1–6. Vegetation offset criteria 7 applies only to proposed offsets of the concurrence agency policies:

- a. offset limitations
- b. performance requirements
- c. obtaining ecological equivalence
- d. ensuring the offset area is legally secured
- e. information requirements
- f. when an offset ceases to have effect
- g. offset requirements to satisfy concurrency agency policies, assessment criteria Table F-1.

7.2 Advance offset

This section applies where an applicant seeks acknowledgement from DERM for an advance offset (refer page 21).

8 Vegetation offset criteria

8.1 Criteria 1 — offset limitations

All offset proposals must meet the following:

- a. be land-based, however may be delivered as either a direct offset, offset transfer, or by an offset payment
- b. may be used to satisfy multiple offset requirements, where an offset is required under the VMA or another Act or policy of Commonwealth, state or local government for the one development application, providing the requirements of this offset policy are met
- c. may be located on land owned by the applicant or by a third party
- d. must, at a minimum, be the same number of hectares as the area requiring offsetting on the clearing site. However, an area may be less if the ecological equivalence for the offset area significantly exceeds the clearing area for both ecological equivalence criteria
- e. must, if the offset area is less than 10 ha, be connected to an area of assessable or otherwise protected vegetation that in total, is equal to or greater than 10 ha
- f. must contain functioning regional ecosystem/s.

The proposed offset area must not:

- g. be vegetation shown as remnant vegetation on a regional ecosystem or remnant map unless the area has a valid clearing approval under the VMA issued by the chief executive that would result in the area being cleared
- h. be vegetation that is required to be retained by an approval issued under any Act administered by the Commonwealth, state or local government
- i. be on land that is the subject of an offset or exchange area arrangement administered by the Commonwealth, state or local government
- j. be a category A or B area on a Property Map of Assessable Vegetation (PMAV)
- k. be land on which the vegetation is protected by an instrument of the State Government unless the area is an advance offset approved under the offsets policy
- l. be vegetation shown on a regrowth vegetation map as high value regrowth that is:
 - (i.) an endangered regional ecosystem on freehold or Indigenous land
 - (ii.) an endangered or of concern regional ecosystem on leasehold land (agriculture and grazing)
 - (iii.) essential regrowth habitat
 - (iv.) stream protection zone
 - (v.) within a wetland protection area
 - (vi.) on a slope greater than 12 per cent.

An offset area, where it meets the requirements of the offsets policy, may be sourced from the following areas:

- category X areas identified on a PMAV
- high-value regrowth vegetation, unless the area is identified in criteria l
- other regrowth vegetation.

8.2 Criteria 2 — performance requirements

The applicable section and PR of the regional vegetation management code or concurrency agency policy identifies when an applicant may propose an offset as a means of meeting the PR and the vegetation it relates to.

One offset area may address the offset requirements for multiple PRs providing that all the requirements for the clearing area are met.

The following list identifies the offset requirements for the vegetation associated with each of the PRs.

8.2.1 Wetlands

An offset area for wetlands must:

- a. be located within the same bioregion
- b. have the same or higher wetland status (i.e. either a wetland or significant wetland) as identified in the relevant part of the regional vegetation management code
- c. be a wetland area or regional ecosystem listed in the regional vegetation management code
- d. be a regional ecosystem associated with a wetland or significant wetland which assists with maintaining water quality, aquatic habitat and terrestrial habitat.

8.2.2 Watercourses

An offset area for watercourses must be:

- a. located within the same bioregion
- b. the same or higher stream order as the watercourse proposed for clearing
- c. a regional ecosystem associated with a watercourse which assists with maintaining bank stability, water quality, aquatic habitat and terrestrial habitat.

8.2.3 Connectivity

An offset area for connectivity must be:

- a. located within the same bioregion
- b. identified on a map within in one of the following:
 - (i.) a strategic area or strategic rehabilitation area identified by DERM
 - (ii.) an ecological corridor identified by the Commonwealth, state or local government either on its website or in an approved and publically available document
 - (iii.) a DERM–approved strategic corridor identified by a recognised organisation or group.

8.2.4 Endangered regional ecosystems

An offset area for an endangered regional ecosystem must:

- a. be an endangered regional ecosystem in the same broad vegetation group (at the regional scale of 1:1million)
- b. be located within the same bioregion.

8.2.5 Of concern regional ecosystems

An offset area for an of concern regional ecosystem must be:

-
- a. an of concern regional ecosystem in the same broad vegetation group (at the regional scale of 1:1 million)
 - b. located within the same bioregion
 - c. the same or higher conservation status as the area proposed for clearing.

8.2.6 Essential habitat

An offset area for essential habitat must:

- a. be located within the same bioregion
- b. include at least three essential factors for the protected wildlife and must include any essential habitat factors that are stated as mandatory for the protected wildlife in the essential habitat database, or be an area utilised by the protected wildlife at any stage of its life cycle for which there is recent evidence
- c. demonstrate that the direct impacts on the protected wildlife are mitigated by the offset area and surrounding environment.

8.2.7 Essential habitat for Koalas in South East Queensland

Where essential habitat is for the koala (*Phascolarctos cinereus*) and the clearing area occurs within South East Queensland as mapped by the South East Queensland Regional Plan (excluding the Toowoomba Regional Council area), the offset area must:

- a. be located within bushland habitat or an area suitable for rehabilitation, as identified by a South East Queensland Koala Conservation State Planning Regulatory Provisions Koala Habitat Values map or State Planning Policy 2/10 Koala Conservation Koala Habitat Values map produced by the State of Queensland
- b. be located within the same regional or city council area as the primary clearing site and where this is not achievable, be within an adjacent local government area
- c. demonstrate that the direct impacts on the protected wildlife are mitigated by the offset area and surrounding environment.

8.2.8 Threshold regional ecosystem

An offset area for threshold regional ecosystems must:

- a. be the same regional ecosystem as the regional ecosystem proposed for clearing
- b. be located within the same bioregion.

8.2.9 Critically limited regional ecosystems

An offset area for a critically limited regional ecosystem listed in Appendix A must:

- a. be the same regional ecosystem as the area proposed for clearing
- b. be located within the same bioregion.

8.2.10 Offsetting values within a highly vegetated bioregion

An offset area may be proposed within another bioregion if the area proposed for clearing is located within the following highly vegetated bioregions:

- Northwest Highlands
- Gulf Plains
- Cape York Peninsula
- Mitchell Grass Downs
- Channel Country
- Einasleigh Uplands.

The offset area must:

- address the requirements associated with the relevant value in criteria 2 with the exception of being located within the same bioregion
- where relevant, be within the same broad vegetation group (at the state scale of 1:2 million).

The above does not apply to endangered and critically limited regional ecosystems in Appendix A which must be located within the bioregion where the clearing is proposed.

8.3 Criteria 3 — obtaining ecological equivalence

Demonstrating ecological equivalence on the proposed clearing area and offset area requires an ecological equivalence assessment of both areas. Ecological equivalence is comprised of two components—ecological condition and special features.

Ecological equivalence between the proposed impact site and the offset area is demonstrated when all of the following apply:

- when an ecological equivalence assessment is undertaken against the ecological equivalence indicators in Appendix B
- when the proposed offset area achieves a level of ecological condition the same as or higher than the impact site
- when the proposed offset area achieves a level of special features the same as or higher than the impact site.

Sufficient information must be provided to the administering authority to demonstrate that ecological equivalence between the proposed clearing area and offset area has been achieved.

Ecological equivalence can be measured using the Ecological Equivalence Methodology, a decision support tool designed to assist the applicant and decision maker determine the appropriateness of the offset.

For guidance on completing an assessment for ecological equivalence, refer to DERM's Ecological Equivalence Methodology, which is available on the department's website, <www.derm.qld.gov.au>.

8.4 Criteria 4 — ensuring the offset area is legally secured

All land-based offset areas must be legally secured. Securing an offset area means the vegetation within an offset area, which meets the requirements of this offsets policy, is provided with additional protection from clearing through the use of a legally binding mechanism such as a covenant, voluntary declaration or nature refuge.

The legally binding mechanism must be supported by an offset area management plan that identifies the actions required to ensure an offset area is managed in a way that meets the objective/s of the offset area, such as achieving remnant status.

There are three options for delivering an offset under this offsets policy. Applicants must choose one of the following:

- a. direct offsets
- b. offset transfer
- c. offset payments.

8.4.1 Direct offsets

A direct offset is provided by an applicant at the same time as the development application is being assessed. This requires that the offset area, legally binding mechanism and offset area management plan, are assessed prior to a development permit being approved.

Where the offset area, legally binding mechanism and offset area management plan are approved and a development approval is issued, the applicant has four months to ensure the legally binding mechanism is finalised e.g. a covenant under the *Land Act 1994* is registered on title with the Lands Title Registry within four months of the development permit being issued.

8.4.2 Offset transfer

An applicant may enter into a legally binding contractual agreement with an offset broker for the provision of an offset area as a means of meeting the regulatory performance requirements contained in a Regional Vegetation Management Code or Concurrence Agency Policy, and the offset policy.

For an offset transfer to be considered, it must be evident that an offset is available at the time of the development approval being issued and the offset can be legally secured within 12 months.

It is unlikely that an offset transfer would be suitable for threshold or critically limited regional ecosystems.

Prior to the development being approved, the applicant shall:

- provide DERM with a copy of a legally executed contractual agreement with an offset broker (broker agreement)
- enter into an agreement with DERM whereby DERM approves the broker agreement, and whereby the applicant provides the financial surety in the form of an unconditional bank guarantee, consistent with the amount identified in the offset transfer with the offset broker.

Note: Queensland Government departments and government-owned corporations are not required to provide financial surety.

The offset transfer with the offset broker (broker agreement) must identify the following:

- a. proponent, project, stage, address and key contact details
- b. lot/s and plan/s of the clearing area, including tenure
- c. DERM reference number
- d. requirement to locate and legally secure an offset area consistent with the requirements set out in the offsets policy
- e. requirement to provide a legally secured offset area within 12 months of the issuing of the applicant's development approval whereby time is to be of the essence
- f. requirement to provide a written quarterly report to DERM on the progress of legally securing an offset area
- g. regional ecosystems, essential habitat species, wetland type, stream order of the areas proposed for clearing, the areas (hectares) involved for each value
- h. ecological equivalence scores for ecological condition and special features on the clearing area.
- i. financial amount which is the subject of the broker agreement. Note: This financial amount will become the financial surety provided to DERM (this is not required where the applicant is State Government departments and government-owned corporations).

The administering authority may refuse to accept an offset transfer as evidence of not meeting the PRs within a Regional Vegetation Management Code or Concurrence Agency Policy:

- a. where insufficient evidence has been provided to demonstrate that an offset area is available in the landscape which meets the requirements of the offsets policy

-
- b. under section 22DJ of the VMA where an applicant has not complied with a condition of a previous development permit
 - c. where the applicant has not concluded, as at the date of the application at hand, the terms and timeframes of a prior offset transfer as required by the conditions of a previous development approval.

Should the applicant be unable to legally secure an offset within 12 months as agreed through no default on the applicant's part, the applicant may apply for a time extension. The grant of an extension shall be at the discretion of DERM. The applicant must demonstrate substantial progress in locating and securing an offset and despite this effort is unable to meet the timeframes.

8.4.3 Offset payment

An offset payment is a financial payment made by an applicant to a trust established for land management or nature conservation purposes and approved by DERM.

The use of an offset payment will not be approved by DERM where an application does not meet all the performance requirements in the Regional Vegetation Management Code or Concurrency Agency Policies.

An applicant must, prior to DERM approving the use of an offset payment and issuing of the vegetation clearing approval, provide the following information:

- a. how the development has been designed and located to avoid and minimise the extent of clearing
- b. an ecological equivalence assessment, consistent with criteria 3—obtaining ecological equivalence, for the clearing area
- c. evidence from the approved trust to support the availability of a known pre-identified area which meets the requirements of the offsets policy
- d. the offset payment amount, as quoted by the approved Trust, based on the costs associated with locating and legally securing the pre-identified area above. The costs should include all administrative, legal and land management costs associated with delivering on the requirements of this offsets policy.

Once DERM has approved the use of an offset payment, the applicant must provide DERM with a copy of the receipt from the approved trust prior to approval of the development application.

Once the development application has been approved by the assessment manager, the applicant must provide a copy of the development approval to the approved trust within 10 business days.

In accepting the offset payment, the approved trust must locate an offset area:

- a. within a strategic biodiversity corridor identified by DERM
- b. which meets the offset requirements consistent with this offset policy
- c. provide quarterly written reports on the progress of legally securing the pre-identified offset
- d. provide an offset area proposal to DERM for assessment against the offsets policy. The proposal must address how the offset area meets the requirements of the Offsets Policy, and include a legally binding mechanism and offset area management plan
- e. legally secure the pre-identified offset area within 12 months of the issuing of the development approval.

8.4.4 Indirect offsets

An indirect offset may form part of an offsets package, in combination with either a direct offset or an offset transfer, where an applicant has provided an offset area which substantially

achieves ecological equivalence with the clearing area, however fails to meet the required ecological equivalence scores.

For an indirect offset to be considered, the land based offset must achieve all of the following:

- a. assessment for ecological equivalence using the ecological equivalence methodology
- b. achieve the minimum threshold requirements for any ecological equivalence indicator identified in the ecological equivalence methodology
- c. obtain ecological equivalence scores for ecological condition and special features which are within 90 per cent of the ecological equivalence scores for the clearing area.

For an indirect offset to qualify, it must be an activity that will result in, or improve the spatial capture of vegetation and wildlife information, or, be an action associated with a threatening process identified in a conservation plan or recovery plan. It must be for species or ecosystems within the same bioregion. These activities are either:

- a. habitat mapping/modelling for priority endangered, vulnerable or near threatened species listed under the *Nature Conservation Act 1992* utilising a methodology approved by DERM
- b. development of regional ecosystem benchmark data undertaken consistent with the 'Methodology for the Establishment and Survey of Reference Sites for BioCondition'
- c. fauna survey of DERM-identified strategic areas where inadequate data exists
- d. finer scale regional ecosystem mapping undertaken is consistent with the 'Methodology for survey and mapping of regional ecosystems and vegetation communities in Queensland'
- e. addressing a threatening process outlined in an State or Commonwealth approved conservation or recovery plan.

An applicant may contract either the Queensland Government (where this service is offered), or by a suitably qualified consultant. All output stemming from an indirect offset must be made publically available via the Queensland Government.

The expenditure on an indirect offset activity must be relevant to the overall financial outlay of providing the land based offset and the extent to which it makes up the ecological equivalence score (i.e. five per cent, 10 per cent).

The applicant is responsible for providing sufficient information to the **administering authority** to facilitate assessment and approval of the indirect offset proposal. This information should include, but is not restricted to:

- a. financial outlay associated with the land based offset
- b. activity/ies to be undertaken to meet the requirements for an indirect offset
- c. responsible consultant/s, expertise and experience
- d. contractual arrangements
- e. timeframes for providing the indirect offset.

Where insufficient information is provided, the use of an indirect offset will not be approved. An indirect offset activity must be finalised within 12 months of approval of the indirect offset by the **administering authority**. A quarterly report on the progress of finalising the indirect offset activity is to be provided to the **administering authority**.

8.5 Criteria 5 — Information requirements

All offset proposals must provide the following information to demonstrate how the requirements identified in the VMA, *Vegetation Management Regulation 2009* relating to offsets, and the offsets policy will be achieved. The following information must be provided to the satisfaction of the administering authority.

8.5.1 General assessment requirements

- a. how the development has been designed and located on the lot/s to avoid and minimise the extent of clearing
- b. tenure of the clearing area
- c. details of any rights to take forestry products.

8.5.2 Offset proposal requirements

- a. details of how the vegetation offset criteria contained in this offsets policy have been met, including the provision of the **legally binding mechanism** and offset area management plan
- b. tenure of offset area
- c. details of any mining encumbrances, including exploration permits
- d. an analysis of the proposed location of the offset area in relation to existing and future land uses, and the implications of the land use on the offset area's long term viability. Matters to be considered as part of the analysis include:
 - i. zoning and regional land-use category (if available) of the offset area and surrounding area under the local government planning scheme and Regional Plan produced either under the repealed *Integrated Planning Act 1997* or *Sustainable Planning Act 2009*
 - ii. maps spatially identifying the current and potential future land uses, including proposals for major infrastructure, mining, petroleum and gas activities on or in the general vicinity of the offset area
 - iii. threatening processes which may impact on the effectiveness of the management actions on the proposed offset area.

8.5.3 Offset area management plan requirements

The following requirements must be provided for all offset areas:

- a. an offset area management plan which includes (but is not limited to):
 - i. a map (preferably digital) that clearly identifies the proposed offset area with Global Positioning System (GPS) points, including any areas subject to specific management actions
 - ii. the proposed clearing regional ecosystem/s and essential habitat, and those on the proposed offset area
 - iii. the ecological equivalence assessment of the offset area and the date it was undertaken
 - iv. the offset area management objectives and outcomes
 - v. activities to be undertaken on the offset area to achieve the management objectives and outcomes
 - vi. restrictions imposed on the use of the offset area to achieve the management objectives and outcomes

-
- vii. an analysis of the risks to achieving the management objectives and outcomes, actions to minimise the risks and remedial action that will be undertaken if any of the risks occur
 - viii. a yearly schedule of management actions, to ensure achievement of the management objectives and outcomes, for the period until the offset area is mapped as remnant regional ecosystem or essential habitat
 - ix. a monitoring and reporting program
 - x. the estimated time until the offset management objectives and outcomes will be achieved
 - xi. identification of all registered interests including mortgages, leases, subleases, covenants, profit á prendes, easements and building management statements, that have been registered on title under the *Land Act 1994* or the *Land Title Act 1994*
 - xii. identification of all registered interests including mortgages, leases, subleases, covenants, profit á prendre, easements and building management statements, that have been registered on title under the *Land Act 1994* or the *Land Title Act 1994*.

8.5.4 Management costs and activities (to be provided for all offset proposals)

The following requirements are to ensure that the landholder providing the offset is aware of their responsibilities and there are adequate resources available to deliver the offset area management plan:

- a. evidence that the landholder has received legal advice in regards to their obligations under the **legally binding mechanism**
- b. the estimated management costs associated with achieving the offset management objectives, actions and outcomes
- c. where management is required for more than three years, the trust account details (financial institution, bank account number and name) for the holding of funds for the ongoing management actions of the offset area, and milestone payments
 - (i.) Where management of the area will be for three years or less, a trust account is not required. However, the applicant will need to provide information, including any management contracts with third parties and the payment of funds arrangements to the landholder, within four months of the relevant development permit being issued (for direct offsets), or at the time the offset area is legally secured (for offset transfers).
- d. evidence that the management costs identified have been transferred into the nominated trust account within four months of the relevant development permit being issued (for direct offsets) or at the time the offset area is **legally secured** (for offset transfers)
- e. the entity/ies responsible for undertaking the management actions and the skills or expertise of the entity/ies responsible for undertaking the management actions.

8.6 Criteria 6 — when an offset ceases to have effect

All offset areas must meet the following criteria.

An offset area remains in effect until the offset area ceases under its terms. For the purposes of an offset area, this will include the offset meeting any requirements that are stipulated within the development approval, or **legally binding mechanism** and offset area management plan.

To bring an offset area to an end, evidence must be provided to the **administering authority** which demonstrates that the requirements of the development approval (if applicable), **legally binding mechanism** and offset area management plan have been achieved. This includes providing evidence that the offset area:

- a. has achieved remnant status; and
- b. is a regional ecosystem; and where applicable
- c. includes at least three essential habitat factors for the protected wildlife and must include any essential habitat factors that are stated as mandatory for the protected wildlife in the essential habitat database; or
- d. is an area in which the protected wildlife, at any stage of its life cycle, is located.

Once the requirements of the development approval (if applicable), **legally binding mechanism** and offset area management plan have been achieved, the offset area must either be mapped by the **administering authority** as remnant vegetation on a regional ecosystem map or certified as essential habitat on an essential habitat map. The administering authority will only agree to the removal of the **legally binding mechanism** once this has occurred.

Note: The **legally binding mechanism** must remain in place where the values within the offset area (at the time of the **legally binding mechanism** being placed over the offset area), will not be regulated under the *Vegetation Management Act 1999* upon achieving the management objectives within the management plan and it being mapped.

For example, an offset area for an of concern regional ecosystem which is within an area zoned as an urban purpose in an urban area under a local government planning scheme and not protected under the *Vegetation Management Act 1999*. However, where a landowner can demonstrate that the values within the offset area are regulated under the *Vegetation Management Act 1999*, the **legally binding mechanism** can be removed.

8.7 Criteria 7 — Offset requirements to address concurrence agency policies, assessment criteria table F-1

This section identifies the offset requirements which must be met by applicants when development is being assessed under table F-1, PR F2 of the concurrence agency policies.

Criteria table F-1, PR F2 directs that clearing may only occur where it can be demonstrated that the level of conservation and biodiversity outcomes ensured by the development, significantly exceeds the extent and value of the area proposed to be cleared.

To demonstrate that the conservation and biodiversity outcomes as a result of the completed development significantly exceeds the extent and value of the area proposed to be cleared, the following requirements for the offset area must be achieved, it:

- a. meets the requirements of the offsets policy
- b. relates to the values of the clearing area
- c. achieves an ecological equivalence score for both ecological condition and special features that is three times the ecological equivalence scores obtained for the clearing area, using the Ecological Equivalence Methodology.

An indirect offset may be considered in addition to a land based offset which substantially achieves ecological equivalence with the clearing area, however does not meet the required ecological equivalence scores. However, the nature of the indirect offset must be relative to the requirement to significantly exceed. Criteria 4 provides further information on the requirements of an indirect offset.

8.8 Advance offset

An advance offset is an area of land which has been protected from impacts, in advance of the lodgement of a development application which would require an offset in the future.

An applicant may request an acknowledgement notice from DERM that an advance offset is consistent with the relevant requirements contained in this policy. DERM will provide an acknowledgement notice for the advance offset, and the extent to which it complies with the policy.

The acknowledgement notice will detail the ecological condition and special features score of the advance offset site, using the ecological equivalence methodology. This score can be used to measure the ecological equivalence of the advance offset area with a future impact site at the time the application is assessed.

An acknowledgement notice does not provide an indication that a future development application to which the advance offset relates will be approved by DERM. Assessment of the development application will be against the laws and policies in place at the time of lodgement.

Where an offset area is sourced from an acknowledged advance offset, an assessment of the offset area will be undertaken against the offset policy in place at the time of the development application. The applicant is responsible for providing any information necessary for assessment to meet the requirements of the offset policy.

The ecological condition and special feature scores set out in the acknowledgement notice for the advance offset must at the time the application is assessed be the same or greater than for the clearing area. The offset area will be required to be managed to achieve, at a minimum, mapped remnant status.

The acknowledged advance offset is required to be protected from clearing via a **legally binding mechanism**, however is not required to be managed in accordance with an offset area management plan. However, the ecological condition and special feature scores set out in the acknowledgement notice must, at the time the application is assessed, be the same or greater than set out in the acknowledgement notice for the offset site.

To facilitate an assessment of an advance offset, the applicant must provide DERM with the following:

- a. locational information of the advance offset area
- b. the values located on the land on the proposed advance offset area
- c. an ecological equivalence assessment, consistent with the Ecological Equivalence Methodology, for the proposed advance offset
- d. how the advance offset meets Criteria 1, 3, 5 and 7 (where applicable) of the offsets policy
- e. a draft **legally binding mechanism** which protects the values on the advance offset from clearing.

9 Definitions

Note: Where any term is already defined in the VMA or an applicable VMA Regional Vegetation Management Code, regrowth vegetation code or concurrence agency policies, or the *Sustainable Planning Act 2009*, this offsets policy does not redefine the term.

Administering authority

Is the chief executive of the agency administering the VMA.

Bioregion/s

Bioregions are based on broad landscape patterns that reflect the major structural geologies and climate as well as major changes in floristic and faunal assemblages. Bioregions contain a number of subregions. The exact location of the bioregion boundaries are available from DERM service centres in digital electronic form.

Broad vegetation groups

Are higher level groupings of vegetation units or regional ecosystems. There are three levels of broad vegetation groups which reflect the scale at which they are designed to be used: 1: 5 000 000 (national), 1: 2 000 000 (state) and 1: 1 000 000 (regional).

For further information on broad vegetation groups and supporting spatial datasets contact <www.derm.qld.gov.au>.

Critically limited regional ecosystem

Has a remnant extent of below five per cent of their pre-clearing extent and are less than 500 hectares (ha) in total, or have a remnant extent less than 200 ha, or are at risk of the remnant extent falling below 200 ha.

Functioning regional ecosystems

Ecosystem functioning refers to the processes, relationships and interactions among species, and between living organisms and the environment in which they live. These can be used to determine whether an area of vegetation is functioning as a regional ecosystem.

Some signs of ecosystem functioning are:

- variations in the range, height and age of plant species
- recruitment evidenced through the presence of seedlings or saplings of different species
- presence of a range of habitat options (e.g. logs, leaf and branch debris)
- presence of leaf litter and organic matter
- evidence that the site is being used by native fauna.

Not all indicators need to be present in order for the vegetation to form a functioning ecosystem. Other indicators, not listed here, may also need to be considered.

If some indicators of a functioning ecosystem are present, then it is likely that the vegetation forms a vegetation community. For example, an area with vigorously growing native woody saplings among scattered mature trees and minimal weed invasion would be likely to constitute a vegetation community.

If no indicators of a functioning ecosystem are present, the vegetation is not likely to form a vegetation community. For example, a small isolated stand of large trees in a grazed paddock, with no understorey vegetation is not likely to form a vegetation community which is part of a functioning ecosystem—therefore, unlikely to be a regional ecosystem.

Vegetation is a regional ecosystem where it contains:

- evidence of ecosystem function
- species characteristic of a regional ecosystem (obtained from DERM's Regional Ecosystem Description database).

Government Owned Corporation

Government Owned Corporations are government owned trading enterprises which conduct activities and provide services in a commercially orientated environment. These bodies are listed on the Queensland Government website <www.qld.gov.au>.

Legally binding mechanism

A legally binding mechanism may include:

- Declaration of an area under the VMA
- A covenant under the *Land Act 1994*; *Land Title Act 1994* and *Sustainable Planning Act 2009*; or
- Gazettal as a protected area under the *Nature Conservation Act 1992*; or
- Other mechanism administered and approved by the State.

Legally secured

For an offset area to be legally secured, an offset area must:

- be provided protection from clearing through the use of a legally binding mechanism
- supported by an offset area management plan that identifies the actions required to ensure an offset area is managed to meet the objectives of the offset area
- be registered on title, certified or gazetted as required by the legally binding mechanism.

Significantly exceeds

Significantly exceeds means that the offset area achieves an ecological equivalence score for both ecological condition and special features that is three times the ecological equivalence scores for the clearing area using the Ecological Equivalence Methodology.

Appendix A Critically limited regional ecosystems

| Regional ecosystem description | | Status |
|--------------------------------|---|------------|
| 1.5.2 | Mixed eucalypt woodland on sandy plains | Of concern |
| 2.5.4 | Cypress (<i>Callitris gucophylla</i>) woodland on plains on deep sandy soils | Of concern |
| 3.2.29 | <i>Pisonia grandis</i> low closed forest. Restricted to a few scattered sandy cays | Of concern |
| 3.2.30 | <i>Pemphis acidua</i> ± low closed forest. Restricted to coral atolls, shingle cays and sandy cays | Of concern |
| 3.2.31 | <i>Premna serratifolia</i> closed scrub. Restricted to coral atolls, shingle cays and sandy cays | Of concern |
| 3.2.32 | <i>Lepturus repens</i> closed herbland. Restricted to sandy cays | Of concern |
| 3.3.7 | Tall semi-deciduous notophyll/microphyll vine thicket. Occurs on colluvial plains | Of concern |
| 3.3.68 | Semi-deciduous notophyll vine forest and thicket on alluvial plains | Of concern |
| 3.3.69 | <i>Malaleuca dealbata</i> ± <i>Corymbia clarksoniana</i> tall open forest on alluvial plains | Of concern |
| 3.3.70 | <i>Lophostemon suaveolens</i> ± <i>Malaleuca cajuputi</i> subsp. <i>platyphylla</i> ± <i>Pandanus</i> sp. ± <i>Livistona muelleri</i> woodland and open forest. Alluvial plains of northern Torres Strait | Of concern |
| 3.5.32 | <i>Asteromyrtus brassii</i> + <i>Syzygium angophoroides</i> + <i>Acmena hemilampra</i> subsp. <i>Hemilampra</i> open forest. Residual sand rises and sheets | Of concern |
| 3.8.5 | Semi deciduous and deciduous notophyll vine forest. Basaltic Islands of the Torres Strait | Of concern |
| 3.12.1 | Semi-deciduous mesophyll/notophyll vine forest on granite slopes, in the central bioregion | Of concern |
| 3.12.5 | Simple evergreen notophyll vine forest. Upper slopes of mountains and ranges in the south | Of concern |
| 3.12.27 | <i>Welchiodendron longivalve</i> and <i>Malaleuca viridiflora</i> low woodland on granite gorges | Of concern |
| 4.3.22 | Springs on recent alluvia and fine-grained sedentary rock | Endangered |
| 6.3.23 | Springs on recent alluvia, ancient alluvia and fine-grained sedentary rock | Endangered |
| 6.7.18 | Springs associated with lateritised sandstone | Of concern |
| 6.12.1 | Scattered <i>Acacia aneura</i> around granite boulders | Of concern |
| 7.1.4 | Mangrove and vine forest communities of the brackish zone | Of concern |
| 7.2.6 | Mosaic clumps of notophyll vine forest, sclerophyll spp. Shrublands and open woodlands, and bare sand blows, on aeolian dunes | Of concern |
| 7.3.2 | Grasslands and sedgelands ± <i>Malaleuca</i> spp., of wetlands within volcanic craters, often on peat | Of concern |
| 7.3.30 | Complex fernlands and sedgelands with emergent rainforest pioneering spp., in permanently wet peat swamps of alluvial plains | Endangered |
| 7.3.33 | Lakes with volcanic craters, including open water, and narrow shoreline sedge fringes | Of concern |
| 7.3.34 | <i>Acacia mangium</i> and/or <i>A. celsa</i> and/or <i>A. polystachya</i> closed forest on alluvial plains | Endangered |
| 7.3.37 | Complex semi-evergreen notophyll vine forest of uplands on alluvium | Endangered |
| 7.3.38 | Complex notophyll vine forest with emergent <i>Agathis robusta</i> , on alluvial fans | Of concern |

| Regional ecosystem description | | Status |
|--------------------------------|--|------------|
| 7.3.42 | <i>Eucalyptus grandis</i> open forest to woodland (or vine forest with emergent <i>E. grandis</i>), on alluvium | Of concern |
| 7.3.47 | <i>Allocasuarina littoralis</i> , <i>Corymbia intermedia</i> and <i>Lophostemon suaveolens</i> open forest, on poorly drained alluvium | Of concern |
| 7.3.48 | <i>Eucalyptus portuensis</i> and <i>E. drepanophylla</i> ± <i>Corymbia intermedia</i> , ± <i>C. citiodora</i> open woodland to open forest, on dry uplands on alluvium | Of concern |
| 7.5.3 | <i>Eucalyptus portuensis</i> , <i>Corymbia citriodora</i> and <i>E. drepanophylla</i> woodland to open forest of uplands, on weathered soils of a remnant surface | Of concern |
| 7.8.13 | Simple notophyll vine forest of <i>Blepharocarya involucrigera</i> of high rainfall, cloudy uplands on basalt | Of concern |
| 7.8.17 | <i>Eucalyptus portuensis</i> and <i>Corymbia intermedia</i> ± <i>C. citiodora</i> woodland to open forest on basalt | Of concern |
| 7.11.2 | Notophyll or mesophyllvine forest with <i>Archontophoenix alexandrae</i> or <i>Licuala ramsayi</i> , on metamorphics | Of concern |
| 7.11.36 | <i>Allocasuarina littoralis</i> , <i>Corymbia intermedia</i> , <i>Lophostemon suaveolens</i> shrubland with <i>Xanthorrhoea johnsonii</i> on serpentinite foothills with deep red soils | Of concern |
| 7.11.45 | <i>Eucalyptus cloeziana</i> open forest on metamorphics | Of concern |
| 7.11.48 | <i>Melaleuca viridiflora</i> ± <i>Corymbia clarksoniana</i> ± <i>Eucalyptus platyphylla</i> woodland to open forest, on metamorphics | Of concern |
| 7.12.45 | Simple notophyll vine forest dominated by <i>Dryadodaphne</i> sp. (Mt Lewis B.P. Hyland+RFK1496) of wet highlands on granite | Of concern |
| 7.12.47 | Notophyll-microphyll semi-evergreen vine forest with <i>Argyrodendron polyandrum</i> emergents, on rhyolite | Of concern |
| 7.12.63 | <i>Eucalyptus moluccana</i> woodland, on granite and rhyolite | Of concern |
| 7.12.67 | <i>Gleichenia dicarpa</i> , <i>Gahnia sieberiana</i> , <i>Lycopodiella cernua</i> , <i>Lycopodium deuterodensum</i> closed fernland of granite highlands, on Thornton Peak and Mt Bartle Frere | Of concern |
| 7.12.68 | Complex notophyll vine forest on cloudy moist to wet highlands on granite | Of concern |
| 8.2.5 | Notophyll feather palm vine forest dominated by <i>Archontophoenix cunninghamiana</i> on parabolic dunes | Of concern |
| 8.2.9 | <i>Heteropogon triticeus</i> , <i>Imperata cylindrical</i> and <i>Themeda triandra</i> grassland on coastal dunes | Of concern |
| 8.3.11 | <i>Melaleuca</i> sp. Aff. <i>Viridiflora</i> closed forest to woodland in broad drainage areas (wetlands) | Endangered |
| 8.10.1 | <i>Acacia julifera</i> subsp. <i>julifera</i> and/or <i>Eucalyptus</i> spp. ± <i>Corymbia</i> spp. ± <i>Allocasuarina luehmanii</i> ± <i>Acacia</i> spp. Open-forest to woodland on exposed slopes of islands, on Cretaceous sedimentary rocks | Of concern |
| 8.11.7 | <i>Xanthorrhoea latifolia</i> subsp. <i>latifolia</i> and <i>Allocasuarina littoralis</i> shrubland on exposed metamorphic mountain tops | Of concern |
| 9.4.3 | <i>Acacia harpophylla</i> and <i>Lisiphyllum carronii</i> open woodland on Cainozoic clays | Of concern |
| 9.10.2 | Springs and their associated vegetation on quartzose sandstone, limestone, metamorphic rock and granite | Of concern |
| 10.3.30 | <i>Casuarina cristata</i> woodland and flood plains | Of concern |
| 10.3.31 | Aretsian springs emerging on alluvial plains | Of concern |
| 10.4.9 | <i>Corymbia terminalis</i> low open woodland on Cainozoic lake beds | Of concern |
| 11.2.4 | Lagoons in swales | Of concern |
| 11.8.9 | <i>Callitris</i> spp. ± vine thicket on Cainozoic igneous rocks. Hillsides | Of concern |
| 11.8.12 | <i>Eucalyptus microcarpa</i> , <i>E. exserta</i> woodland on Cainozoic igneous rocks | Of concern |
| 11.9.6 | <i>Acacia melvillei</i> ± <i>A. harpophylla</i> open forest on fine-grained sedimentary rocks | Endangered |

| Regional ecosystem description | | Status |
|---------------------------------------|--|---------------|
| 12.8.11 | Eucalyptus dunnii tall open forest on Cainozoic igneous rocks | Of concern |
| 12.8.12 | Eucalyptus oblique tall open forest on Cainozoic igneous rocks | Of concern |
| 12.8.18 | Simple notophyll vine forest with Ceratopetalum apetalum on Cainozoic igneous rocks | Of concern |
| 12.8.22 | Semi-evergreen vine thicket with Brachychiton australis on Cainozoic igneous rocks. Usually northern half of bioregion | Endangered |
| 12.8.26 | Corymbia trachyphloia and Eucalyptus major woodland on igneous rocks | Of concern |
| 12.9-10.9 | Shrubland/low woodland on sandstone lithosols | Of concern |
| 12.9-10.11 | Melaleuca irbyana low open forest on sedimentary rocks | Endangered |
| 12.9-10.13 | Eucalyptus corynodes woodland on sedimentary rocks | Of concern |
| 13.3.2 | Eucalyptus nova-anglica open forest on alluvial plains | Endangered |
| 13.3.3 | Eucalyptus nobilis open forest on alluvial plains | Endangered |
| 13.3.6 | Sedgeland on igneous rocks | Of concern |
| 13.3.7 | Eucalyptus tereticornis, Angophora floribunda open forest on alluvial plains | Endangered |
| 13.9.2 | Eucalyptus moluccana open forest on fine-grained sedimentary rocks | Endangered |
| 13.11.2 | Eucalyptus laevopinea open forest on metamorphics | Of concern |
| 13.11.7 | Low microphyll vine forest on metamorphics | Of concern |

Appendix B Ecological equivalence indicators

| Ecological equivalence criteria | Indicators | Supporting information information on < www.derm.qld.gov.au > |
|---------------------------------|---|---|
| Ecological condition | <ol style="list-style-type: none"> 1. Recruitment of woody perennial species 2. Native plant species richness 3. Tree canopy cover 4. Tree canopy height 5. Shrub cover 6. Native perennial grass cover 7. Large trees 8. Coarse woody debris 9. Weed cover 10. Organic litter 11. Size of patch (fragmented landscapes) 12. Connectivity (fragmented landscapes) 13. Context (fragmented landscapes) 14. Distance from permanent water (intact landscapes) | <ul style="list-style-type: none"> ▪ Methodology for Determining Ecological Equivalence ▪ Biocondition: A Condition Assessment Framework for Terrestrial Biodiversity in Queensland ▪ Biocondition Benchmarks ▪ Methodology for the Establishment and Survey of Reference Sites for BioCondition |
| Special features | <ol style="list-style-type: none"> 1. Centres of endemism 2. Wildlife refugia 3. Areas with concentrations of disjunct populations 4. Areas with concentrations of taxa at the limits of their geographic ranges 5. Areas with high species richness 6. Areas with concentrations for relictual populations (ancient and primitive taxa) 7. Areas containing regional ecosystems with distinct variation in species composition associated with geomorphology and other environmental variables 8. An artificial waterbody or managed/manipulated wetland of ecological significance 9. Areas with a high density of hollow-bearing trees that provide habitat for animals 10. Breeding or roosting sites used by a significant number of individuals 11. Areas identified by the State and located within a state, bioregional, regional, or sub-regional corridor (terrestrial or riparian) 12. Priority species within the bioregion 13. Significance of patch within a one kilometre buffer 14. Areas adjacent to a protected area estate under the <i>Nature Conservation Act 1992</i> | <ul style="list-style-type: none"> ▪ Methodology for Determining Ecological Equivalence ▪ Biodiversity Assessment and Mapping Methodology: Criteria H, I, J ▪ Biodiversity Planning Assessment: Criteria H, I, J ▪ Biodiversity Planning Assessment: Expert Panel Report ▪ Protected Areas under the <i>Nature Conservation Act 1992</i> |