



NSW Biodiversity Offsets Policy for Major Projects

Fact sheet: Relationship to BioBanking

Introduction

The NSW Biodiversity Offsets Policy for Major Projects (the policy) was developed in conjunction with the review of the NSW BioBanking Scheme. This fact sheet provides clarity on some of the similarities and differences between the policy and BioBanking.

NSW BioBanking Scheme

The NSW BioBanking Scheme enables developers to assess the impact of their project on biodiversity, then offset this impact. It is a market-based scheme that measures biodiversity loss and gain using 'biodiversity credits'. If a developer successfully assesses and offsets their development in accordance with the BioBanking Scheme, the consent authority does not need to further consider the biodiversity impacts of the development during planning approval.

A statutory review of the BioBanking Scheme was completed in 2014, which resulted in 42 recommendations to improve its operation. These recommendations included implementing a revised BioBanking Assessment Methodology (BBAM). The revised BBAM 2014 came into effect on 1 October 2014.

[Further information on the outcomes of the review of the BioBanking Scheme.](#)

Similarities and differences between the policy and BioBanking

The policy incorporates some elements of the BioBanking Scheme. These include:

- **use of a methodology** – the policy uses the Framework for Biodiversity Assessment (FBA), to assess the biodiversity values on a site and calculate offset requirements. Like the BBAM, the FBA provides instructions on assessing the impacts of a development and calculating offset requirements using biodiversity credits.
- **the policy uses biobanking agreements to secure offsets.**

The key differences between the new policy and the BioBanking Scheme include:

- **BioBanking is an optional scheme** that developers can choose to use as an alternative to biodiversity assessment processes under the *Environmental Planning and Assessment Act 1979* (EP&A Act).
- **the policy is required for all major projects** and is the only Government policy for managing the biodiversity impacts of all major projects (state significant development and state significant infrastructure) under the EP&A Act.
- **the policy includes new features**, such as supplementary measures and rehabilitation, that are not part of the BioBanking Scheme.
- **the policy does not incorporate the ‘red flag’ concept that is used in BioBanking**. Red flags are specifically-defined areas of land with high conservation values. Under the BioBanking Scheme, development cannot impact on these areas of land, except in certain circumstances when a ‘red flag variation’ is obtained. While the policy does not consider red flag areas, it does acknowledge that some impacts on biodiversity are more severe and may not be able to be offset. These impacts will be considered further by the consent authority.

Consistency between offset calculation methodologies

The reason for developing the policy in conjunction with the review of the BioBanking Scheme was to increase the consistency in the practices used to assess biodiversity and calculate offsets.

Methodologies for calculating offsets currently used in NSW include:

- BioBanking Assessment Methodology 2014 – used in the BioBanking Scheme
- Biodiversity Certification Assessment Methodology – used for undertaking biodiversity assessments on a landscape scale
- Environmental Outcomes Assessment Methodology – used for clearing vegetation under the *Native Vegetation Act 2003*.

The FBA builds on the experiences of Government and stakeholders in applying the above methodologies. However, it is important to be consistent where possible. While the ultimate goal is to consolidate the disparate policies into one combined methodology, this complex task may take some time to complete.

The FBA and the BioBanking Scheme both use the BBAM 2014 to provide a consistent method for assessing **gains in biodiversity on an offset site**.

The method that the FBA uses to calculate **loss of biodiversity on a development site** has some key differences to the BBAM 2014. For example, the FBA:

- does not include red flags
- is more formally integrated with the consent authority’s decision-making process under the EP&A Act – for example, the consent authority will further consider some impacts under the FBA
- is required to assess biodiversity impacts and offset requirements for all major projects, while the BioBanking Scheme remains optional.

Published by:

Office of Environment and Heritage for the NSW Government

59 Goulburn Street, Sydney NSW 2000 (PO Box A290, Sydney South NSW 1232)

Phone: +61 2 9995 5000 (switchboard); 131 555 (environment information and publications requests); 1300 361 967 (national parks, general environmental enquiries, and publications requests)

Fax: +61 2 9995 5999

TTY users: phone 133 677, then ask for 131 555

Speak and listen users: phone 1300 555 727, then ask for 131 555

Email: info@environment.nsw.gov.au

Website: www.environment.nsw.gov.au

ISBN 978 1 74359 823 8

OEH 2014/0820

November 2014