November 2026

Impact of the Australian Government's 2025 Environment Protection Reforms on Queensland

Interim Report

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Foreword

Queensland has a vast landscape, unique bioregions and places of international environmental significance. The structure of Queensland's economy means there is a wide range of activities that both depend on, and affect, the environment.

The community's desire for housing, infrastructure (such as roads, water and energy), employment, improved living standards and other objectives require governments to make policy choices — *trade-offs* — between these priorities.

These trade-offs are made on behalf of the community. They may be overt or not apparent but seek to deliver a desired balance between environmental, economic and community concerns.

The Australian Government through the 2025 reforms of the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) has set out how it will seek to address these trade-offs in terms of protecting matters of national environmental significance.

The impact of the EPBC Act is wide-reaching. Most activities integral to our basic needs interact with it — such as the construction of a house, food production, or new electricity generation.

Due to this, getting the regulatory settings right is an imperative for the environment, productivity and maintaining standards of living.

Following the receipt of the terms of reference on 13 April 2026, the Queensland Productivity Commission undertook an initial round of consultation, including releasing a Call for Submissions paper in May 2026 and regional visits across Queensland.

The level of interest from stakeholders has been very high and the Queensland Productivity Commission sincerely thanks all participants for their contributions to this Inquiry to date.

This Interim Report sets out the Queensland Productivity Commission's initial analysis and research, key issues raised by stakeholders and potential areas for further analysis.

This is a point in time report.

A wide range of regulatory changes, educational programs and guidelines have been issued by the Australian Government since the Inquiry commenced. So the Queensland Productivity Commission is keen to hear from stakeholders on whether its understanding of the current issues and their impact is correct and/or has changed since the initial Call for Submissions paper (May 2026).

This Interim Report also provides an opportunity for a further round of consultation.

The Queensland Productivity Commission looks forward to hearing from, and continuing to work with, stakeholders on this issue.

The Inquiry

On 13 April 2026, the Queensland Treasurer directed the Queensland Productivity Commission (the Commission) to undertake an inquiry into the impact of the Australian Government's 2025 reforms to the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) on Queensland.

To prepare this Interim Report, the Commission met with stakeholders across Queensland, released a Call for Submissions paper in May 2026 and invited initial comments and submissions from all interested stakeholders. Public submissions received are available on the Commission's website www.qpc.qld.gov.au.

The Commission thanks all participants for their contribution to this Inquiry to date.

This Interim Report outlines the Commission's preliminary analysis, interim findings and recommendations, and where further information is being sought. It also provides an opportunity for a further round of consultation.

The Final Report will be provided to the Queensland Government by **13 April 2027.**



Make a submission

The Commission invites all interested stakeholders to make a submission or provide a short comment by **14 January 2027**.

Submissions and comments can be lodged at:

Stakeholder engagement - 2025 EPBC Act Reforms

Submissions, except for any confidential attachments, will be published on the Commission's website.

However, if you are submitting genuinely confidential material, please provide this material as a clearly marked separate attachment.

Further information on making a submission is available on the Commission's website www.qpc.qld.gov.au.

About the Commission

The Commission is an independent statutory body that provides independent advice on complex economic and regulatory issues.

The Commission has an advisory role and operates independently from the Queensland Government — its views, findings and recommendations are based on its own analysis and judgements.

Contact us

You can register your interest to receive our email alerts on key inquiry developments, including the release of reports, call for submissions and details of public consultation.

Email: enquiry@qpc.qld.gov.au

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Table of abbreviations

Abbreviation	Definition
ADVCC	Accepted Development Vegetation Clearing Codes
AHC	Australian Heritage Council
ATO	Australian Taxation Office
CEO	Chief Executive Officer
CITES	*Convention on International Trade in Endangered Species of Wild Flora and Fauna*
Community Engagement Standard	*National Environmental Standard (Community Engagement) 2026*
Data and Information Standard	*National Environmental Standard (Data and Information) 2026*
DCCEEW	Australian Government Department of Climate Change, Energy, the Environment and Water
DETSI	Queensland Department of the Environment, Tourism, Science and Innovation
DNRMMRRD	Queensland Government Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development
EA	Environmental authority
EIA	Environment Information Australia
EIANZ	Environment Institute of Australia and New Zealand
EIS	Environmental impact statement
EP Act	*Environmental Protection Act 1994* (Qld)
EP Reform Act	*Environment Protection Reform Act 2025* (Cth)
EPBC Act	*Environment Protection and Biodiversity Conservation Act 1999* (Cth)
EPBC Regulations	*Environment Protection and Biodiversity Conservation Regulations 2025*
EPO	Environment Protection Order
ESD	Ecologically Sustainable Development
GBR	Great Barrier Reef
GBRMPA	Great Barrier Reef Marine Park Authority
GHG	Greenhouse gas
ha	Hectares
HEIA	Head of Environment Information Australia
IAC	Indigenous Advisory Committee
IAR	Impact Assessment Report
IBRA	Interim Biogeographic Regions of Australia

Abbreviation	Definition
IESC	Independent Expert Scientific Committee on Unconventional Gas Development and Large Coal Mining Development
LULUCF	Land Use, Land Use Change and Forestry
MID	Ministerial Infrastructure Designation
MNES	Matters of National Environment Significance
MNES Standard	*National Environmental Standard (Matters of National Environmental Significance) 2026*
MSES	Matters of State Environmental Significance
MOU	Memoranda of understanding
National EPA	National Environmental Protection Agency
Nature Positive Plan	*Nature Positive Plan: better for the environment, better for business (December 2022)*
NCA	Not a controlled action
NGER	National Greenhouse and Energy Reporting Scheme
NOPSEMA	National Offshore Petroleum Safety and Environmental Management Authority
NRM	Natural Resource Management
OCG	Queensland Government Office of the Coordinator-General
OECD	Organisation for Economic Co-operation and Development
Offsets Standard	*National Environmental Standard (Environmental Offsets) 2026*
OIA	Office of Impact Analysis
OPGGS Act	*Offshore Petroleum and Greenhouse Gas Storage Act 2006* (Cth)
PDA	Priority Development Area
PER	Public Environment Report
Planning Act	*Planning Act 2016* (Qld)
PMAV	Property Map of Assessable Vegetation
RCAC	Restoration Contributions Advisory Committee
RFA	Regional Forestry Agreement
SEQ	South East Queensland
SLATS	Statewide Landcover and Trees Study
Standards	National Environmental Standards
SDPWO Act	*State Development and Public Works Organisation Act 1971* (Qld)
the Minister	Australian Government Minister for the Environment
the Reform Bill	*Environment Protection Reform Bill 2025* (Cth)
TSSC	Threatened Species Scientific Committee
VMA	*Vegetation Management Act 1999* (Qld)
WTO	Wildlife Trade Operation

Summary

Key terms

Term	Meaning
Bilateral approval agreement	Agreement between the Australian Government and a state government for the state government to approve projects in accordance with the EPBC Act.
Bilateral assessment agreement	Agreement between the Australian Government and a state government for the state government to assess projects in accordance with the EPBC Act.
Bioregional plans	Bioregional plans are a landscape-scale approach to EPBC Act assessments and approvals that guide how cumulative impacts to the environment should be managed in an area of economic importance.
Continuing use exemption	An exemption from self-assessment and approval for actions that are a lawful continuation of a use of land that pre-dates the commencement of the EPBC Act. The exemption does not apply if the activity involves an 'enlargement, expansion, or intensification of the use' that would result in a substantial increase in its environmental impact.
Controlled action	An action that cannot proceed without assessment and approval under the EPBC Act because it is likely to have a significant impact on a matter of national environmental significance.
Environmental offsets	Activity undertaken to compensate for a significant, unavoidable impact on a matter of national environmental significance.
Landscape-scale planning	Tools, including bioregional plans and strategic assessments, that facilitate the assessment of multiple developments or activities, often over a designated area.
Matters of National Environmental Significance (MNES)	Environmental matters declared to be of national significance by their status as being protected under Division 1 of Part 3 of the EPBC Act.
Minister	The Australian Government Minister for the Environment.
National Environmental Protection Agency (National EPA)	The Australian Government's national environmental regulator. The National EPA has been newly established under the 2025 EPBC Act reforms.
National Environmental Standards	Legislative instruments that set principles that must be met when projects are assessed under the EPBC Act.

Term	Meaning
National interest exemptions and approvals	Allows an activity (excluding fossil fuel activities) deemed by the Minister to be critical to Australia's national interest to bypass standard EPBC Act assessment and approval processes: • through an exemption from certain provisions of the Act, such as assessment requirements; or • through the Minister approving a project even if it significantly impacts an MNES, fails the net gain test or causes unacceptable impacts. Such projects still go through a full environmental assessment.
Net gain	The requirement for an offset activity to deliver environmental benefits that exceed the damage done by a proposed activity, relative to a baseline scenario.
Protected matters	Matters protected by the EPBC Act
Reconsideration	A decision about whether a project is a controlled action can be reconsidered if new information becomes available, or if circumstances change, that would alter the initial decision.
Referral	A referral is an application for the approval of an action that could have a significant impact on any MNES. After a 10-day public comment period the Minister decides whether the action is not a controlled action, a controlled action that must be taken in a particular manner or a controlled action requiring further assessment.
Restoration contribution charges	A financial payment a project proponent makes to compensate for a significant impact their activity has on a MNES in lieu of designing and delivering an environmental offset themselves.
Rulings	Rulings allow the Minister or National EPA Chief Executive Officer to publish their opinions on the way in which provisions of environment law apply, including the EPBC Act, EPBC Regulations, or any other regulatory instrument under the Act.
Self-assessment process	A preliminary assessment undertaken by the proponent to assist in deciding whether an action is likely to have a significant impact on a MNES, which would require a referral under the EPBC Act.
Significant impact	An impact that, generally, is 'important, notable or of consequence, having regard to its context or intensity.'
Strategic assessments	A collaboration between the Australian Government and a strategic assessment partner that provides a means of obtaining upfront approval for a class of actions under the EPBC Act.
Streamlined assessment pathway	A faster assessment pathway with a 50-day time limit available to projects where proponents provide sufficient information.

Key points

- When managed well, environmental assets provide large economic and social benefits to the community, sustaining long run economic outcomes and quality of life for households. As such, it is critical these assets are utilised and maintained appropriately for the welfare of the community.
- There is a clear role for government in addressing environmental outcomes. However, policymakers need to manage the impacts of environmental regulation on competing priorities.
- The Samuel Review (2020) found the EPBC Act was resulting in additional costs to businesses without corresponding better environmental outcomes.
- The costs and impacts of these deficiencies on Queensland were material. The Commission estimates Act approvals just prior to the 2025 reforms were taking over 1,150 days on average in Queensland. Delay costs as a result of Act obligations were likely costing Queensland proponents in the order of $4.9 to $7.7 billion per year prior to the 2025 EPBC Act reforms.
- The 2025 reforms have been delivered in the context of a complex set of Australian, state and local government regulatory requirements and programs. They also interact with private incentives, quasi-regulation, regulator behaviour and the conduct of entities subject to regulation.
- The reforms materially amended the scope and operation of the Act. They codify and strengthen regulatory requirements on proponents, amend the assessment pathways available to proponents, introduce new tools to support the Act's objectives and strengthen compliance and enforcement.
- Implementation of the reforms is ongoing. However, there are several deficiencies in the way the reforms have been introduced.
  - Regulatory best practice was not followed. Elements of the reforms were introduced without consultation or rigorous assessment, without critical supporting material being available at the time of introduction, or have generated considerable uncertainty for stakeholders. New land clearing requirements mean the scope of regulation has effectively expanded, capturing small and family farming businesses. The Commission estimates the expanded requirements could cost the Queensland agriculture industry between $14 million and $41 million per year, while introducing unintended consequences for routine land management and some environmental outcomes.
  - Trade-offs are only partially considered. In some instances, proponents are bearing excessive costs of regulation or are being required to bear the costs of outcomes for which they are not responsible (such as the requirement to achieve a net gain). This has implications for other objectives desired by the community, such as housing, infrastructure delivery or other economic outcomes.
  - The reforms affect other national, state and local regulatory and policy settings. State and local governments will need to review the 2025 reforms along with all directly related and indirectly associated state and local obligations, to see what, if any, changes may be required.
  - Historically, the Act, in part, has relied on proscriptive limits, regulatory obligations and compensation requirements, coupled with regulatory monitoring and sanctions to deter non-compliance. The 2025 reforms continue this approach and may result in instances of disproportionate costs to some activities and entities.
- While aspects of the 2025 reforms have the potential to reduce costs, these benefits are yet to be realised. Interdependencies among the reforms mean stated benefits are reliant on outstanding reforms being successfully delivered. Much of the supporting guidance, regulation and implementation work to enable successful reform is still outstanding or is dependent on the activities of other entities.
- While there are potential long-term environmental and productivity benefits, stakeholders are currently facing increased costs. The Commission has identified potential measures to reduce costs on the Queensland community. As the implementation process is ongoing, the net effect of these actions remains subject to change. As such the potential measures are interim views.

About the Inquiry

On 13 April 2026, the Queensland Government asked the Queensland Productivity Commission (the Commission) to undertake an inquiry into the impacts of the Australian Government's 2025 reforms to the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) on Queensland.

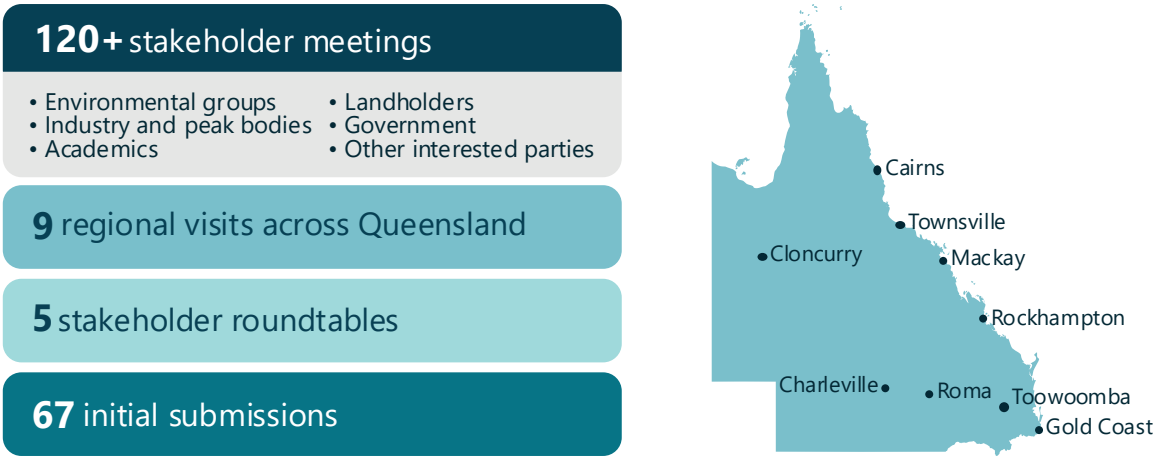
The Commission has been asked to examine how the 2025 reforms affect Queensland in practice, by focusing on regulatory burden, economic impacts, implementation risks and operational arrangements. The terms of reference for the Inquiry ask the Commission to investigate:

- the impacts of the 2025 reforms, including on costs, timeframes, uncertainty and across different industries, regions and types of proponents
- the implications of the 2025 reforms for investment (including housing delivery and infrastructure), business viability, productivity and economic activity in Queensland
- the extent to which Commonwealth–State bilateral agreements, accreditation frameworks and related arrangements provide opportunities to reduce duplication and improve certainty
- practical options to reduce unnecessary regulatory burden and improve efficiency, certainty and proportionality in the application of the 2025 reforms in Queensland
- opportunities to improve alignment between Australian Government and Queensland Government frameworks without undermining Queensland's regulatory autonomy
- the extent to which the 2025 reforms shift regulatory, administrative or financial responsibilities to the Queensland Government.

The full terms of reference are available in Appendix A.

Following the receipt of the terms of reference the Commission undertook an initial round of consultation, including releasing a Call for Submissions paper in May 2026 and regional visits across Queensland.

Figure 1 Overview of consultation for the Interim Report



The Interim Report sets out the Commission's preliminary analysis, interim findings and recommendations and where further information is being sought. It also provides an opportunity for a further round of consultation with stakeholders.

A Final Report will be provided to the Queensland Government by 13 April 2027.

Environmental regulation

When managed well, environmental assets provide large economic and social benefits to the community, sustaining long run economic outcomes and quality of life for individuals and households. As such, it is critical that these assets are utilised and maintained appropriately for the welfare of the community.

The community can be left worse-off when the use of environmental resources — renewable or exhaustible — results in one or more market failures:

- Negative externalities — where entities do not bear the full cost of their actions, which can lead to the over-provision of goods and services that harm the environment or over-use of common resources.
- Public goods — where private entities cannot charge for the exclusive use of a good, entities may underinvest in that good or service. For example, a healthy environment is a public good.
- Information asymmetries — where the community is unable to assess the full effect of an entity's actions, including through a lack of transparency, the market may be unable to incentivise 'good' behaviour.

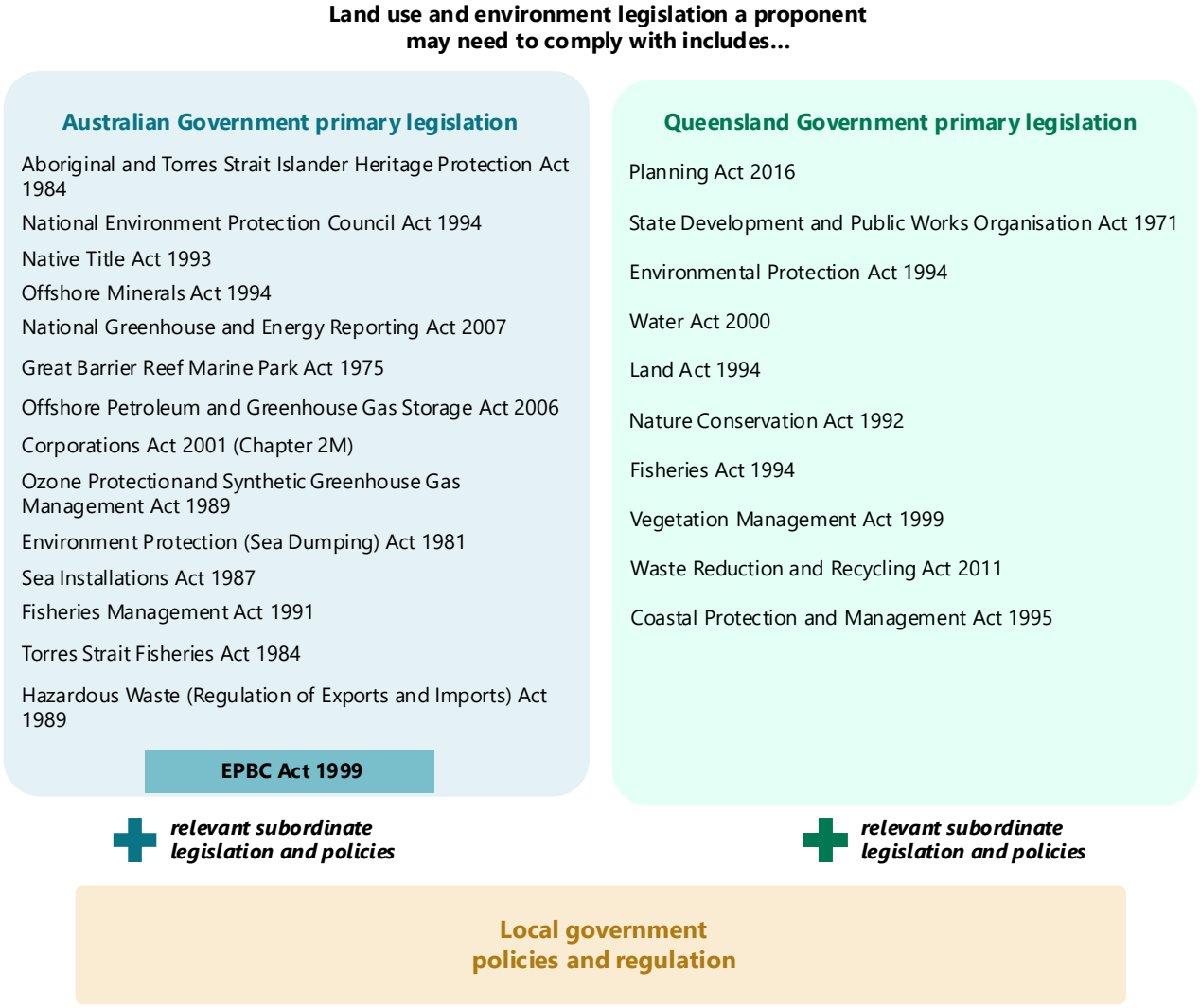
Due to these potential adverse impacts, there is a role for government to intervene to maximise community welfare.

In doing so, policymakers need to manage the impacts of environmental regulation on competing priorities. These trade-offs may be overt or not apparent but are central to the policy settings governments make, balancing environmental, economic and community concerns and objectives. The community's desire for housing, infrastructure (such as roads, water and energy), employment, longer-term living standards and other objectives both relies on healthy environmental assets, while at times competing with environmental objectives.

As is highlighted in Queensland's latest State of the Environment Report, many environmental values are under pressure. The number of threatened fauna species has increased (State of Queensland 2025b, p. 3), with the average population size of threatened species in Australia now less than half the size it was in 2000 (ABS 2026b).

Regulatory settings that address environmental outcomes (whether directly or indirectly) have increased over time, including for each level of government (Figure 2). In addition, there are a wide range of government-funded programs and other initiatives targeting the same environmental outcomes.

Figure 2 A large and growing volume of environmental regulation



In addition to regulatory settings and programs, an increasingly diverse range of private incentives, quasi-regulatory arrangements and commercial practices also affect entities' interactions with environmental assets:

- banks, investors and retailers are increasingly facing calls from third parties to address the environmental impacts of private activity associated with financing arrangements and supply chains. For example, Australian banks are investigating claimed instances of illegal land clearing and regulators are acting on matters raised by the public, based on publicly available information
- individuals and firms have, or are, increasingly taking a proactive stance on the way they interact with the environment because they have the private incentives to do so. This may take the form of stewardship, in seeing the importance of effective land management to their current activities, or looking to ensure what is passed on to the next generation is in a better state than how it was received
- industries are adopting a strategic response to do more than the minimum set of obligations and are 'self-regulating', due to the possible adverse impacts from an externally imposed regulatory response
- firms may wish to differentiate themselves in the market as 'doing more' or legacy building.

The result is an increasingly crowded and complex set of incentives and instruments that influence interactions with the environment.

This Inquiry is not about the case for or against environmental regulation — rather, it considers the extent to which the 2025 EPBC Act reforms deliver their stated environmental objectives effectively and efficiently.

To be most effective, the EPBC Act, and its regulatory agencies, must manage the resources and risks associated with its administration, and identify and target those activities that are likely to cause environmental harm. Regulation is most likely to be effective when:

- desired outcomes are well-understood and measurable, including where there is sufficient information to identify and target activities that affect desired environmental outcomes
- the regulatory problem, both in terms of environmental outcomes and regulated entities, is broadly homogenous; or rules are sufficiently flexible to handle complexity in outcomes and regulated entities
- the rules align economic incentives with desired outcomes, compliance burdens are low and enforcement is credible.[1]

To be efficient, the EPBC Act must deliver those outcomes at lowest cost and leave the community better off overall. This will include enabling activities to occur where impacts can either be avoided, mitigated or compensated. Regulation is most likely to be efficient when:

- it is administered by the level of government best able to do so effectively and efficiently
- it encourages outcomes to be delivered by the firms or government body best able to do so
- it does not lead to unintended adverse economic or environmental outcomes
- unnecessary regulatory burden is minimised, including through maintaining consistency with other policy and regulatory processes.

These regulatory processes are influenced by:

- the clarity and predictability of regulation and regulatory outcomes
- quasi-obligations, discretion and behaviour of the regulator, including how well the regulator understands the stakeholders and markets it is regulating
- the conduct of entities subject to regulation.

Poorly assessed or understood intervention increases the potential for unintended consequences (for the environment, community and economy) and unnecessary costs.

The EPBC Act

The EPBC Act (including accompanying regulations) is Australia's primary environmental legislation at the national level.

At the time of its introduction the EPBC Act sought to support Australia's obligations under international environmental agreements (Department of Parliamentary Services 2022).[2]

[1] These principles are reflected in best-practice regulatory principles. For example, see the Department of Finance, What are the 3 best practice principles? (Department of Finance 2026).

[2] It implemented aspects of the 1992 Intergovernmental Agreement on the Environment and the 1997 Heads of Agreement on Commonwealth and State Roles and Responsibilities for the Environment, and consolidated laws relating to environmental impact assessment, national parks, world heritage and endangered species (DCCEEW 2021b; Department of Parliamentary Services 2022, p. 44; Parliament of Australia 1998, pp. 5, 7–9).

The EPBC Act seeks to:

- protect the environment, specifically 'protected matters'
- conserve Australia's biodiversity
- protect and manage important national and cultural places
- assess the environmental impact of projects, and decide whether to approve them
- control how plants and animals, including specimens and products, move in and out of Australia
- promote ecologically sustainable development
- appreciate the role of Indigenous peoples in protecting and sustainably using the environment
- promote using Indigenous peoples' knowledge, with their permission and cooperation (DCCEEW 2026k).

In general terms, the EPBC Act aims to deliver on these broad objectives via the protection of nine matters of national environmental significance (MNES), along with biodiversity considerations, ecological communities and protected areas.

Requirement for independent reviews

Under the EPBC Act, an independent review of its operations is required to be conducted every ten years (s.522A). The most recent review was led by Professor Graeme Samuel, running from late 2019 and released in early 2021 (Samuel 2020). The Samuel Review (Samuel 2020, pp. 1, 26) found the EPBC Act was not effectively achieving its environmental objectives:

> *The evidence provided to this Review about the state of Australia's environment is compelling. Overall, Australia's environment is in a state of decline and under increasing pressure. There are localised examples of good outcomes but the national outlook is one of decline and increasing threat to the quality of the environment. At best, the operation of the EPBC Act has contributed to slowing the overall rate of decline. (Samuel 2020, p. 44)*

It suggested the EPBC Act was unable to effectively protect and conserve nationally important matters because the Act lacked clear outcomes for MNES and had operational deficiencies, including:

- a focus on project-by-project assessment rather than landscape-scale assessment
- attention being placed on the identification of threatened species and ecological communities that needed protection rather than identifying how to effectively manage those MNES
- incentives to prepare plans rather than to achieve environmental outcomes (Samuel 2020, p. 47).

The Samuel Review also found the EPBC Act did not meet best practice principles for modern regulation and duplicated state regulatory processes, sometimes resulting in additional costs to businesses without delivering commensurate environmental benefits (Samuel 2020, pp. 8–9).

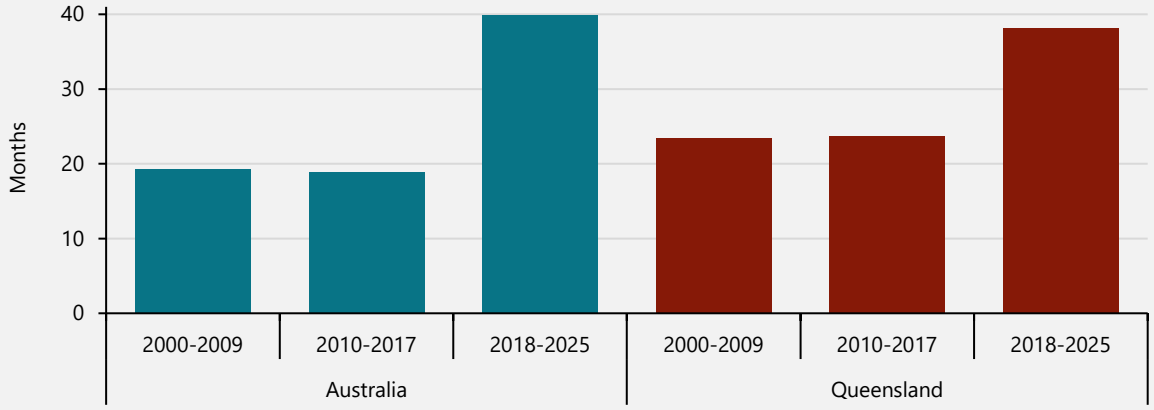
The ongoing costs and impacts of these deficiencies on Queensland are material (Box 1).

Box 1 Cost of EPBC Act processes in Queensland, pre-2025 reforms

EPBC Act approvals are taking increasingly longer, both nationally and in Queensland (Figure 3).

Figure 3 **Median predicted approval time**

Approvals are long and taking longer



Note: In addition to approval decisions, the Australian Government also makes a referral pathway decision. However, the time taken to make a referral pathway decision is a small portion of the overall assessment time frame, typically being less than a month.

Source: QPC based on National EPA 2026b

These delays have a disproportionate impact on Queensland due to the state's relatively high number of EPBC Act referrals (Figure 4). Based on Australian Government information, delay costs as a result of EPBC Act obligations were likely costing Queensland proponents in the order of $4.9 to $7.7 billion per year. When controlling for industry, Queensland referrals are also 1.24 times more likely to result in a controlled action when compared to the rest of Australia (Figure 5).

Figure 4 **Proportion of referrals by state over time**

Queensland consistently has one of the highest rates of referrals

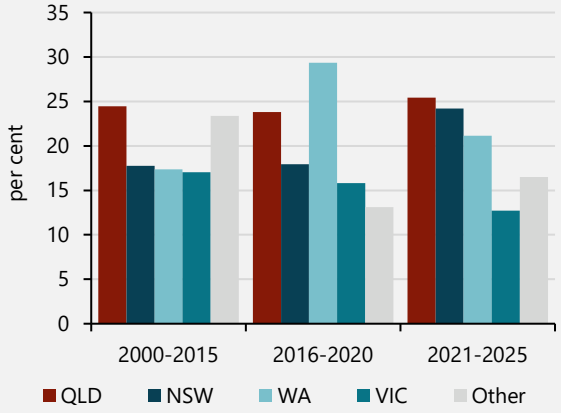
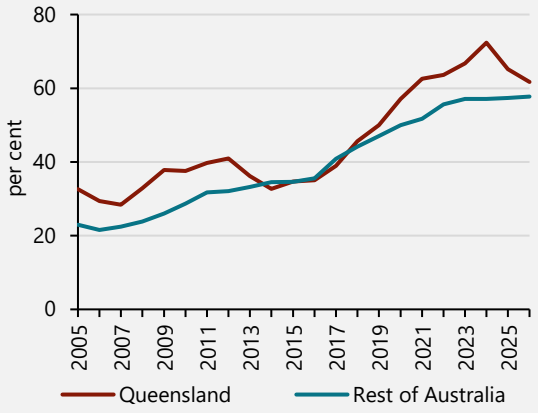


Figure 5 **Proportion of referrals assessed to be a controlled action (five-year moving average)**

Referrals in Queensland are more likely to be controlled actions



Source: QPC based on National EPA 2026b

The Samuel Review made 38 recommendations for improving the operation of the EPBC Act. These focused on:

- the use of legally enforceable Standards, which would set the boundaries for decision-making on the delivery of the protections needed
- restoration of the environment and facilitation of the scale of investment required to deliver better environmental outcomes
- taking an adaptive approach through planning, measuring the effectiveness of implementation and making adjustments where needed
- harnessing the knowledge of Indigenous Australians to inform environmental management (The Senate 2026a, pp. 109–110).

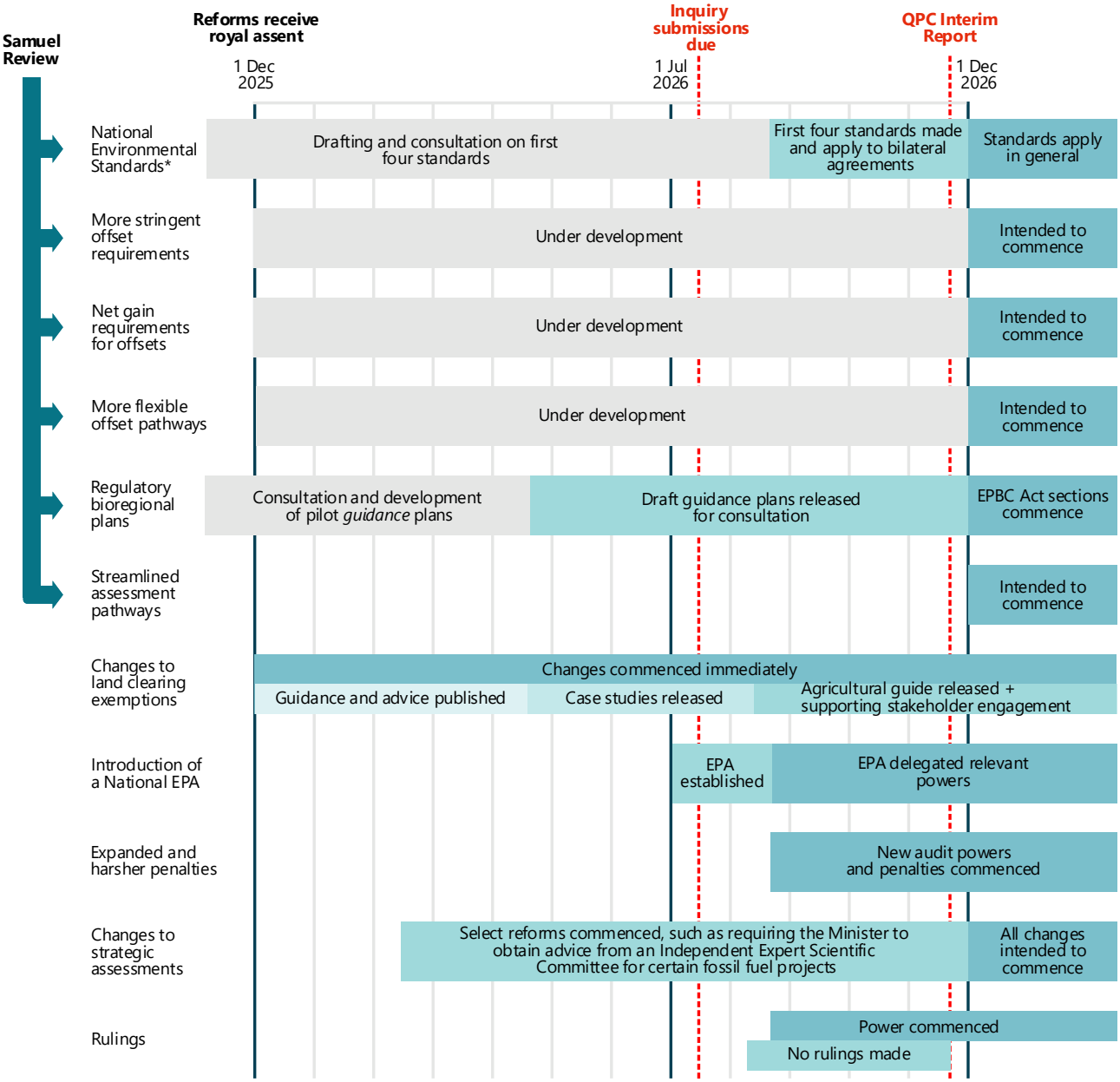
The Australian Government's 2025 reforms

In October 2025, the Australian Government introduced the Environment Protection Reform Bills to amend the EPBC Act and 11 other Acts, with the stated objectives to deliver:

- stronger environmental protection and restoration
- more efficient and robust project assessments
- greater accountability and transparency in decision making (Parliament of Australia 2025d, p. 2).

These Bills were passed by the Australian Parliament on 28 November 2025. The 2025 reforms are being delivered progressively (Figure 6). Several reforms are yet to be drafted, shared for consultation or implemented. As a result, there is limited observable evidence on the impacts of the reforms in their entirety.

Figure 6 Key reforms and their progress



Note: *Future standards are still to be developed, including a National Environmental Standard for First Nations engagement.

The reforms materially amended the scope and operation of the EPBC Act. They codify and strengthen regulatory requirements on proponents, amend the assessment pathways available to proponents, introduce new tools to support the Act's objectives and strengthen compliance and enforcement powers.

Regulatory best practice was not followed

While the EPBC Act reforms followed the delivery of the Samuel Review in 2020, its introduction and the process for developing and implementing the reforms have not followed regulatory best practice. In particular:

- a regulatory impact statement was not prepared on the legislative changes
- the land clearing amendments resulting from parliamentary negotiations were not subject to consultation or a rigorous regulatory impact assessment process
- reforms were made without supporting information being made available for affected parties at the time of assent
- the process for development has been fragmented, with regulatory obligations and the National Environmental Protection Agency (National EPA) established ahead of several supporting guidance materials being finalised
- aspects of the amendments continue to provide broad ministerial and regulator discretion, generating considerable uncertainty.

Further, some elements of the reforms departed from Samuel Review recommendations, including the land clearing changes, establishment of the National EPA[3], and continuing operation of duplicative groundwater assessments.

Trade-offs are only partially considered

One of the EPBC Act's underlying principles is that those whose activities harm the environment should bear the resulting costs. In doing so, environmental costs are internalised into project decisions, encouraging proponents to modify behaviour and mitigate environmental harm. This principle can provide an efficient mechanism to manage trade-offs between environmental harm and the benefits of economic activity.

However, strict adherence to this approach can result in proponents paying for costs that extend beyond the environmental impacts they cause or for outcomes for which they are not responsible. This includes having proponents pay for the inefficient costs of regulation or for benefits that accrue to the community more broadly.

As highlighted by the Samuel Review, EPBC Act processes are recognised as imposing inefficient costs on the community through the assessment process. In addition to being inefficient, excessive costs imposed on proponents can also be seen as inequitable, particularly where they affect pre-existing property rights.

While the reformed Act is intended to address these costs, benefits are yet to be realised. Further, some aspects of the reforms exacerbate these costs and undermine the intent to address costs. Concerns over who bears the costs and impacts on property rights are amplified in cases where:

- proponents are already engaged in conservation activities or are 'trying to do the right thing', but then bear high private costs from regulation, or find there is no acknowledgement of their best practice approaches under the 2025 reforms
- new land clearing requirements mean the scope of regulation has effectively expanded to capture activities and businesses (particularly small and family businesses) not previously captured
- new requirements such as 'net gain' have the potential to result in proponents bearing the costs of additional environmental protection beyond the direct impact of their own activities.

Under these conditions the effect of the reforms can be to move further away from an optimal assessment of trade-offs. Inefficient or excessive costs imposed on proponents will come at the expense of other objectives desired by the community, such as delivery of housing, infrastructure or other economic activity.

[3] While Samuel (2025a, pp. 3–4) criticised the dual roles the National EPA was assigned — as decision maker regarding assessment and compliance, and as the auditor — in his submission to the Senate Inquiry into the Environmental Protection Reform Bill, after the Bill passed into law, he commented that 'the legislation faithfully reflects in total the substance of the [Samuel] review' (Samuel 2025b).

The EPBC Act reforms will also affect other national, state and local regulatory and policy settings

EPBC Act requirements can interact, duplicate or cross-over with state and local government regulations and frameworks. Proponents are frequently required to meet the requirements of two or more regulatory systems, often assessing the same matters.

A wide range of environmental initiatives are also currently in place that seek to deliver similar objectives to the EPBC Act. For example:

- the $250 million Australian Bushland Program funds expansions to Australia's protected estate
- Natural Resource Management groups seek to support landholders to protect and improve natural assets
- carbon offset markets seek to deliver emissions reductions through land management practices.

Some landholders and proponents also have private incentives to support the same outcomes desired by the EPBC Act. Reformed EPBC Act requirements can inadvertently frustrate or add to the cost of these efforts.

For Queensland, the 2025 reforms will affect:

- Land clearing requirements — the reforms add new obligations on top of existing state vegetation mapping, including existing Property Maps of Assessable Vegetation (PMAVs), which were originally portrayed to landholders as 'locking-in' their ability to manage certain areas of vegetation.
- Assessment processes — existing bilateral assessment agreements are no longer compliant with new regulatory requirements and will need to be updated.
- Offsets — strengthened offset requirements do not align with state offset requirements, meaning state offsets may not be able to be used to satisfy Australian Government obligations.
- Compliance — strengthened compliance and enforcement measures may see the Australian Government adopt a stronger posture of EPBC Act compliance and enforcement, alongside existing state enforcement activities.

State and local governments will need to review the 2025 reforms along with all directly related and indirectly associated state and local obligations, to see what, if any changes may be required.

The regulatory costs can be disproportionate

The EPBC Act, in part, relies on proscriptive limits, regulatory obligations and compensation requirements, coupled with regulatory monitoring and sanctions to deter non-compliance. The reforms continue this approach and can result in instances of disproportionate costs to some activities and entities.

Some elements of the reforms, such as land clearing, were introduced on the basis that all activities should be treated the same, but other changes introduce carve outs for certain activities. For example, fossil fuel activities are treated differently through being denied access to streamlining initiatives, and they are excluded from the Minister's new power to approve projects in the national interest even where they are inconsistent with other requirements. Given environmental damage to MNES is agnostic to its contributing factors, this creates further inconsistencies in the application of the Act. Some projects will be prioritised over others, rather than under consistent frameworks that address overall impacts to environmental outcomes and community welfare.

Despite significant efforts by the Australian Government Department of Climate Change, Energy, the Environment and Water (DCCEEW) and the National EPA, the implementation approach has resulted in significant uncertainty, costs and potentially adverse environmental outcomes. For example, in relation to the new land clearing obligations, the Commission has been informed of instances of landholders avoiding clearing altogether to avoid any interaction with the EPBC Act; or undertaking additional clearing to avoid future EPBC Act obligations.

Uncertainty and unnecessary or disproportionate costs have implications for business investment, productivity and international competitiveness. Some sectors of the Queensland economy and regions are particularly affected. As shown in Table 1, the EPBC Act applies to proponents across a broad range of industries with vast differences in activities and capacity.

Table 1 Characteristics of key affected industries in Queensland

	Coal mining	Beef farming	Infrastructure construction	Housing construction
Nature of facilities	Concentrated among 58 active mines	Dispersed among 20,000 businesses across Queensland	Large energy, transport, telecommunications, water and waste developments	Greenfield residential development
Trade exposure	High — around 90 per cent exported	High — over 64 per cent exported	Domestic-focused	Domestic-focused
Past interactions with EPBC Act	Frequent — 24 referrals since 2024	Rare — No referrals since 2018	Frequent — over 100 referrals since 2024	Frequent — 27 referrals since 2024
Nature of EPBC Act interaction	New or expanded development	New development, expansion, intensification and routine land management	New development	New development
Capacity	Typically, large national or multinational businesses	85 per cent sole traders	Large private and public corporations or government agencies	Diverse range of businesses, from public companies to micro-developers and not-for-profits

Source: ABS 2025b; National EPA 2026b; Queensland Government 2026c, 2026f, 2026d, p. 11.

Even where regulatory obligations are well-designed and seek to directly address outcomes, poor information or regulator behaviour can result in unnecessary costs. Stakeholders have particularly raised concerns with time costs. Anecdotally, stakeholders have raised concerns that assessment and approval processes can involve lengthy negotiations over project design and mitigation measures, without sufficient recognition that:

- there may be insufficient information to effectively confirm the outcomes of a project
- some mitigation measures may not be feasible or practical
- proponents may not have feasible options to mitigate impacts, particularly where the project represents essential infrastructure (such as ports or existing water pipelines), where moving the proposed infrastructure is not an option, and where continuity of service is essential
- timely resolution may be imperative, such as to deliver housing or to ensure continuity of supply of essential services (such as water and electricity supply)
- lengthy negotiations can impede basic maintenance and operations
- protracted investigative processes have significant impacts where operations need to cease (this is particularly acute for sole traders and farmers).

With implementation ongoing it remains to be seen whether the reformed EPBC Act will effectively address time costs. However, in large part these costs will depend on the regulator's behaviour, irrespective of legislative requirements.

Collectively, these factors have a significant impact on environmental and economic outcomes

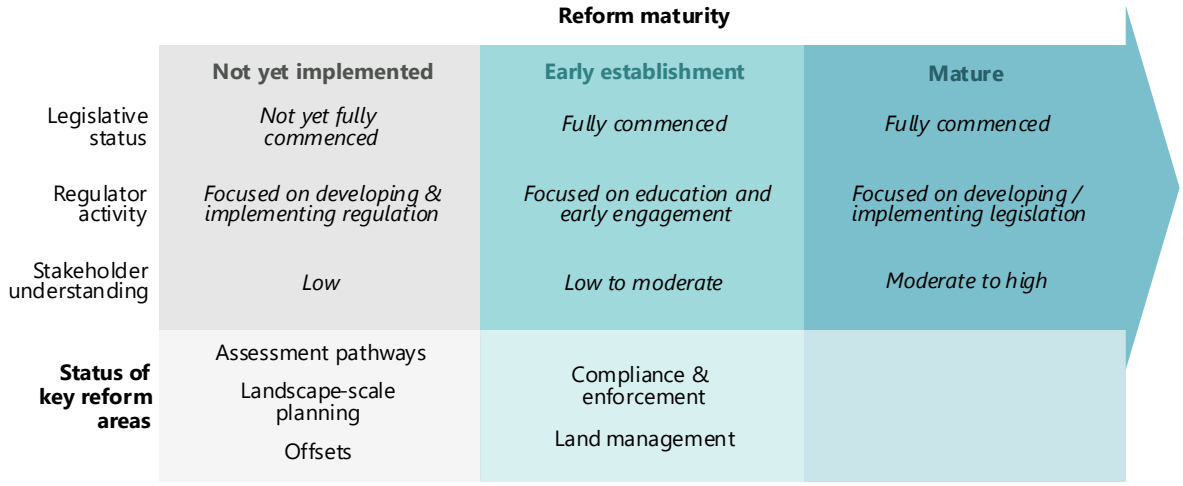
Taken together, the result of these factors is that the EPBC Act and the reforms can simultaneously deliver:

- 'under-protection' of the environment given information problems, and the rigidity of the regulation in relation to the varied nature of the environments it is protecting and the threats those environments face
- 'over-regulation' resulting in high costs on landowners and project proponents, particularly as the broader community and sometimes governments do not bear the direct costs of regulation
- unintended consequences, particularly where regulatory costs provide incentives to undertake sub-optimal conservation activities.

Guiding Queensland's response to the reforms

The 2025 reforms included a broad set of changes. Based on stakeholder feedback several reform areas were identified as being key issues for Queensland (Figure 7).

Figure 7 Key reform areas for Queensland



At the time of drafting this report (approaching 12 months since the reform Act's assent), stakeholders have a growing level of understanding of the key obligations relating to *land management* and *compliance and enforcement*. For these matters, regulator and proponent behaviour remains to be observed to provide a fuller understanding of the impact of the reforms. For the remaining key reform areas, a material level of understanding is yet to develop. A complete assessment or post-implementation assessment of the 2025 reforms may not be achievable for several years.

This is particularly due to elements of the reforms being designed to interact with each other. For example, whether more effective and faster approvals can be delivered is likely to depend, at least in part, on whether more effective and efficient offsetting arrangements can be delivered. Whether more effective and efficient offsetting arrangements are delivered can, in some cases, depend on whether landscape-scale planning approaches are successfully delivered. Much of the supporting guidance, regulation and implementation work to deliver successful reform is still outstanding or dependent on action from other entities.

However, some impacts are apparent and have been amplified by the implementation approach. Whether these are transitory or sustained impacts, will influence the net impact of the reforms on Queensland.

Stakeholders have identified specific elements of the 2025 reforms that are of concern. In some instances, these relate to the primary legislation. Where relevant, the Commission has identified these concerns irrespective of whether they relate to the primary legislation or more broadly. However, the Commission is cognisant of the position currently being communicated by the Australian Government on such matters:

> *Note that given the primary legislation (Acts) have passed the Parliament, we are not seeking feedback on the content of that primary legislation. Regulations and rules must align with that primary legislation. (DCCEEW, sub. 44, p. 9)*

As such, areas identified by the Commission for further consideration primarily relate to regulations, rules, inter-jurisdictional instruments and state-based instruments, even where there may be a case to reform the primary legislation. This is consistent with the Inquiry's terms of reference that focuses on actions the Queensland Government can take.

There are opportunities to take active steps to minimise regulatory and compliance costs associated with the reforms. This will require progressive development over time as the reforms are implemented but could include further education and guidance material, updated or new intergovernmental arrangements and amending or introducing state-level regulatory instruments that meet EPBC Act requirements in more effective and efficient ways.

The 2025 reforms will require changes to elements of Queensland's current legislative and regulatory framework to ensure compliance with the EPBC Act. There may also be opportunities to reduce the cost of the 2025 reforms on the Queensland community. Changes to Queensland legislation and regulation should be pursued where one or more factors are demonstrable, including:

- a net positive effect (where benefits exceed costs) for the community can be achieved
- risks are managed and actions are executable
- implementation is appropriately funded, particularly where actions address Australian regulation and benefits accrue to the Australian community
- Australian government funding is available to address its requirements
- the Queensland Government is best placed to deliver the required actions
- meeting EPBC Act requirements does not result in higher costs under state regulation.

However, in some instances there is no, or limited, scope for the Queensland Government to reduce the cost of the reforms.

Where applicable, this report identifies potential measures to reduce costs on the Queensland community across key reform areas. However, as the implementation process remains incomplete, with several key regulatory instruments yet to be finalised and some reforms yet to commence, the net effect of these actions remains subject to change. As such, the potential measures identified in this report should be regarded as interim views.

Land management

The EPBC Act has applied to land management activities since 2000. Since 2001 there have been 134 referrals to the Australian Government for agriculture and forestry matters, of which 29 were in Queensland and at least 18 related to vegetation clearing.

However, prior to the 2025 reforms, the EPBC Act provided a broad 'continuing use' exemption, where some activities (such as vegetation clearing) did not require Australian Government approval if it was a continuation of an existing use of land that was immediately occurring before the EPBC Act commenced (Parliament of Australia 1998). This exemption did not apply if the activity involved an 'enlargement, expansion or intensification of the use' that would result in a significant increase in its environmental impact.

Stakeholders told us historically there has been a comparatively low level of awareness of the EPBC Act in the agricultural sector, due to:

- the continuing use exemption
- low levels of Australian Government regulator activity
- limited communication by the Australian Government regulator
- land management activities historically being a state matter.

In addition to the EPBC Act, land holders are required to also comply with the Queensland *Vegetation Management Act 1999* (VMA). The VMA regulates the management of native vegetation in Queensland and applies to freehold land, Indigenous land and some state land tenures.

The Samuel Review noted some confusion with how state legislation and the EPBC Act interacted, but no specific recommendations were made on land or vegetation clearing. Similarly, the original Environment Protection Reform Bill 2025 (Cth) (the Reform Bill) did not include any new explicit restrictions on land clearing, vegetation management or the operation of the continuing use exemption.

While the self-assessment process and significant impact tests are not new provisions under the EPBC Act, the continuing use exemption meant many landholders were generally not required to engage with these regulatory requirements. With the narrowing of the continuing use exemption — for the clearing of vegetation over 15 years old or for certain vegetation in a Great Barrier Reef catchment — there will be an increase in regulatory burden for many landholders.

Native vegetation regulations can improve environmental and conservation outcomes for the wider community. However, they can also impose significant costs, with the agricultural sector often bearing a disproportionate share of the financial burden (PC 2016, p. 18). Concerns over the increased regulatory burden have also been raised by essential infrastructure providers, quarrying and mining stakeholders.

Queensland has historically had some of the highest rates of land clearing in Australia, driven largely by agricultural expansion and other land-use changes. However, recent data that pre-date the reforms, from the 2023–24 Statewide Landcover and Trees Study (SLATS), indicates a decline in clearing rates of woody vegetation, including a 60 per cent decline in overall clearing activity and a 66 per cent decline in clearing of regulated vegetation compared to levels reported in 2018–19. Additionally, the Land Use, Land Use Change and Forestry (LULUCF) sector is now providing a net carbon emissions sink in Queensland, with annual LULUCF emissions falling by around 60 million tonnes of carbon dioxide equivalent since 2000. Clearing in Great Barrier Reef catchments accounted for 43 per cent of clearing in 2023–24 but has more than halved since 2018–19 (State of Queensland 2026).

It is too early to tell whether the reforms will be effective in further improving environmental outcomes. The narrowing of the continuing use exemption may prevent some clearing of environmentally valuable habitat. However, the regulatory obligations are not well-targeted with landholders required to interpret how requirements apply in their individual landscapes, soil types and climatic conditions, through self-assessment (and potentially referral) processes. This could result in assessment costs (such as consultant reports, fees, delay and time-costs of preparing assessment material) being imposed on activities that involve clearing but also support biodiversity or superior sediment run-off outcomes. It may also result in compliance costs being incurred on productive land clearing activities more generally, including those with low or no impact on MNES.

The Commission's analysis indicates:

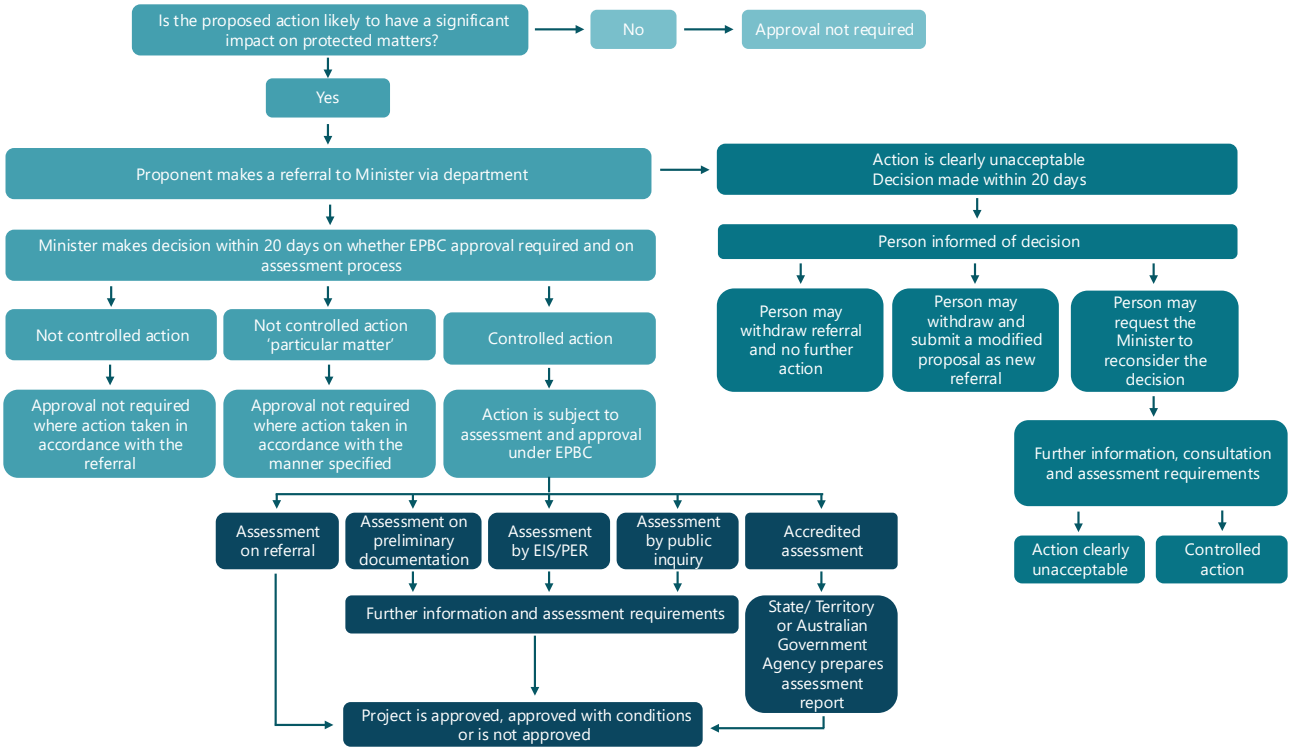
- a likely decrease in the productive capacity of agricultural land hosting regrowth of 15 or more years of age. 629,768 hectares, or 2.5 percent of Category X land with a PMAV in place, (representing 25,851 property lots) is potentially affected
- a likely decrease in the productivity capacity of agricultural land located in the Great Barrier Reef catchment. 4.3 million hectares of land (representing 143,834 lots) is potentially affected
- stakeholders suggest a self-assessment process, where an ecologist has been engaged to assist, could start from $30,000 in direct and indirect costs. These costs can be acute for small and family businesses whose activities may be newly captured by the reforms
- for a landholder who refers their proposed activity for assessment, referral fees start at $6,577 per activity. Dependent on whether the activity is considered a controlled action, an assessment fee is levied. For the most simple streamlined assessments, fees are proposed to start at $6,255. Higher fees are involved for more detailed assessment paths or where requests for more information are required. In these instances, landholders will also need to engage further advice or undertake further information gathering activities, with stakeholders suggesting total referral costs can start from $80,000
- declines in productivity and economic production are anticipated due to increased regulatory obligations, deferred, cancelled or brought forward land management activities, delay costs for EPBC Act assessments, unintended environmental outcomes and protracted enforcement activities
  - for instance, stakeholders are concerned assessment and approval timeframes could cause proponents to miss seasonal clearing or drought-related fodder harvesting opportunities, potentially making some projects unviable, as well as affecting access to finance and the competitiveness of farms where the ability to respond quickly to changes in consumer demand is critical
  - based on the results of a stylised economic analysis of the impact of additional land clearing assessments and referrals (for the agricultural sector), the reforms could cost landholders between $14 million and $41 million. However actual impacts — both in the short and long-term — remain uncertain and dependent on regulator and landholder behaviour
- a potential decline in environmental outcomes due to confusion over the new regulatory obligations or a landholder's capacity to pay the fees associated with a referral, leading to deferred or cancelled land management activities
  - such outcomes can arise from reduced flexibility to undertake routine land management to address thickening vegetation, weed and pest management, flood and fire mitigation, erosion control and sediment runoff, and the possibility of entrenching monocultures. Many of these consequences can also lead to poorer biodiversity or environmental outcomes
- the impacts of the reforms are unevenly distributed, with Queensland landholders disproportionately affected due to the inclusion of the Great Barrier Reef catchment. The narrowing of the continuing use exemption particularly impacts regional communities and small and family businesses, due to the requirement to undertake a self-assessment or referral process.

Stakeholders have identified a wide range of possible options to minimise the regulatory burden. Many are measures the Australian Government is best placed to consider or may be infeasible at present as they would require further legislative change to the EPBC Act. In the Queensland context, prospective opportunities to reduce regulatory costs include detailed exploration of whether specific state vegetation clearing codes can be utilised to streamline or remove assessment requirements.

Assessment pathways

Prior to the 2025 reforms, various assessment pathways could be taken when considering a proposed action (Figure 8). Depending on the likely impacts to MNES, a proposed action may not require approval, may be clearly unacceptable, or may require some form of assessment. Assessment may involve further information requirements (depending on the assessment pathway) that then lead to the project being approved, approved with conditions or not approved.

Figure 8 EPBC Act environmental assessment process, pre-2025 reforms



Source: DCCEEW n.d.; EPBC Act.

Assessment processes impose a range of costs. These can include:

- compliance costs — including preparing applications, fees and additional project costs from approval conditions
- delay costs — such as the cost of holding assets that are not being used productively
- investment risk — deriving from uncertainty over outcomes
- flow-on costs — such as lost activity from developments that do not proceed due to the costs of assessment
- costs to government — from administering assessments.

These costs derive from the legislative requirements and policy guidance that governs the assessment process. Accordingly, legislative reform can have a significant impact on the quantum of the costs. However, regulator behaviour, proponent capability and the availability of supporting information and expertise can also contribute to the overall cost. For example, regulator behaviour can contribute to the extent of compliance costs, delay and uncertainty involved in the assessment process. While legislation can mandate key matters such as assessment and approval timeframes, it is the *way* a regulator conducts themselves that can have a material impact on the overall assessment process. Stakeholders noted how regulator information requests (which 'stop the clock') can be a key contributor to delays in the decision-making process. They also noted the significant impact a pragmatic and capable regulator could have on a timely outcome.

Prior to the 2025 reforms, the Commission estimates the time taken to approve a project had increased materially. Between 2000–2009 it took around 700 days to reach approval, but between 2018–25 it took over 1,150 days. Infrastructure and residential projects had the longest approval times. According to the Committee for Economic Development of Australia (CEDA 2026) the time cost of a single referral review can exceed $250,000.

In addition to timeframes, project proponents incur material costs in preparing, engaging and consulting on its application. Assessment processes also present costs to government — as the regulator, project proponent (for example, as a delivery authority) or to facilitate economic development opportunities.

These costs can be exacerbated by overlaps or duplications with state environmental obligations. Uncertainty also has a material impact, especially, the predictability of regulatory outcomes.

Where EPBC Act assessments deter or prevent development it can impose costs to economic activity. Assessment processes also allow for the management of environmental impacts. However, if assessment processes are ineffective, they can also inadvertently detract from environmental outcomes. This can occur where assessment activities deter or delay an activity that is beneficial to the environment or reflect a narrow perspective of environmental impacts.

Streamlined assessment pathway

The Samuel Review noted regulator performance had varied significantly over time but did not recommend the introduction of a streamlined assessment pathway. Similarly, the original Reform Bill did not include any explicit restrictions for fossil fuel projects.

The 2025 reforms introduced a Streamlined assessment pathway that has shorter statutory timeframes, with a 20-day reduction to the preexisting Assessment on Referral Information pathway. This change is not expected to deliver a large benefit. Nationally, this referral information pathway has historically been accessed by 2 per cent of proponents and overall average assessment times for all pathways were over 1,150 days prior to the reforms. Even where projects benefit from streamlined assessments, proponents still devote considerable time and effort to the referral application, information requests and engagement processes. While new standards and requirements may clarify proponent's obligations they also risk increasing the time and effort devoted to the assessment process.

At the time of drafting the Interim Report, key elements of the amended assessment process are not complete and as such, their impacts are uncertain:

- reform to assessment pathways, including the introduction of the new Streamlined assessment pathway, is ongoing and scheduled to commence from 1 December 2026
- new rulings powers are yet to be utilised. In principle, rulings may provide proponents, environmental and community groups, and regulators with greater certainty. Whether greater certainty can be achieved is dependent on implementation and use in practice. However, it is limited to some extent by rulings being a guiding rather than binding position
- provisions to allow minor works and new reconsideration rules may increase certainty for projects and address some of the causes of delay but are dependent on ministerial discretion and may apply to few projects.

The 2025 reforms also introduced several specific restrictions or additional regulatory obligations for fossil fuel activities. These include:

- exclusion from the Streamlined assessment pathway
- denial of access to national interest exemptions and approvals
- the expansion of groundwater assessment requirements to include unconventional gas projects
- denial of access to bioregional planning instruments.

While many fossil fuel projects are typically of sufficient scale and complexity that the streamlined process would have been unavailable even without the exclusion, smaller, lower impact fossil fuel projects will now face higher assessment costs than other projects that have comparable impacts on protected matters.

The rationale for industry-specific assessment restrictions when addressing impacts to MNES is not efficient or consistent with regulatory best practice. Requiring fossil fuel projects to pass through more costly assessment processes may inform broader greenhouse gas emission considerations, lead to delays in project development or less fossil fuel actions occurring. However, the restrictions are inconsistent with the stated objectives for the regulatory reforms. Further, they represent an inefficient means of reducing greenhouse gas emissions, given the existing legislative, regulatory, policy and market mechanisms already in place to achieve such an objective.

A decision that a project is 'not a controlled action' will now automatically lapse after five years if the action has not substantially commenced. This change aims to ensure assessments and approvals reflect current environmental conditions. Whilst the intent of this change aligned with the Act's objectives, it has the potential to impose additional costs on proponents. Due to the complexity of, and need for, multiple approvals from separate regulatory bodies, funding decisions, procurement processes and resourcing requirements, a project may not progress sufficiently over five years.

The Commission estimates around 6 per cent of projects can take longer than 5 years to begin.[4] Lapsing may also be an issue that disproportionately affects Queensland, as 40 per cent of projects with a start time over five years were in Queensland. Projects were more concentrated among residential, water and fossil fuel projects.

Bilateral agreements

Where an activity is subject to both state environmental requirements and the EPBC Act, bilateral agreements have the benefit of minimising unnecessary regulatory imposts of achieving environmental outcomes sought by both regulatory regimes. This can be done by:

- avoiding administration and process costs for both proponents and regulators
- supporting timely and efficient processes, such as by allowing state and EPBC Act requirements to be assessed concurrently (as opposed to sequentially)
- promoting a collaborative and consistent approach to environmental protection, including in relation to regulator practice
- improving communications between parties, which creates greater certainty for proponents
- providing certainty for proponents and regulators about the demarcation of state and Australian government assessment, approval, enforcement and monitoring responsibilities.

Queensland's most recent bilateral assessment agreement provides for the Queensland Government to conduct environmental assessments used by the Australian Government to make approval decisions under the EPBC Act. The substantial scope of Queensland's most recent agreement covers resource proposals and 'coordinated projects' declared by Queensland's Coordinator-General. Compared to other states, Queensland's current assessment agreement is narrow in scope, and relatively few proposals (around a fifth since 2015–16) are assessed using accredited processes.

[4] Based on all 'controlled action' projects since 2000. Data is not available for 'not a controlled action' projects.

The EPBC Act reforms will require the existing bilateral agreement to be updated. Under the revised arrangements, assessments accredited under the agreement and undertaken by Queensland Government agencies will need to comply with the new National Environmental Standards (Standards). Importantly, the changes to the EPBC Act will apply to Queensland activities that significantly impact protected matters regardless of whether a new bilateral agreement is signed.

Even if an updated bilateral agreement (that is, to comply with the 2025 reforms and Standards) is unchanged in substance, the reforms are likely to have an immediate resourcing impact on the Queensland Government due to the administrative costs involved in developing new agreements and processes, and ongoing costs in applying the additional EPBC Act requirements.

Stakeholders generally identified bilateral assessment and approval agreements as being capable of reducing compliance or administrative costs while achieving the same environmental outcomes. However, bilateral agreements can also shift regulatory costs to the states.

As noted in the Samuel Review, additional efficiency benefits are attainable through an approval bilateral. However, no approval bilateral agreements currently exist. Stakeholders had mixed views on the merits of an approval bilateral. Some noted the potential efficiencies while others suggested potential increased environmental risk resulting from having states responsible for addressing Australian Government environmental protections.

The expansion of any bilateral process, to cover a larger range of assessment processes or to incorporate an approval mechanism, is likely to create fiscal costs for the Queensland Government. Due to the broad range of matters related to the 2025 reforms that are yet to be completed and as costs are dependent on the number of projects, establishment and recurrent costs cannot be fully estimated. However, were Queensland to conduct accredited assessments at the average rate of other states there would be additional fiscal cost to Queensland associated with those assessment processes across the Department of Environment, Tourism, Science and Innovation, the Office of the Coordinator-General and any other agency to which the expanded bilateral applied.

Bilateral agreements are the primary mechanisms by which the Queensland Government can engage with the EPBC Act. As such, these agreements represent an opportunity to minimise regulatory burden on stakeholders. At a minimum, the Queensland Government should 'renew' the most recent agreement, such that bilaterally accredited processes under the *Environmental Protection Act 1994* (Qld) (EP Act) and *State Development and Public Works Organisation Act 1971* (Qld) (SDPWO Act) remain available to relevant classes of action. In some instances, the case could be made to expand the coverage of accredited assessment processes to a broad range of actions, including potentially other assessments under the EP Act and the *Planning Act 2016*. However, in doing so the EPBC Act requirements should be treated as an 'overlay' to state level environmental protections, and that no additional obligations or processes are applied to activities that would not otherwise be affected by the EPBC Act.

The fiscal costs of such arrangements should also be considered to ensure they deliver an overall net economic benefit through improved regulatory efficiency. For example, the benefits of agreements may be limited where the Australian Government provides inadequate additional funding, or where it routinely intervenes or contradicts accredited decisions, thereby reducing the efficiency gains available.

Offsets

Environmental offsets are a critical component of environmental regulation — from 2011 to 2021, almost 80 per cent of Queensland projects approved under the EPBC Act required an offset. While offsets are viewed as a last resort option to address development impacts, they are materially important to the delivery of desired environmental outcomes, timely development (for example, building of homes) and overall economic activity.

Stakeholders involved in the delivery of projects generally acknowledged the policy basis for offsets but noted offset requirements can be complex and costly, do not always deliver their environmental objectives, or are often an expensive mechanism to deliver the desired objectives. The ability to purchase offsets was noted as an important option given inherent complexities in meeting obligations.

Evidence suggests the cost of state and EPBC Act offsets can be material. The Commission's analysis shows that:

- prior to the 2025 reforms, requirements can add up to $24,000 per dwelling in greenfield residential developments in Queensland, with average costs of approximately $4,300 per dwelling
- for major infrastructure, mining and energy projects, data from New South Wales[5] indicates offset costs can be substantial, typically ranging from around 2 per cent to 43 per cent of total project capital costs in reviewed case studies.

The Samuel Review found the previous offsets framework was not delivering effective environmental outcomes, identifying poor compliance, inadequate monitoring, weak governance and the use of offsets as a default approval mechanism rather than a last resort.

The 2025 EPBC Act reforms establish:

- a legislated offsets framework, replacing a largely policy-based approach and introducing legally enforceable National Environmental Standards
- stricter conditions for offsetting, including increased application of avoidance and mitigation measures, a requirement for offsets to achieve net gain and narrow like-for-like requirements
- new offset delivery mechanisms including advanced offsets, market instruments and a restoration contributions scheme.

This reform architecture is broadly consistent with international evidence on effective offset design.

However, offset and restoration contribution tools are yet to be developed. Key guidance materials, methodologies, calculators and implementation arrangements are, at the time of drafting, still under development. As a result, the effectiveness of the reforms and their impact on economic efficiency are subject to change and potential benefits are likely to only accrue over the long term, depending on successful implementation.

In the meantime, other elements of the reforms may raise the cost of offsetting in the short term.

A key change in the 2025 reforms was the requirement for offsets to achieve net gain. Stakeholders have widely raised concerns over the lack of transparency that has been provided on how this obligation will be determined and applied in practice.

While the restoration contribution scheme is to be established by 1 December 2026, it seems unlikely that proponents will widely use this option, at least initially, due to the cost. Case study material suggests restoration contribution charges could add around $40,000 per dwelling for some greenfield housing and increase offset costs by several hundred per cent for some non-residential projects.

Other key elements of the reform, such as settings to support market operation and conservation planning documents are yet to be developed, with no detailed published implementation timetable in place. Collectively these yet to be defined elements create uncertainty and transitional risks for proponents and offset providers.

Landscape-scale planning

The EPBC Act includes two main provisions for landscape-scale planning pathways to facilitate the consideration of planning, assessment and approvals over a designated area. These provisions include bioregional planning and strategic assessments. These planning tools are intended to support streamlined approvals processes while also seeking to improve environmental outcomes though better addressing cumulative impacts.

Prior to the 2025 reforms, these provisions had a limited history of use. In Queensland, only two strategic assessments have been attempted, with one completed (The Great Barrier Reef strategic assessment 2014).

[5] The Commission has not been able to access equivalent data for Queensland. Data for New South Wales is likely to be broadly representative of offset costs.

The Samuel Review noted the absence of landscape planning tools hindered effective assessment of cumulative development impacts. While an individual project may have a minimal or acceptable impact on the environment, the combined impact of multiple projects can exceed an acceptable impact threshold and result in significant, long-term damage.

The Australian Government has historically encouraged the uptake of bioregional planning in terrestrial areas, most recently through several bioregional planning pilots. In Queensland, these pilot projects include the development of three bioregional guidance plans (Queensland Government 2026b), including the:

- Bigalow Belt North bioregional guidance plan (based in the Collinsville area in North Queensland), focusing on wind farm development
- Gulf Plains bioregional guidance plan (based in the Julia Creek and Richmond area in North West Queensland), focusing on critical minerals mining
- South Eastern Queensland and Brigalow Belt South bioregional guidance plan (based in South East Queensland), focusing on urban development and potential future growth areas.[6]

The 2025 reforms introduce new provisions to bioregional planning processes, the use of bioregional guidance and bioregional plans. Changes were also made to the pre-existing strategic assessment processes. These changes are aimed at making the assessments more flexible and efficient. In addition, further changes to the strategic assessment requirements will be introduced such that the Standards, net gain requirement and unacceptable impacts criteria will apply to strategic assessments. This change is expected to be enforced from late 2026.

The impacts of reforms to landscape-scale planning are entirely dependent on both the development of these tools and the use of these tools by stakeholders. The reforms set up the possibility of increased uptake by expanding the number of landscape-scale planning tools available, enhancing the attractiveness of existing tools, and, as part of the wider reform package, providing funding support for pilot projects to test landscape-scale planning approaches. In the absence of uptake, which is not mandatory, there will be no incremental impact.

The onus of development and uptake of these tools lies with the state government and industry, with some support provided by the Australian Government through DCCEEW.

Stakeholders are generally supportive of regulatory bioregional plans as they may deliver improved environmental outcomes, improved coordination of restoration and offsetting activities, potential reductions in regulatory and project approval costs and increased investor certainty. However, several of these positive attributes are dependent on the effective implementation of the regulatory bioregional plan and limited ministerial or regulator intervention.

The main costs associated with the reforms are expected to be the costs (primarily time and resources) involved in developing bioregional plans or strategic assessments. There is also the potential for bioregional plans to impact the amount of land available for development.

[6] The Queensland Government has stated findings of this plan 'will be considered as one of several inputs into the SEQ Regional Plan review rather than a standalone plan at this time' (Queensland Government 2026b).

Landscape-scale planning tools and several key supporting regulatory instruments are yet to be developed. As a result, it is too early to determine the effectiveness of the reforms and their impact. They have the potential to deliver improved environmental and economic benefits to the community. However, there are material establishment costs and information challenges that need to be considered. The costs of landscape-scale planning are likely to be justified where they deliver benefits through:

- the application to regions that have both considerable development activity and frequent interactions with, or development pressure on MNES
- minimising conflict between Australian Government requirements and state and local planning tools, particularly where development under state planning instruments is likely to affect MNES
- enabling regionally significant state environmental approval processes to account for Australian Government approval requirements
- reducing the cost of other elements of the EPBC Act and its reforms, such as where there is expected to be high demand for offsets.

Based on these criteria the use of landscape-scale planning tools could be further explored to address development pressure, assessment costs, offset requirements and conflicts with planning instruments in growth areas of South East Queensland. However, given potential costs, this should be explored in a measured way.

Findings, recommendations & information requests

INTERIM FINDING 1 REFERRALS UNDER THE EPBC ACT

Historically Queensland has one of the highest rates of EPBC Act referrals in Australia. Queensland has a higher proportion of energy, transport and agriculture referrals compared with the rest of Australia.

Compared to the national average, referrals relating to Queensland projects are more likely to result in a controlled action.

Land management

INTERIM FINDING 2 THE EFFECTIVENESS OF AMENDMENTS TO THE CONTINUING USE EXEMPTIONS IS UNCERTAIN

The effectiveness of expanded regulatory coverage in improving environmental outcomes, from the narrowing of the continuing use exemption, remains uncertain due to limited data and the risks of unintended consequences such as erosion and invasive regrowth.

INTERIM FINDING 3 IMPACTS OF AMENDMENT TO CONTINUING USE EXEMPTION

The narrowing of the continuing use exemption under the EPBC Act has increased compliance costs, regulatory complexity, and uncertainty for landholders, particularly in Queensland, while disproportionately impacting small businesses and regional communities.

These changes risk undermining agricultural productivity, impeding land management activities, creating conflicts between state and Australian government environmental and land use policies and generating poorer outcomes for the community.

INFORMATION REQUEST 1 COST OF UNDERTAKING LAND MANAGEMENT AND CLEARING SELF-ASSESSMENTS AND REFERRALS

The Commission is seeking further information from landholders and project proponents on the actual costs of preparing a self-assessment or referral for land clearing or management activities under the EPBC Act since the commencement of the 2025 reforms.

This could include compliance costs (such as the time taken to undertake an assessment and the cost of engaging any ecological or legal advice) and any other economic costs incurred (such as delays in undertaking an activity and any associated financial loss).

INTERIM FINDING 4 AMENDMENTS TO THE CONTINUING USE EXEMPTION INTRODUCE MATERIAL INEFFICIENCIES

The narrowing of the continuing use exemption under the EPBC Act introduces material inefficiencies by duplicating some protections under Queensland's VMA, imposing disproportionate compliance costs on landholders, and creating regulatory uncertainty that may deter necessary or low-impact clearing activities.

The reforms lack alignment with state frameworks and risk delivering uncertain environmental benefits relative to their economic and administrative burdens.

INFORMATION REQUEST 2 FEASIBLE PATHWAYS TO MINIMISE REGULATORY BURDEN ON LANDHOLDERS

The Commission notes stakeholders have sought the provision of pathways or exemptions from EPBC Act assessment and referral processes for more low-impact, routine land management activities such as management of weeds and pests, asset management and fire mitigation.

While improved guidance and the potential utilisation of Queensland vegetation clearing codes (see Interim Recommendation 1) may provide enhanced clarity, the Commission is seeking further information from stakeholders on feasible pathways (for example, rulings) to minimise the regulatory burden on landholders that do not conflict with EPBC Act legislative requirements.

INTERIM RECOMMENDATION 1 EXPLORE OPPORTUNITIES TO UTILISE QUEENSLAND VEGETATION CODES

The Queensland Government should work with the Australian Government to explore whether State vegetation regulatory codes and environmental processes can be utilised to streamline assessment for certain land management activities under the EPBC Act.

A review should be undertaken on whether the ability of landholders to meet other Queensland legislative requirements, in areas such as biosecurity obligations and reef protection standards, are affected by the reforms to the EPBC Act.

Standards

INFORMATION REQUEST 3 EXPECTED IMPACTS OF THE STANDARDS

The Commission is seeking further insights from stakeholders on the expected impacts of the finalised National Environmental Standards on both environmental outcomes and on compliance costs.

The Commission would also welcome any insights on the likely impacts of potential additional Standards yet to be prepared, including the under-development Standard for First Nations engagement.

INTERIM FINDING 5 THE EFFECTIVENESS OF THE STANDARDS IS YET TO BE TESTED

The National Environment Standards (Standards) have the potential to improve outcomes by outlining the EPBC Act's intended outcomes, which should reduce discretion in decision-making under the Act, and in doing so improve environmental outcomes and certainty for proponents.

However, there is still significant uncertainty as to how the Standards will be applied and some elements may have net costs on the community. The legislative requirements that aim to provide certainty by requiring 'no regression' in Standards, may equally prevent outcome-improving changes.

INFORMATION REQUEST 4 DO THE COMMUNITY ENGAGEMENT AND DATA AND INFORMATION STANDARDS IMPOSE NEW REQUIREMENTS OR FORMALISE THE REGULATOR'S EXISTING EXPECTATIONS?

The Commission is seeking information from stakeholders on whether the Community Engagement and Data and Information Standards impose new requirements relating to:

- how proponents are to engage the community in relation to projects they are seeking approval for
- the types and formats of data and information proponents provide to support their approval requests.

Or, do these Standards formalise requirements the regulator expected from proponents prior to the reforms?

INTERIM FINDING 6 UNACCEPTABLE IMPACTS PROVIDE AN ADDITIONAL ENVIRONMENTAL SAFEGUARD BUT RISK OTHER OUTCOMES

The 'unacceptable impacts' requirement provides an additional environmental safeguard but also has the potential to impede activities that seek to manage environmental outcomes while delivering other objectives valued by the community. Impacts will depend on further development of definitions and guidance, along with regulator discretion.

Compliance and enforcement

INTERIM FINDING 7 REGULATOR PRACTICE WILL BE A DETERMINANT OF THE IMPACTS OF THE REFORM

Heavy-handed enforcement, particularly for those who are willing to do the right thing but may not fully understand EPBC Act requirements, may deter stakeholders from undertaking activities with possible EPBC Act interactions. A risk-based, and educational approach is more likely to improve compliance behaviours among stakeholders over the long-run and improve environmental outcomes as stakeholders better understand their obligations under the EPBC Act.

Timely resolution of issues is essential to minimise negative economic, environmental and community impacts.

A risk-based approach will also help to direct the National EPA's resources towards enforcing more serious contraventions of the EPBC Act.

INTERIM FINDING 8 UNCERTAINTY HAS HAD ADVERSE IMPACTS

The introduction of the National EPA, coupled with increased penalties and expanded audit powers, has led to uncertainty and fear of compliance actions for stakeholders. The sequencing of the introduction of the reforms without guidance materials has also contributed to this uncertainty. In response, stakeholders, particularly landholders, are delaying activities that could have a possible impact on MNES, even if these activities would likely yield positive environmental or productivity outcomes.

INTERIM FINDING 9 SOME ENTITIES ARE CONCERNED THEY CANNOT ABSORB THE BURDEN OF EPBC ACT COMPLIANCE

There is particular concern from small businesses and local government of penalties under the EPBC Act, even for genuine mistakes.

When the cost of professional services and advice is prohibitive or not proportionate to the activity, this may result in stakeholders avoiding any actions that may trigger EPBC Act requirements altogether, rather than attempting an assessment. This can include activities that have a positive environmental impact.

INTERIM RECOMMENDATION 2 AWARENESS OF AUSTRALIAN GOVERNMENT COMPLIANCE AND AUDIT ACTIVITY

Where it minimises regulatory burdens and maintains effective compliance requirements, the Queensland Government should have regard to the audits, compliance and enforcement actions being conducted by the Australian Government. There may be opportunities to reduce the regulatory burden, in areas such as information collection and compliance activities.

Assessment pathways

INTERIM FINDING 10 IMPACTS OF REFORMED ASSESSMENT PATHWAYS REMAIN UNCERTAIN

The Commission estimates approval decisions in Queensland were taking over 1,150 days on average ahead of the introduction of a streamlined assessment pathway and that timeframe has increased over time.

Impacts of reformed assessment pathways remain uncertain, as they are yet to be implemented and remain dependent on regulator discretion in undertaking assessments. However, early evidence suggests the impact of the reform will be modest, with the 20-day reduction in the approval timeframe only applying to the most straightforward Streamlined assessment pathway. Historically, less than 2 per cent of Queensland projects have accessed the most straightforward pathway.

INTERIM FINDING 11 ADDITIONAL FOSSIL FUEL RESTRICTIONS ARE INEFFICIENT

The new restrictions on fossil fuel actions impose additional costs without a demonstrable additional direct benefit to protected matters.

INTERIM FINDING 12 HAVING APPROVALS LAPSE AFTER FIVE YEARS COMES AT HIGH COST TO AFFECTED PROJECTS

Lapsing provisions could allow environmental impacts to be more effectively managed where environmental conditions significantly change over time. However, it is not clear how common it is for environmental conditions to significantly change over a five-year period.

The new obligations have the potential to introduce considerable compliance costs, delay and uncertainty for any project that requires re-assessment.

Around 6 per cent of relevant projects may be impacted by the new lapsing provisions. Queensland-based residential, water and fossil fuel projects may be disproportionately affected as these types of projects require multiple approvals from separate regulatory regimes, which can be a contributing factor to projects not progressing within the five year period.

Commonwealth–State coordination

Interim Finding 13 Queensland's assessment agreement is relatively narrow

Queensland's bilateral assessment agreement is narrower in scope than those in other states, and relatively fewer assessments are conducted through accredited processes.

Interim Finding 14 Bilateral agreements can provide net benefits to Queensland

Assessment agreements are highly valued by a wide range of stakeholders. They represent an important mechanism to minimise regulatory costs without compromising environmental objectives under Queensland laws and the EPBC Act.

Approval agreements represent an opportunity to further reduce regulatory process costs. However, they are untested and some stakeholders believe these agreements may increase risks of adverse environmental outcomes.

Bilateral agreements between the Australian and Queensland Governments create risks and costs, but can deliver greater offsetting benefits to the Queensland community if implemented appropriately:

- The Australian Government is responsible for the EPBC Act and, in principle, should be responsible for the cost of its administration.
- Accredited arrangements for classes of action, where Queensland and Australian regulators reach concordant conclusions in relation to EPBC Act matters can reduce regulatory and administration costs without introducing uncertainty.

Interim recommendation 3 Renew the previous assessment agreement

In negotiating a new bilateral agreement, the Queensland Government should develop an initial 'no regrets' approach that:

- preserves existing assessment pathways in the current bilateral agreement under the *Environmental Protection Act 1994* (Qld) and the *State Development and Public Works Organisation Act 1971* (Qld)
- retains an 'overlay' approach, in which EPBC Act considerations and assessments are only applied to activities regulated by the EPBC Act and broader changes are not made to Queensland Government frameworks.

Interim recommendation 4 Develop options to expand the scope of Queensland's assessment agreement

The Queensland Government should consider options to expand the coverage of a future bilateral assessment agreement. This could include an audit of state-level assessment processes that may be amenable to EPBC Act accreditation.

In the first instance, the Government should consider extending the coverage of the bilateral agreement to processes related to the granting and amendment of site specific and variation environmental authorities under the *Environmental Protection Act 1994* (Qld).

INFORMATION REQUEST 5 THE FOCUS OF FUTURE ASSESSMENT AGREEMENTS

The Commission is seeking additional information from stakeholders on:

- Queensland Government assessment processes for which accreditation would deliver material efficiency benefits to proponents
- views on the benefits, costs, risks, feasibility, or other relevant factors associated with accrediting those assessment processes
- the framework to be applied in determining which processes the Queensland Government should seek to accredit
- what framework could be used to prioritise accreditation proposals.

INTERIM RECOMMENDATION 5 DEVELOP AN APPROVAL AGREEMENT SUPPORTED BY PERFORMANCE CRITERIA

As an initial step, the Queensland Government should engage with the Australian Government to develop an approval bilateral that applies assessment processes accredited under the most recent bilateral agreement.

Noting approval agreements are untested, the Queensland Government should consider a risk-averse approach by:

- measuring the benefits realised through reduced regulatory costs to proponents and potential administrative cost reductions
- weighing those benefits against costs to the Queensland community including any increased fiscal burden
- only maintaining or expanding the agreement if clear net benefits from the above are identified.

The Queensland Government should also ensure that any agreement only applies to activities already regulated by the EPBC Act.

INTERIM RECOMMENDATION 6 CONTINUE GENERAL INTERGOVERNMENTAL COORDINATION

Alongside and in addition to any bilateral agreements, the Queensland Government should continue to work with the Australian Government to coordinate their approaches to data and monitoring to minimise overall administration and compliance costs.

INFORMATION REQUEST 6 GENERAL INTERGOVERNMENTAL COORDINATION

The Commission is seeking further information on specific opportunities that exist to enhance cooperation and coordination between the Queensland and Australian governments beyond a bilateral agreement.

Offsets and restoration contributions

Interim finding 15 Offsets can provide benefits but are expensive and difficult to get right

Project proponents often require offsets to meet EPBC Act obligations. While the evidence suggests they can be an effective mechanism for delivering environmental outcomes, they have not always delivered cost-effective environmental protection due to issues with design, implementation and governance.

Offsets are typically expensive and time consuming to set up. Commission estimates show that pre-reform:

- offsetting requirements could add up to $24,000 to the costs of a dwelling in greenfield residential developments, with average costs around $4,300 per dwelling
- for major infrastructure, mining and energy projects, offset costs can be substantial, typically ranging from around 2 per cent to 43 per cent of total project capital costs
- for projects with smaller environmental impacts, direct offset costs may be modest, however, delays associated with offset approvals have often imposed significant costs.

Despite high costs, state and national offset schemes have often failed to deliver promised environmental outcomes.

Interim finding 16 Assessment of reforms to offsetting arrangements

Effective implementation of offsets reforms will depend on standardised methodologies, clear guidance, and robust evidence, which has not yet been developed. Restoration contributions can improve the strategic delivery of offsets, but their effectiveness depends on pricing, governance, and accountability arrangements.

There is also misalignment between Australian and Queensland offset requirements that can lead to duplicate obligations, increased compliance costs and barriers to using existing state-developed offsets for national environmental matters.

Interim finding 17 Reforms to offsetting are likely to be costly with few immediate benefits

While the new offsets regime is due to commence on 1 December 2026, much of the architecture to support the new framework has not been developed or published. As a result, there are likely to be significant transitional costs, including those arising from investor uncertainty, until these issues are resolved.

In the absence of complementary instruments such as conservation plans (including comprehensive bioregional plans), market instruments and effective regulations governing advanced offsetting, the reforms are unlikely to provide benefits to project proponents. Further, higher standards, particularly those relating to net gain, may significantly increase offsetting costs in Queensland.

While the option of using contribution charges could reduce delays for proponents, initial pricing advice from DCCEEW suggests contribution fees are likely to be significantly higher than current offsetting costs and only be available for a small number of matters. This is likely to limit uptake and prevent the contributions holder from achieving sufficient scale to enable landscape-scale approaches.

INTERIM RECOMMENDATION 7 BETTER TRANSITIONAL ARRANGEMENTS FOR NEW OFFSET REQUIREMENTS

The Australian Government is progressively developing arrangements for the new offset requirements. Several options could be undertaken to improve certainty for offset providers and project proponents during the transition:

- Prioritise the release of guidance on the application of the mitigation hierarchy to improve certainty regarding residual impacts and offset obligations.
- Adopt interim net gain requirements at very low levels and develop evidence-based methodologies and protected matter-specific guidance through consultation with stakeholders.
- Establish default baseline assumptions and assessment parameters to support consistent decision-making while more detailed technical guidance is prepared.
- Consult with state governments, industry and environmental stakeholders on the sequencing and commencement of reform elements that rely on undeveloped frameworks, policy or guidance material.

Pausing new offset requirements until these minimum requirements have been addressed could be considered.

INTERIM RECOMMENDATION 8 OPPORTUNITIES TO REFORM QUEENSLAND'S OFFSET SCHEME

The Queensland Government should consider options to enable the recognition of state-scheme offsets for matters of national environmental significance, with the aim of reducing duplication, improving regulatory certainty and supporting a more efficient environmental offsets framework.

In reforming the Queensland scheme, the Queensland Government should:

- ensure reforms do not impede future accreditation or recognition that would allow proponents to make a single financial contribution for matters of state and national significance
- work with the Australian Government to facilitate recognition of Queensland advanced offsets under the EPBC Act framework.

INTERIM RECOMMENDATION 9 OFFSET CONSIDERATIONS IN BIOREGIONAL PLANNING

The Queensland Government should ensure that any bioregional plans it develops include appropriate consideration for whether they support more effective and efficient use of offsets. This could include the provision of evidence that allows proponents to use more flexible offsetting approaches that enable effective threat management for threatened species and ecosystems, departures from strict geographical requirements, improved landscape-scale management and indirect offsetting where this is appropriate.

Where practical, accredited bioregional plans should appropriately consider future offset needs and provide sufficient certainty to encourage advanced offsetting.

Landscape-scale pathways

INTERIM FINDING 18 THE POTENTIAL BENEFITS OF BIOREGIONAL PLANS ARE CONTINGENT ON EFFECTIVE TARGETING AND DESIGN IN HOW THEY ARE IMPLEMENTED

Bioregional plans have the potential to deliver a range of potential cost savings for users, however the realisation of such benefits is contingent on addressing a range of design challenges.

To date, there are limited examples nationally of landscape-scale plans being effectively implemented.

INTERIM RECOMMENDATION 10 APPLY A LANDSCAPE-SCALE PLANNING DECISION-MAKING FRAMEWORK

The Queensland Government should identify and assess options for landscape-scale plans based on the nature of development, the region in consideration, the demand for future development, the cost of developing the plan and the possible benefits (such as the extent of adoption by stakeholders).

INTERIM RECOMMENDATION 11 STAGED PROGRESSION TOWARDS CONSERVATION AND DEVELOPMENT ZONES

The Queensland Government could consider adopting a progressive, risk-based approach to designating development and conservation zones in bioregional plans. This could involve starting with smaller designated development and conservation zones for the lowest (development zones) and highest (conservation zones) risk areas.

As part of the staged progression, the Queensland Government should monitor and evaluate the impacts of bioregional planning documents, including how they enable and prevent development and contribute to secondary impacts, such as a possible impact on the efficiency of land use. As the impacts of these zonings are evaluated over time and provided undue consequences from these classifications are not identified, the threshold for zoning conservation and development zones could be expanded.

INFORMATION REQUEST 7 APPLICATIONS OF LANDSCAPE-SCALE PLANNING

The Commission is seeking further insights from stakeholders on the potential of using landscape-scale planning tools to more effectively and efficiently address EPBC Act requirements. Specifically, the Commission is seeking insight on:

- the EPBC Act requirements that would yield the greatest benefit from the support of a landscape-scale planning tool
- the action or class of actions that would yield the greatest benefit from the support of a landscape-scale plan
- the most suitable landscape-scale planning tool to support specific reforms and/or actions
- the existing tools, capabilities, or policies the Queensland Government could leverage to support the development and ongoing delivery of a landscape-scale plan.

INTERIM RECOMMENDATION 12 CAPTURING MATTERS OF STATE ENVIRONMENTAL SIGNIFICANCE (MSES) IN BIOREGIONAL GUIDANCE PLANS

The Queensland Government should establish a minimum threshold of information on MSES, and possibly local matters, to include in bioregional guidance plans, such that the plans reduce future proponents' needs to undertake cumbersome data collection and to undertake other duplicative processes.

INFORMATION REQUEST 8 STATE ACCREDITATION OF REGULATORY BIOREGIONAL PLANS

The Commission is seeking further information to understand the feasibility of establishing a pathway to state-level recognition of bioregional planning tools. Specifically, the Commission is seeking information on:

- existing legal mechanisms that could enable the Queensland Government to endorse bioregional plans
- the extent of information that would need to be captured on matters of state environmental significance to enable state endorsement of regulatory bioregional plans.

Other reforms

INTERIM FINDING 19 GREENHOUSE GAS EMISSIONS REPORTING

Addressing greenhouse gas (GHG) emissions is best addressed through specific policy mechanisms, rather than through the EPBC Act. To the extent the GHG reporting requirements in the EPBC Act align with requirements under the Safeguard Mechanism, these impacts may be modest. However, there is unlikely to be an offsetting benefit.

INFORMATION REQUEST 9 GREENHOUSE GAS EMISSIONS REPORTING

The Commission is seeking further information on:

- the extent that proponents under the EPBC Act already prepare estimates of GHG emissions for prospective activities
- any additional costs, due to the 2025 reforms, associated with preparing estimates and information on potential GHG emissions and associated mitigation efforts.

INFORMATION REQUEST 10 ENVIRONMENT INFORMATION AUSTRALIA

The Commission is seeking further information on:

- the impact on regulatory burden from the reforms to Environment Information Australia
- any risks or concern with the sensitivity of data provided through this process.

INFORMATION REQUEST 11 WILDLIFE TRADE, OFFSHORE PROJECTS AND STATUTORY COMMITTEES

The Commission is seeking further information on amendments to the EPBC Act related to wildlife trade operations, offshore projects and statutory committees, including any potential benefits, costs or unintended consequences to the Queensland community from the reforms.

1.0
Introduction

1.1 About the Inquiry

On 13 April 2026, the Queensland Government asked the Queensland Productivity Commission (the Commission) to undertake an inquiry into the impacts of the Australian Government's 2025 reforms to the *Environment Protection and Biodiversity Conservation Act* (Cth) (EPBC Act) on Queensland. The Commission has also been asked to examine how the 2025 reforms affect Queensland in practice, by focusing on regulatory burden, economic impacts, implementation risks and operational arrangements.

The terms of reference for the Inquiry ask the Commission to investigate:

- the impacts of the 2025 reforms, including on costs, timeframes, uncertainty and across different industries, regions and types of proponents
- the implications of the 2025 reforms for investment (including housing delivery and infrastructure), business viability, productivity and economic activity in Queensland
- the extent to which Commonwealth–State bilateral agreements, accreditation frameworks and related arrangements provide opportunities to reduce duplication and improve certainty
- practical options to reduce unnecessary regulatory burden and improve efficiency, certainty and proportionality in the application of the 2025 reforms in Queensland
- opportunities to improve alignment between Australian Government and Queensland Government frameworks without undermining Queensland's regulatory autonomy
- the extent to which the 2025 reforms shift regulatory, administrative or financial responsibilities to the Queensland Government.

The full terms of reference are available in Appendix A.

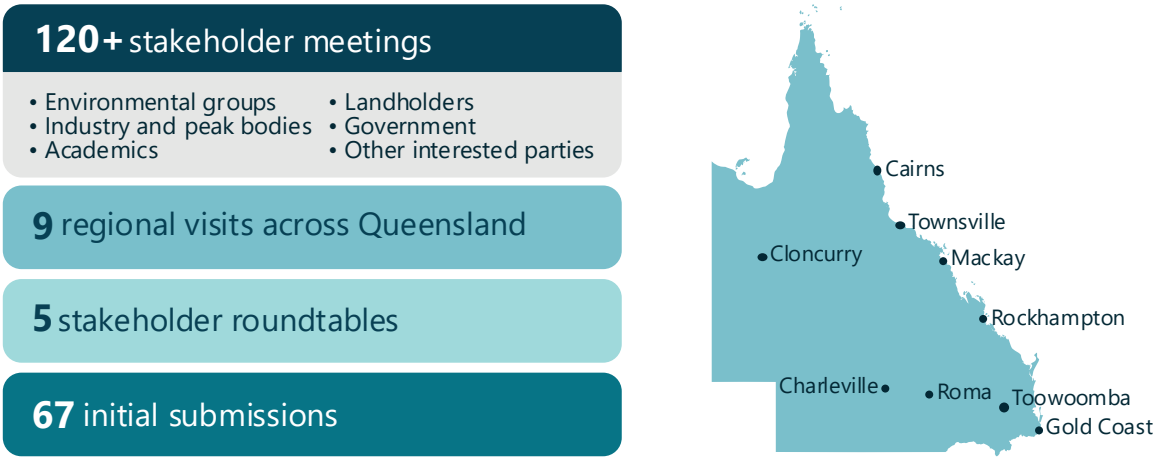
Stakeholder consultation

Following the receipt of the terms of reference the Commission undertook an initial round of consultation, including releasing a Call for Submissions paper in May 2026 and undertaking stakeholder consultation and regional visits across Queensland.

A list of stakeholders who have engaged with the Commission is available in Appendix B.

The Commission would like to thank stakeholders for their involvement in the Inquiry so far, and we look forward to further engagement on the matters raised in this Interim Report.

Figure 1.1 Overview of consultation for the Interim Report



1.2 Our approach to the Inquiry

In May 2026, the Commission issued a Call for Submissions paper, providing background information to the Inquiry and guidance on making a submission. An initial round of consultation with stakeholders also commenced.

Stakeholder feedback to date reflects the diverse views held in the community on the EPBC Act and 2025 reforms.

- All generally highlighted the importance of the environment to the Australian and Queensland economies. Many expressed their concerns regarding the ongoing deterioration of Australia's natural environment and the ability of the 2025 reforms to redress this deterioration.
- Concerns were raised on the potential cost of the reforms to productivity and the increasing costs to businesses to understand, comply and maintain compliance with the applicable environmental obligations. Some noted the potential for perverse environmental consequences to result from the 2025 reforms; leading to a further deterioration of the environment.
- Most stakeholders highlighted the difficulty to assess and undertake actions to be compliant with the reforms due to the staged approached to implementation. This has resulted in uncertainty as core materials are yet to be finalised, and limited clarity on how the new obligations will be interpreted and applied.

At the time of drafting the Interim Report several key instruments are yet to be drafted, consulted on, or implemented. Within this context, the Interim Report is focused on apparent impacts to Queensland and potential measures to deliver the environmental objectives at a lower cost to individuals, businesses and the economy.

This Report provides interim findings and interim recommendations:

- interim findings are conclusions reached by the Inquiry at this point in time
- interim recommendations are specific actions and reforms proposed for government.

The interim recommendations focus on proposals that:

- reduce compliance and economic costs while maintaining or improving environmental outcomes
- appear to have a clear and compelling case for action based on current information
- are within the scope for the Queensland Government to influence outcomes.

The Interim Report identifies and discusses issues and potential actions and reforms that could be taken by all levels of government to improve the operation of the reforms. However, the Commission is cognisant of the position currently being communicated by the Australian Government, namely, that primary legislation has passed the Parliament and the focus is now on supporting regulatory instruments and practice (DCCEEW, sub. 44, p. 9).

As such, areas identified by the Commission for further consideration primarily relate to regulations, rules, inter-jurisdictional instruments and state-based instruments, even where there may be a case to reform the primary legislation. This is consistent with the Inquiry's terms of reference that focus on actions the Queensland Government can take.

A particular challenge for the Inquiry is the uncertainty in the implementation and impacts of the reforms. As the Inquiry progresses, so does the implementation and release of guidance to stakeholders. Moreover, the impacts, effectiveness and efficiency of the reforms will depend on the practices of regulators and interventions of ministers — these practices and interventions may take years to fully implement and will remain susceptible to changes according to shifts in attitudes and preferences of the community, stakeholders, agencies and governments.

In this context, the Commission is seeking to test the interim findings and recommendations in this Interim Report with stakeholders before the Final Report is submitted to government. Information requests are also presented seeking stakeholders' evidence-based input to specific issues, to inform the development of the Final Report.

The planned course of the remainder of the Inquiry is presented in Figure 1.2.

Figure 1.2 Inquiry process



1.3 Interim Report structure

The Interim Report is structured as follows:

- **Chapter 1 Introduction** — About the Inquiry and the Interim Report.
- **Chapter 2 Background** — Contextual background about the Inquiry, including trends in environmental outcomes and developments leading to the 2025 environment protection reforms.
- **Chapter 3 Analytical framework** — The Commission's analytical approach to the Inquiry.
- **Chapter 4 Land management** — Implications of changes to the land clearing exemption.
- **Chapter 5 National Environmental Standards** — Implications of the new National Environmental Standards, the 'no regression rule' applying to the Standards, unacceptable impacts and protections statements.
- **Chapter 6 Compliance and enforcement** — Implications of the establishment of the National Environmental Protection Agency, along with stronger penalties and new enforcement powers.
- **Chapter 7 Assessment pathways** — Implications of the changes to assessment pathways and associated reforms.
- **Chapter 8 Commonwealth–state coordination** — The role of bilateral agreements to support regulatory and administrative efficiency.
- **Chapter 9 Offsets and restoration contributions** — Implications of changes to offsetting arrangements.
- **Chapter 10 Landscape-scale planning** — Implications of changes to landscape-scale planning, including strategic assessments and bioregional plans.
- **Chapter 11 Other reforms** — An overview of other reforms and their potential implications.

2.0
Background

Key points

- The *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) and accompanying regulations are Australia's primary environmental legislation at the national level. The EPBC Act supports Australia's obligations under international environmental agreements via the protection of matters of national environmental significance (MNES).
- Where an action may impact an MNES, the action may need to be referred to the Australian Minister for the Environment for consideration and approval.
- The EPBC Act operates alongside state environmental legislation and regulation, but state approval does not automatically satisfy Australian Government obligations.
- The EPBC Act has been independently reviewed on several occasions. Despite incremental legislative and procedural changes being made in response to these, several issues remain, including:
  - a lack of clarity around the overarching objectives of regulation under the Act, and a view that the EPBC Act neither effectively nor efficiently meets its regulatory objectives
  - assessment processes established under the Act were viewed as unclear, needlessly complicated and insufficiently transparent, adding costs to business, often with little benefit to the environment.
- In November 2025, the Australian Government passed the Environment Protection Reform Bill to amend the EPBC Act and 11 other Acts, with the stated objectives to deliver:
  - stronger environmental protection and restoration
  - more efficient and robust project assessments
  - greater accountability and transparency in decision making.
- The effectiveness and efficiency of the EPBC Act is particularly important for Queensland given the interrelationship between the economy and the environment:
  - Queensland produces 24.5 per cent of Australia's agricultural, forestry and fishing output and 17 per cent of Australia's mining output
  - Queensland's construction pipeline is worth about $40 billion and represents 21 per cent of Australia's construction output
  - more than half of Queensland's economy has a moderate to very high *direct* dependency on natural capital.
- Queensland also has a substantial number of matters that fall under the EPBC Act:
  - On average, there are six threatened or migratory species within 1 km of any given location within Queensland.
  - MNES are also typically concentrated near population (and economic) centres, for example, there are on average 21 threatened or migratory species within 1 km of any given location in South East Queensland.
- Queensland consistently has one of the highest rates of EPBC Act referrals among states. Referrals in Queensland are also more likely to result in a controlled action.

2.1 Environmental regulation in Australia

The legislative and policy framework

The *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and accompanying regulations are Australia's primary environmental legislation at the national level. The Australian Parliament passed the EPBC Act in 1999 and it commenced in July 2000.

The introduction of the EPBC Act supported Australia's obligations under international environmental agreements. It implemented aspects of the 1992 Intergovernmental Agreement on the Environment and the 1997 Heads of Agreement on Commonwealth and State Roles and Responsibilities for the Environment, and consolidated laws relating to environmental impact assessment, national parks, world heritage and endangered species (DCCEEW 2021b; Department of Parliamentary Services 2022, pp. 41, 44; Parliament of Australia 1998, pp. 5, 7–9).

The objectives of the EPBC Act are to:

- provide for the protection of the environment, especially those aspects of the environment that are matters of national environmental significance
- promote ecologically sustainable development through the conservation and ecologically sustainable use of natural resources
- promote the conservation of biodiversity
- promote a co-operative approach to the protection and management of the environment involving governments, the community, landholders and Indigenous peoples
- assist in the co-operative implementation of Australia's international environmental responsibilities
- appreciate the role of Indigenous peoples in protecting and sustainably using the environment
- promote using Indigenous peoples' knowledge, with their permission and cooperation (DCCEEW 2026k).

In general terms, the EPBC Act aims to deliver on these broad objectives via the protection of nine matters of national environmental significance (MNES) (Box 2.1), along with biodiversity considerations, ecological communities and protected areas.

Where an action may impact a MNES, a proponent needs to self-assess whether there may be a significant impact and decide whether to make a referral to the Australian Minister for the Environment (the Minister) for consideration and approval.

The Minister may also request the proponent refer the proposal to the Minister if the proposed action may be a controlled action.

Box 2.1 Matters of National Environmental Significance

The EPBC Act protects nine matters of national environmental significance:

- world heritage areas
- national heritage places
- wetlands of international importance (also known as Ramsar Wetlands)
- listed threatened species and ecological communities
- listed migratory species (protected under international agreements)
- Commonwealth marine areas
- the Great Barrier Reef Marine Park
- nuclear actions (including uranium mines)
- water resources (that relate to unconventional gas development and large coal mining development).

The EPBC Act also protects the environment when actions are taken:

- on Commonwealth land or impact upon Commonwealth land
- by an Australian Government agency anywhere in the world
- that impact Commonwealth heritage places overseas.

Source: DCCEEW 2025g, 2026am.

The need for environmental protection

The trajectory of environmental outcomes highlights the need for environmental protection, which may be underprovided if left to private decisionmakers alone (Hepburn 2010). For example:

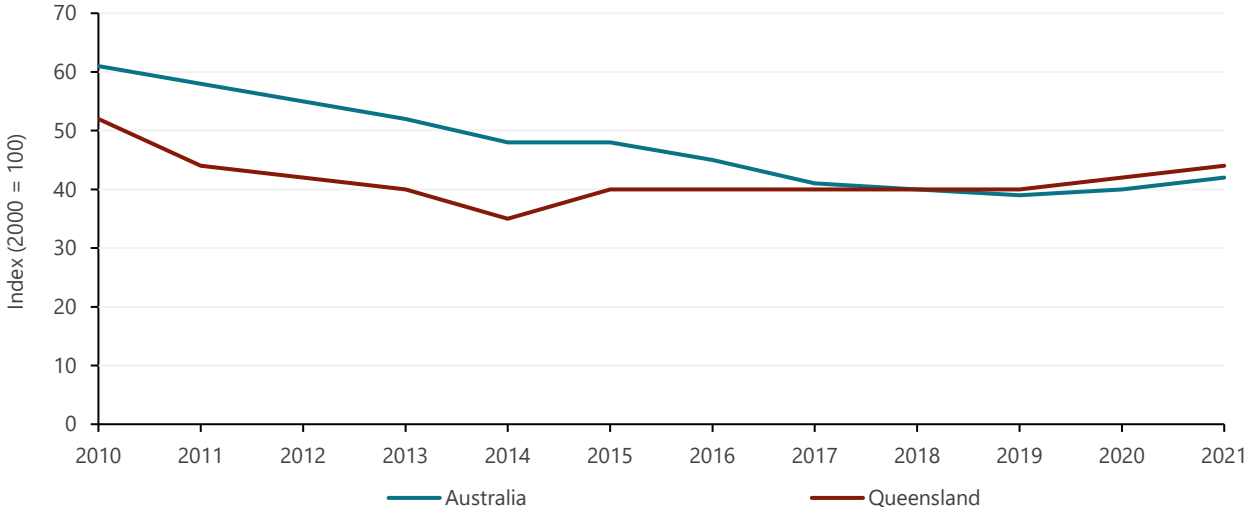
- the number of threatened species has increased (State of Queensland 2025b, p. 3), with the average population size of threatened species in 2021[7] less than half the size it was in 2000 (see Figure 2.1). Extinction rates in Australia are predicted to escalate (Legge et al. 2023)
- the extent and quality (and the rate of change) of native vegetation is worsening. Of the 13 Queensland bioregions, 12 had a declining average core area, which suggests increasing pressure due to fragmentation (ACF 2022, p. 14; Legge et al. 2023, p. 4; State of Queensland 2025b, p. 15)
- the International Union for Conservation of Nature (2025) World Heritage Outlook categorises two of Queensland's five natural world heritage sites as having 'significant conservation concerns'. The Great Barrier Reef is Australia's only world heritage site that is ranked as critical.

Similarly, the Australian Government's 2021 State of the Environment Report found that, overall, the state and trend of the environment in Australia are poor and deteriorating (DCCEEW 2021a).

[7] Latest data available.

Figure 2.1 Threatened Species Index, Queensland and Australia 2010 to 2021

The average population size of threatened species is now less than half the size it was in 2000



Note: The Threatened Species Index represents the average change in population size of threatened species relative to a reference year of 2000 (when the index equals 100). A smaller index value means the average population sizes of threatened species are smaller. The threatened species categories included are: vulnerable, endangered and critically endangered. Data are only reported by the ABS up to 2021.

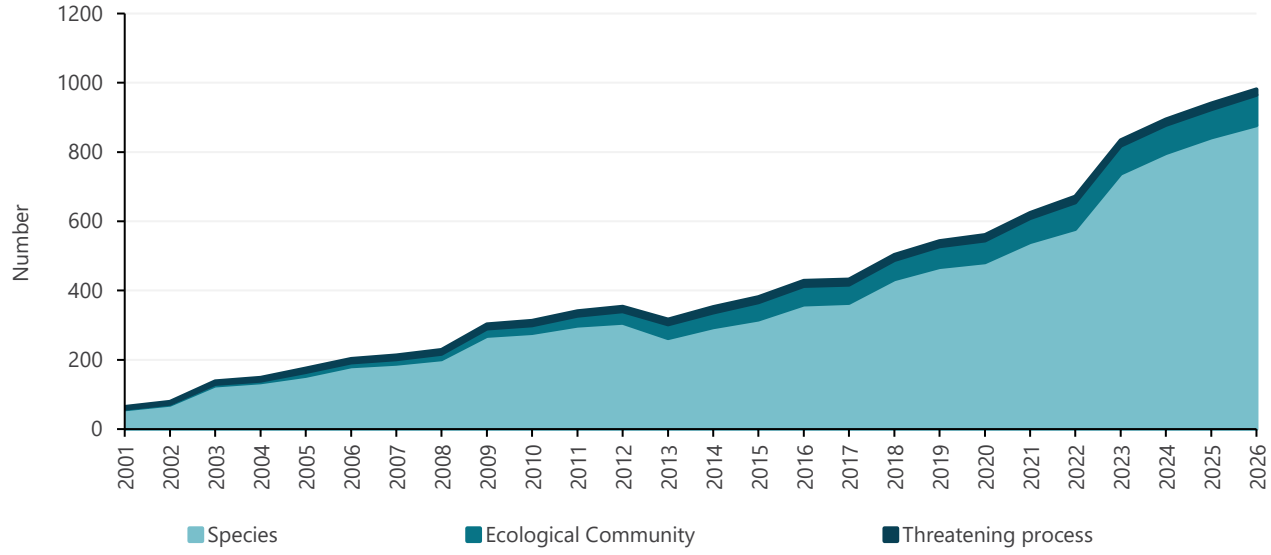
Source: QPC based on ABS 2026b.

While the EPBC Act protects a range of matters, the conservation of Australia's biodiversity is typically managed through listing of threatened species, ecological communities, migratory species and important marine areas.

Since the start of the EPBC Act, almost 1,000 species and ecological communities have been added to the protected matters lists (Figure 2.2). This may be driven both by actions that negatively impact the environment (potentially leading to a new threatened species) and proactive measures by the regulator (for example, to identify and include existing threatened species on the lists).

Figure 2.2 Cumulative change to the protected matters lists since 2001, Australia

The number of protected matters has steadily increased since the start of the EPBC Act



Source: DCCEEW 2026al, 2026ak.

The Queensland Government (2025b, pp. 15, 21, 26, 37) State of the Environment Report identifies several pressures contributing to these poor environmental outcomes, including:

- vegetation clearing and habitat loss
- invasive, non-native and/or problematic species
- land-use and other human impacts, including resource extraction, livestock production, agricultural bi-products (such as pesticides) and landscape changes from development
- climate change impacts and severe weather events, including adverse fire events.

The relative impact of these pressures on environmental outcomes depends on the species or matter being considered (Legge et al. 2023, p. 4; Ward et al. 2021, p. 11755), the location and extent of the pressure (Ward et al. 2021, pp. 11753, 11757), and the timeframe being considered (Kearney et al. 2023, p. 7; Ward et al. 2021, p. 11753).

Further, many ecosystems and species are susceptible to multiple pressures and there can be significant interactions between these pressures that, in turn, have marked effects (Dickman & Lindenmayer 2022, p. 45; Kearney et al. 2020, p. 281, 2023, p. 8).

This suggests the need for a range of coordinated management approaches that reduce the impacts of key threats such as habitat loss and degradation, invasive pests and poor fire management regimes (Kearney et al. 2020, 2023).

Submissions to this Inquiry indicate stakeholders agree on the need for environmental protection.

However, the way environmental protections are implemented matters — including the manner in which actions that have the potential to cause harm are regulated. Stakeholder views can differ on the effectiveness of the reforms in achieving better environmental outcomes and on appropriate further measures. Chapter 3 outlines the Commission's framework for examining the impact of the reforms and evaluating opportunities for improvement.

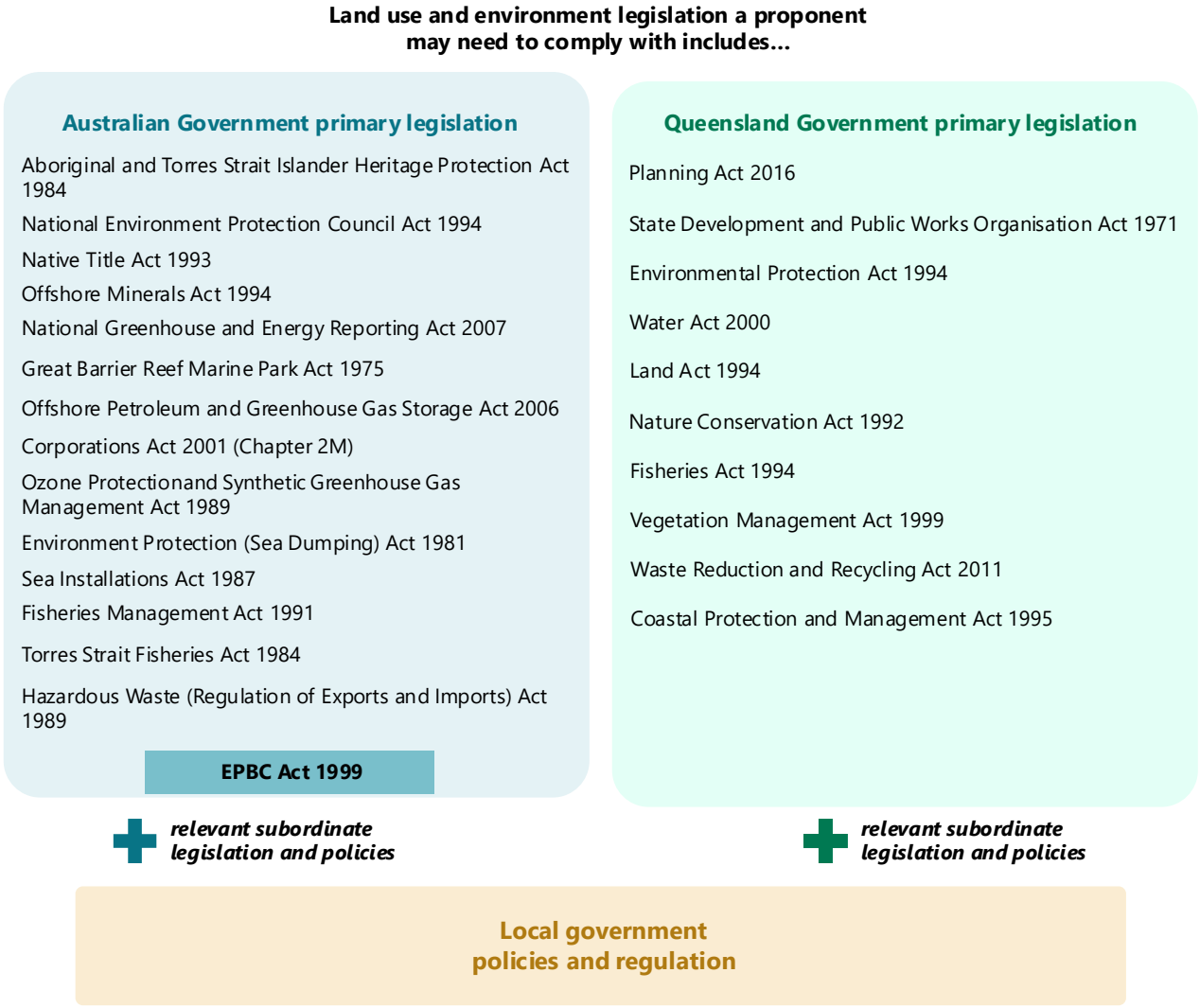
The EPBC Act operates concurrently with Queensland legislation

Australia's constitution does not explicitly provide the Australian Government powers to make laws relating to environmental protection and biodiversity conservation (Department of Parliamentary Services 2022, p. 41). The EPBC Act also does not supersede state environmental protections. Instead, the EPBC Act operates *concurrently* with state laws (EPBC Act, s. 10).

In Queensland, a range of key legislation and associated instruments act to protect the environment (Figure 2.3). Local governments also manage planning approvals and regulate matters of local environmental significance via local planning instruments (DETSI 2024).

State (or local government) approval does not automatically satisfy Australian Government obligations. This can lead to regulatory duplication, where projects need to engage with multiple regulatory frameworks, resulting in repeated assessments of environmental impacts.

Figure 2.3 A large and growing volume of environmental regulation



Private sector and other government activities can also offer some environmental protection

Governments also administer a range of other regulatory and non-regulatory tools to protect the environment — for example, through managing protected areas or through direct programs and initiatives that contribute to positive outcomes for biodiversity (State of Queensland 2025b, pp. 17, 22, 28, 32, 38).

In addition to regulatory settings and programs, an increasingly diverse range of private incentives, quasi-regulatory arrangements and commercial practices also affect entities' interactions with environmental assets.

- Banks, investors and retailers are increasingly facing calls from third parties to address the environmental impacts of private activity associated with financing arrangements and supply chains. For example, Australian banks are investigating claimed instances of illegal land clearing and regulators are acting on matters raised by the public, based on publicly available information
- Individuals and firms have, or are, increasingly taking a proactive stance on the way they interact with the environment because they have the private incentives to do so. This may take the form of stewardship, in seeing the importance of effective land management to their current activities, or looking to ensure what is passed on to the next generation is in a better state than how it was received
- Industries are adopting a strategic response to do more than the minimum set of obligations and are 'self-regulating', due to the possible adverse impacts from an externally imposed regulatory response
- Firms may wish to differentiate themselves in the market as 'doing more' or legacy building. For example, industry has been collaborating with the Australian Government to identify better ways to integrate nature in decision making, including how to credibly and efficiently assess biodiversity performance at scale (CSIRO 2026).

The result is an increasingly crowded and complex set of incentives and instruments that influence interactions with the environment.

2.2 Review of the EPBC Act and the 2025 reforms

Under the EPBC Act, an independent review must be conducted every ten years (s.522A). A range of other reports have also been conducted since the EPBC Act's introduction to assess its impact (Box 2.2).

Box 2.2 Reviews of the EPBC Act

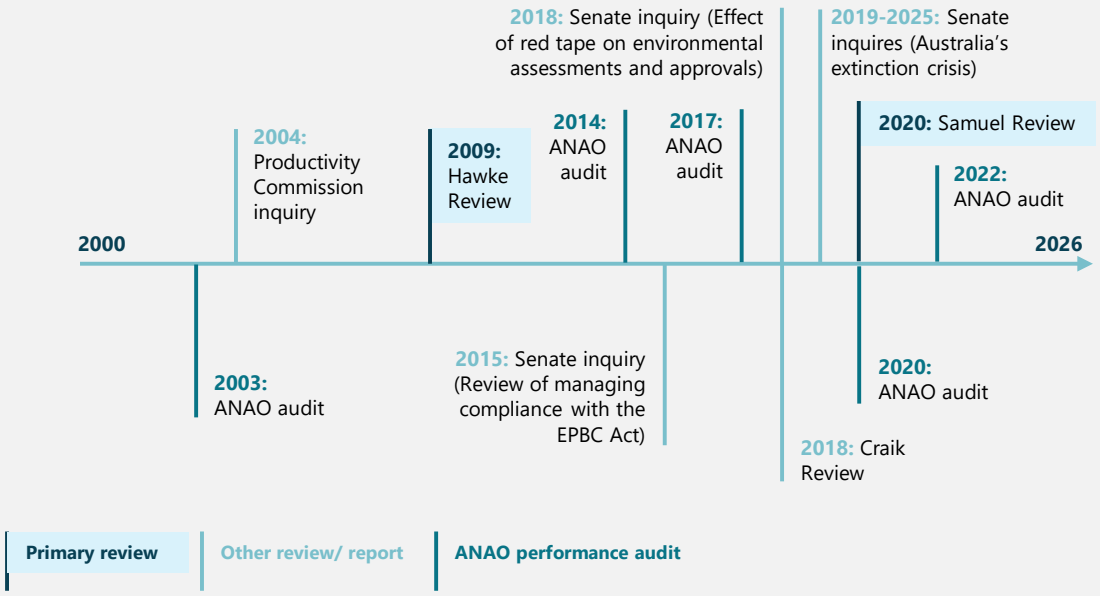
There have been two statutorily required reviews of the EPBC Act to date:

- Dr Allan Hawke led the first, released in late 2009 (Hawke 2009)
- Professor Graeme Samuel led the second, released in early 2021 (Samuel 2020).

A range of other reports and reviews have concerned the EPBC Act. These include:

- a separate review was conducted in 2018 to assess the impact of the implementation of the EPBC Act on agriculture, and identify potential legislative and non-legislative improvements without reducing environmental standards (Craik 2018)
- the Australian National Audit Office has delivered several performance audits of the administration of referrals and controlled actions and other regulatory functions (ANAO 2003, 2014, 2017, 2020, 2022)
- several Senate inquiries have been of relevance to the EPBC Act, including inquiries into environmental offsets, levels of faunal extinction, the effect of red tape on environmental assessment approvals and a review of managing compliance with the EPBC Act (The Senate 2014, 2015, 2018, 2019)
- an inquiry into the impacts of native vegetation and biodiversity regulations (PC 2004).

Figure 2.4 Timeline/overview of selected reviews and reports



Keys issues raised across these reviews and over time (despite incremental legislative and procedural changes being made), include:

- a lack of clarity around the overarching objectives of regulation under the Act, and a view that the Act neither effectively nor efficiently meets its regulatory objectives
- assessment processes established under the Act were viewed as unclear, needlessly complicated and insufficiently transparent, adding costs to business, often with little benefit to the environment
- overlap with other regulation, including confusion about the different roles of the Australian and the state and territory governments in environmental regulation (Craik 2018, p. ix; Hawke 2009, p. 10; Samuel 2020, p. viii).

The Samuel Review (2020)

The most recent statutory review (the Samuel Review) found the EPBC Act was not effectively achieving its environmental objectives:

> *The evidence provided to this Review about the state of Australia's environment is compelling. Overall, Australia's environment is in a state of decline and under increasing pressure. There are localised examples of good outcomes but the national outlook is one of decline and increasing threat to the quality of the environment. At best, the operation of the EPBC Act has contributed to slowing the overall rate of decline. (Samuel 2020, p. 40)*

The Samuel Review suggested the EPBC Act was unable to effectively protect and conserve nationally important matters because the Act lacked clear outcomes for MNES and had operational deficiencies due to:

- a focus on project-by-project assessment rather than landscape-scale assessment
- attention being placed on the identification of threatened species and ecological communities that needed protection rather than identifying how to effectively manage those MNES
- incentives for the preparation of plans rather than attainment of environmental outcomes (Samuel 2020, p. 44).

The Samuel Review also found the EPBC Act did not meet best-practice principles for modern regulation and duplicated state regulatory processes, sometimes resulting in additional costs to businesses without corresponding better environmental outcomes (Samuel 2020, pp. 8–9).

The Samuel Review made 38 recommendations for improving the operations of the Act. These focused on:

- the use of legally enforceable National Environmental Standards, which would set the boundaries for decision-making to deliver the protections needed
- restoration of the environment and facilitation of the scale of investment required to deliver better environmental outcomes
- taking an adaptive approach, through better planning, measuring the effectiveness of implementation and adjusting where needed to achieve outcomes
- harnessing the knowledge of Indigenous Australians to inform environmental management (The Senate 2026a, pp. 109–110).

The Nature Positive Plan

The Australian Government provided a response to the Samuel Review through its *Nature Positive Plan: better for the environment, better for business* (Nature Positive Plan), released in December 2022 (DCCEEW 2022). The Nature Positive Plan was intended to be addressed in three stages:

- legislation to establish a Nature Repair Market and expand the 'water trigger' to unconventional gas development
- the establishment of the National Environmental Protection Agency, Environment Information Australia and faster environmental approval decisions
- substantive reform of the EPBC Act, including the establishment of standards and other major reforms (Gibson 2024, p. 20).

The first stage of the Nature Positive Plan was completed by April 2024, evidenced through the passage of legislation to establish a Nature Repair Market, creating a framework for a legislated, national, voluntary biodiversity market, along with expanding the water trigger within the EPBC Act to apply to unconventional gas projects (The Senate 2026a, p. 15).

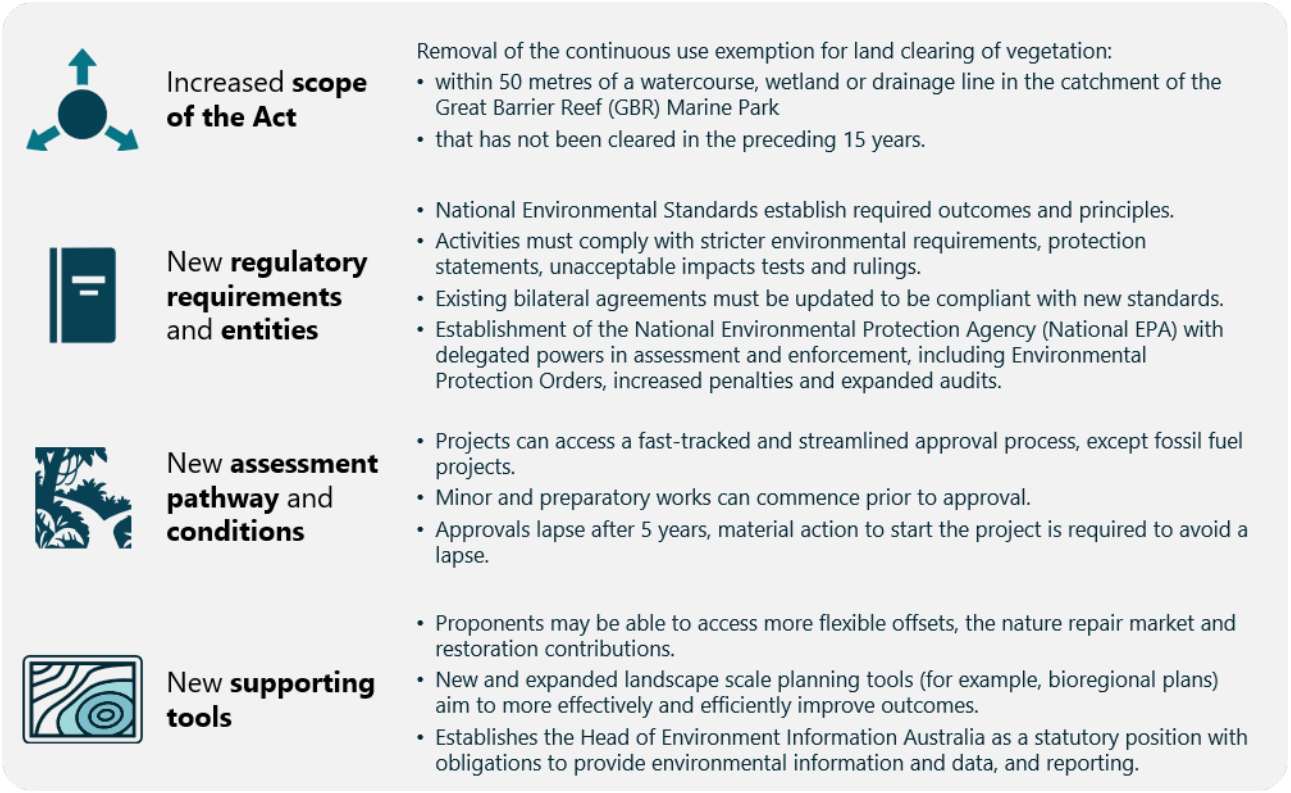
The 2025 reforms

In October 2025, the Australian Government introduced the Environment Protection Reform Bills to amend the EPBC Act and 11 other Acts, with the stated objectives to deliver:

- stronger environmental protection and restoration
- more efficient and robust project assessments
- greater accountability and transparency in decision making (Parliament of Australia 2025d, p. 2).

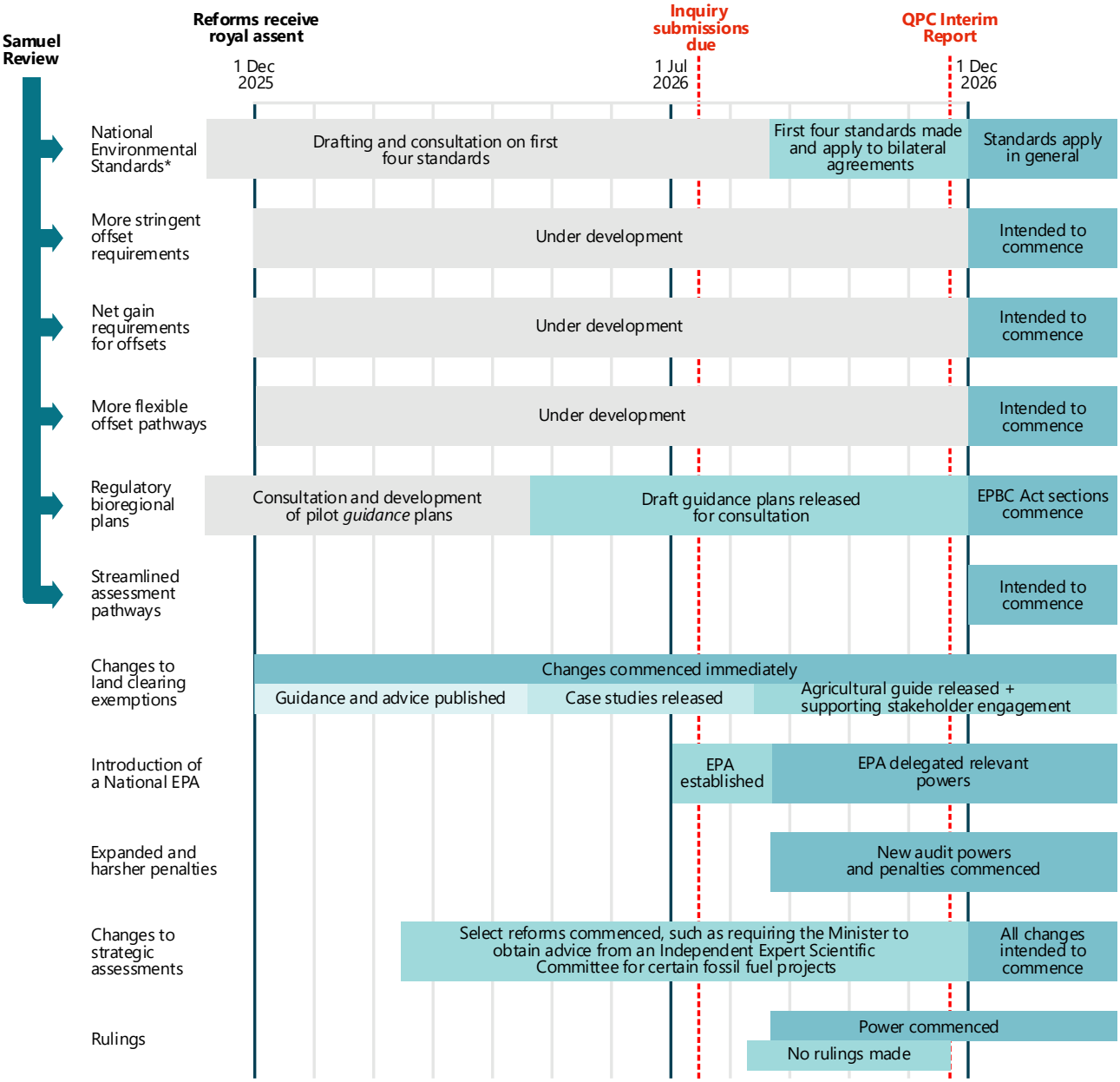
These Bills were passed by the Australian Parliament on 28 November 2025 (Parliament of Australia 2025a) and include a range of changes (Figure 2.5).

Figure 2.5 Summary of the 2025 EPBC Act reforms



The implementation of the 2025 reforms is being delivered in tranches. As such, the potential impact of these reforms on different stakeholder groups and regions is yet to be identified. Figure 2.6 summarises the implementation of the 2025 reforms.

Figure 2.6 Key reforms and their progress



Note: *Future standards are still to be developed, including a National Environmental Standard for First Nations engagement.

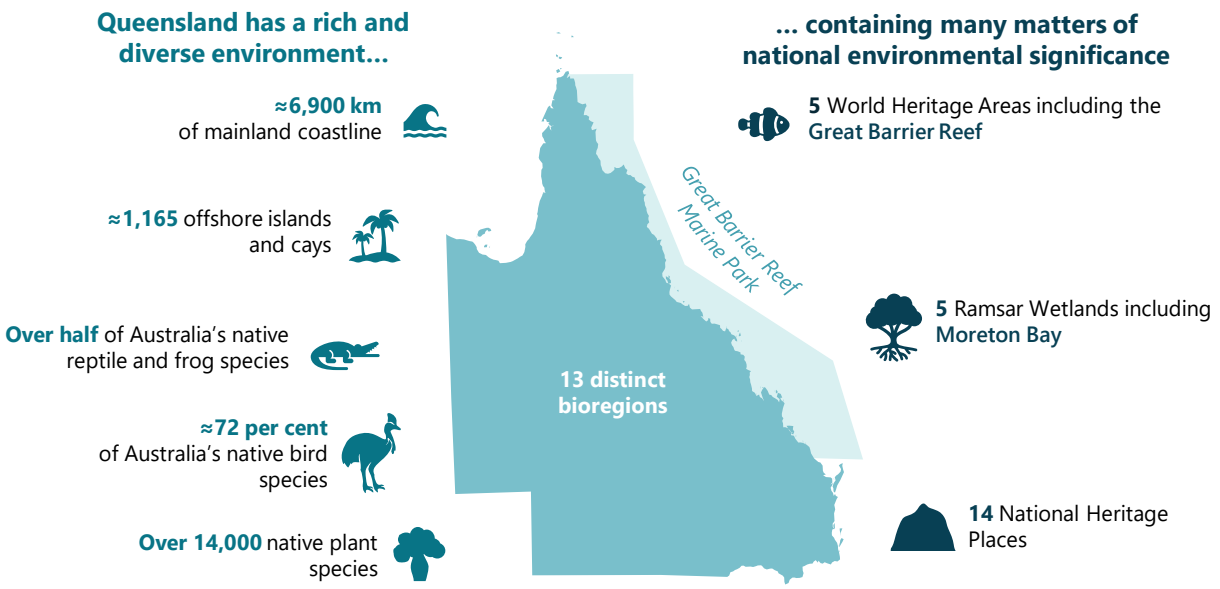
The EPBC Act has important implications for Queensland

Australia is one of 17 countries in the world described as 'mega diverse' — these countries cover less than 10 per cent of the world's area but support more than 70 per cent of its biodiversity (DCCEEW 2026t). Australia also protects a range of heritage sites, including 21 declared places on the World Heritage List (DCCEEW 2026e).

The Queensland Government (2025b) State of the Environment Report highlights Queensland's vast landscape, unique bioregions and places of international significance (see Figure 2.7).

Queensland's (and Australia's) productivity depends on this natural capital. A healthy environment supports agriculture, tourism, fisheries, water quality, economic resilience, flood mitigation and recreation. For example, more than half of Queensland's economy has a moderate to very high *direct* dependency on natural capital (ACF 2022, p. 8.)

Figure 2.7 Queensland has a vast landscape, unique bioregions and places of international significance.



Note: 'Ramsar Wetlands' are those designated as internationally important under the Ramsar Convention on Wetlands.

Source: Australian Government 2024a, pp. 69–70; DCCEEW 2026ak, 2026al, 2026e, n.d.; DETSI 2025, 2026b; Queensland Government 2025b; State of Queensland 2025b, p. 11, 33.

In addition, ecosystems provide a range of benefits that may not be readily captured in market transactions, nor will their contribution always be recognised in economic activities or decision-making processes (ABS 2024).

The long-term strength of Queensland's economy will depend on how it interacts with its natural ecological systems.

The structure of Queensland's economy also means there is a wide range of activities that both depend on, and affect, the environment (Figure 2.8).

Figure 2.8 Measures of Queensland's share of economic production

Key areas of the Queensland economy interact with the EPBC Act

Agriculture, forestry and fishing	**24.3 per cent** of Australia's agricultural, forestry, and fishing output, including: • **32 per cent** of Australia's fruit • **19 per cent** of Australia's vegetables • **45 per cent** of Australia's cattle • **95 per cent** of Australia's sugar cane
Mining	**15.8 per cent** of Australia's mining output **Over 80 per cent** of eastern Australian gas supply
Tourism	**86.6 million** visits per year, including **26 million** overnight visits **23 per cent** of Australia's tourism industry by expenditure
Construction	**$82.5 billion** pipeline in funded infrastructure over the five years to 2030–31 **21 per cent** of Australia's construction output, worth about **$40.3 billion**

Note: Data from most recent available year. Fruit and vegetable production are by value. References to output are gross value added.

Source: ABS 2025a; AER 2025, p. 151; Hort Innovation 2025; Queensland Major Contractors Association 2026, p. 3; Tourism & Events Queensland 2026.

Where these environmental interactions are captured under the EPBC Act, the Act affects activities undertaken by a wide range of industries with diverse characteristics (Table 2.1).

Table 2.1 Characteristics of key affected industries in Queensland

	Coal mining	Beef farming	Infrastructure construction	Housing construction
Nature of facilities	Concentrated among 58 active mines	Dispersed among 20,000 businesses across Queensland	Large energy, transport, telecommunications, water and waste developments	Greenfield residential development
Trade exposure	High — around 90 per cent exported	High — over 64 per cent exported	Domestic-focused	Domestic-focused
Past interactions with EPBC Act	Frequent — 24 referrals since 2024	Rare — No referrals since 2018	Frequent — over 100 referrals since 2024	Frequent — 27 referrals since 2024
Nature of EPBC Act interaction	New or expanded development	New development, expansion, intensification and routine land management	New development	New development
Capacity	Typically, large national or multinational businesses	85 per cent sole traders	Large private and public corporations or government agencies	Diverse range of businesses, from public companies to micro-developers and not-for-profits.

Source: ABS 2025b; National EPA 2026b; Queensland Government 2026c, 2026f, 2026d, p. 11.

Queensland has a substantial number of matters that fall under the EPBC Act:

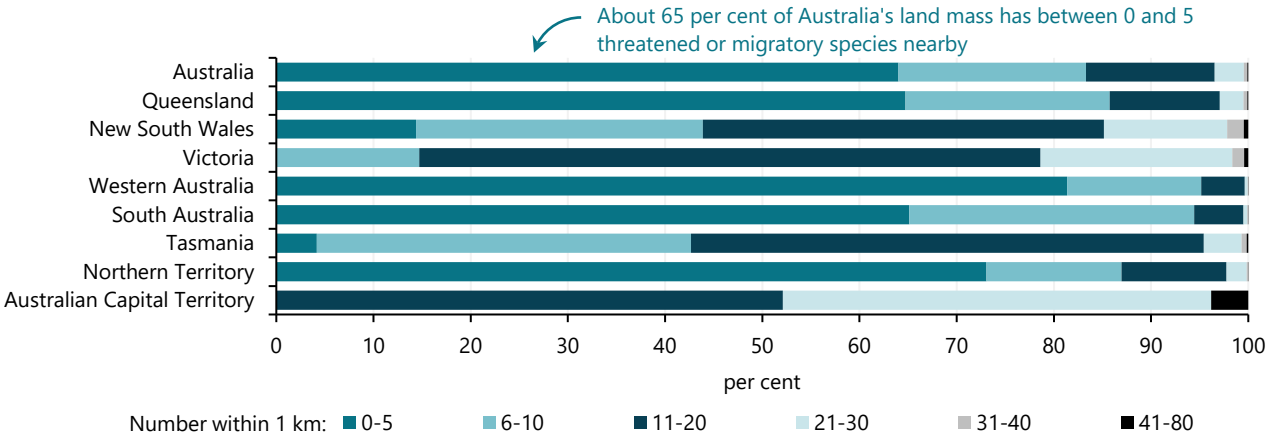
- more than one in four Australian threatened species or migratory birds have some habitat in Queensland
- on average, there are six threatened or migratory species near any given location within Queensland and 21 near any given location in South East Queensland (QPC based on DCCEEW 2026i).[8]

The density of Queensland's threatened or migratory species is comparable to Australia as a whole (Figure 2.9). In contrast, New South Wales (on average, 13 threatened or migratory species near any given location), Victoria (16 near any given location), Tasmania (12 near any given location) and the Australian Capital Territory (ACT) (21 near any given location) all have a significantly higher density of threatened or migratory species than Queensland (as a whole).

[8] Density maps of threatened and migratory species habitat (estimated by DCCEEW) can be used to estimate the average number of threatened or migratory species within an arbitrary location (for example, a state or other geographic area).

Figure 2.9 Exposure of Australian states to given number of threatened species mapped within 1 km

The density of Queensland's threatened or migratory species is comparable to Australia



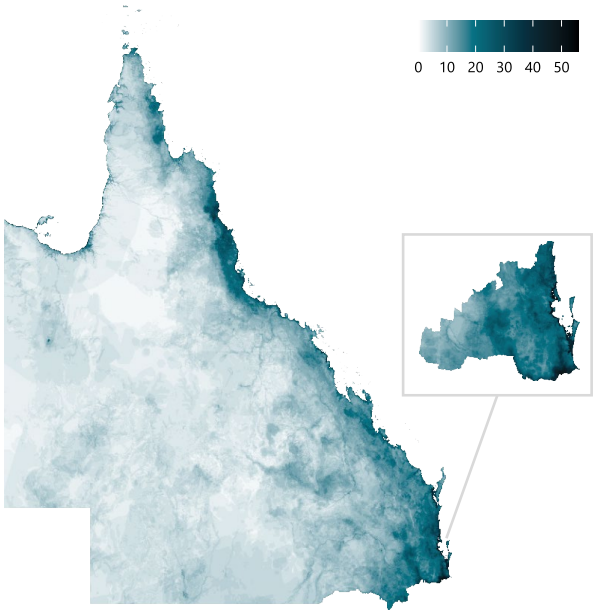
Note: The density map of threatened and migratory species habitat (estimated by DCCEEW) was used to estimate the area of each state that had a given number of threatened and migratory species.

Source: QPC based on DCCEEW 2026i.

Queensland's threatened species are concentrated near Queensland's population centres, as are the majority of projects that have been referred to the Minister under the EPBC Act (Figure 2.10). This is broadly the case across Australia.

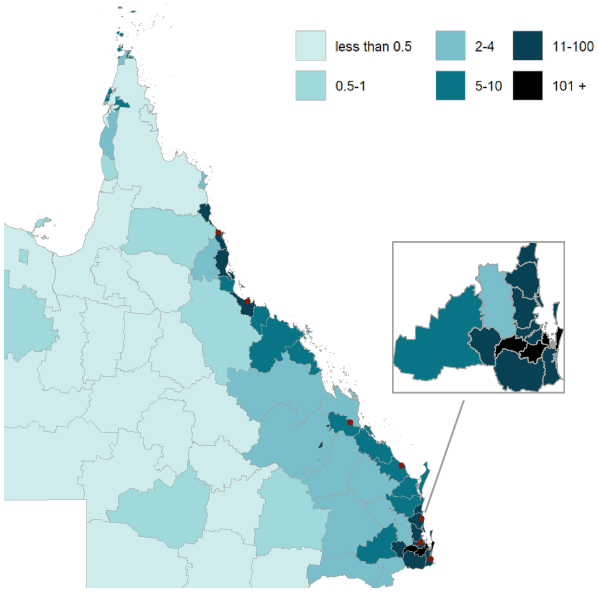
Figure 2.10 Density of threatened and migratory species habitat (left) and EPBC referrals in 2026 (right) in Queensland

Queensland's threatened species and EPBC Act referrals are concentrated near population centres



Note: The density of threatened and migratory species habitat shows the density of modelled likely terrestrial habitat for threatened and migratory species that are listed under the EPBC Act (i.e. species which are matters of national environmental significance) over the mainland and larger islands of Australia. Data are estimated by DCCEEW. The map has been recoloured and cropped.

Source: DCCEEW 2026i.



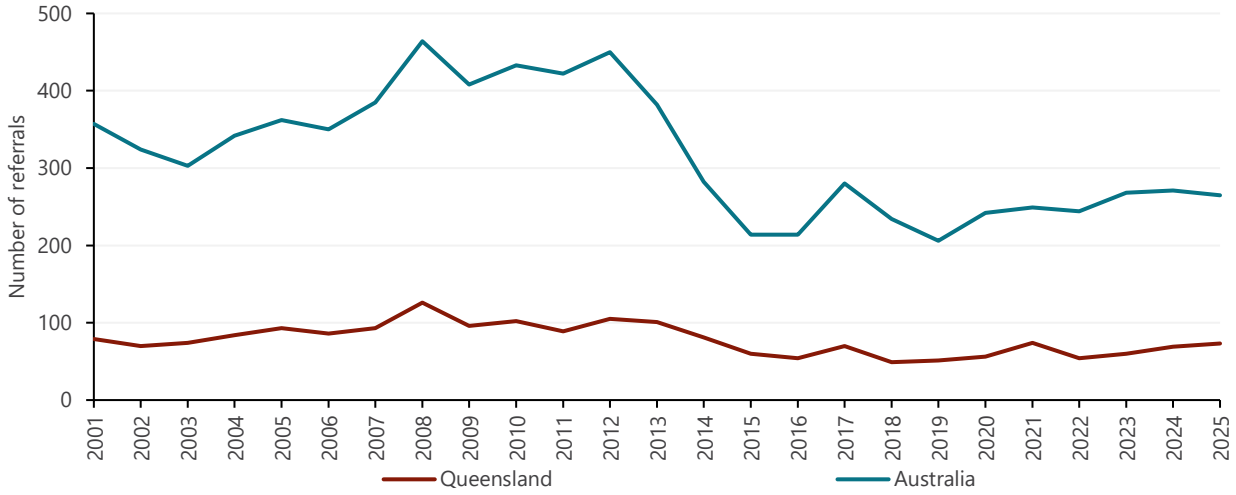
Note: The protected matters search tool was used to search each LGA for the number of EPBC Act projects associated with that location. The count of projects within each LGA was normalised by the LGA area. Given the nature of EPBC Act projects, some projects will be attributed across multiple LGAs.

Source: QPC based on DCCEEW 2026ae.

A proponent is first required to self-assess whether their proposed action may have a significant impact on a protected matter. If so, they need to refer the action to the Australian Minister for the Environment. Figure 2.11 shows the number of referrals received since the EPBC Act was introduced.

Figure 2.11 Number of referrals, 2000–2025, Australia and Queensland

The number of yearly referrals is small

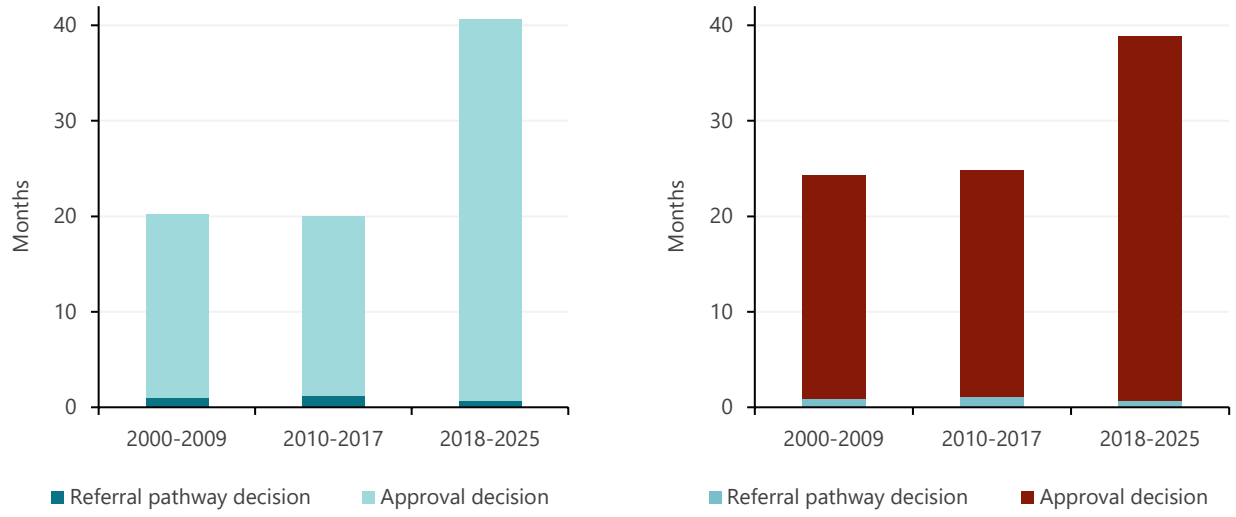


Source: QPC based on National EPA 2026b.

While the number of referrals is relatively small compared to the amount of activity in Queensland, the referral and assessment process involves substantial resources and time. Approval timeframes have grown over the last decade (Figure 2.12). According to CEDA (2026a, p. 3), the *time* taken to prepare a single referral review costs more than $250,000.

Figure 2.12 Median predicted referral and approval time Australia (left) and Queensland (right)

Approvals are taking longer



Note: An accelerated failure time model was used to estimate the duration of approvals, accounting for a range of referral features, including industry and pathway composition of referrals. This model predicts the approval timeframe for later time periods, despite relatively few approved projects. The model is detailed in Appendix C, Section C.1.

Source: QPC based on National EPA 2026b.

Based on Australian Government information, delay costs as a result of EPBC Act obligations were likely costing Queensland proponents in the order of $4.9 to $7.7 billion per year.[9]

These costs and timeframes impact all regulated activities. However, large-scale and critical economic projects are likely impacted to a greater extent due to the location and nature of their proposed activities.

Queensland consistently has one of the highest rates of EPBC Act referrals in Australia (Figure 2.13), with those referrals more concentrated in transport, energy, residential and agriculture industries (Figure 2.14).

Figure 2.13 Proportion of referrals by state over time

Queensland consistently has one of the highest rates of referrals

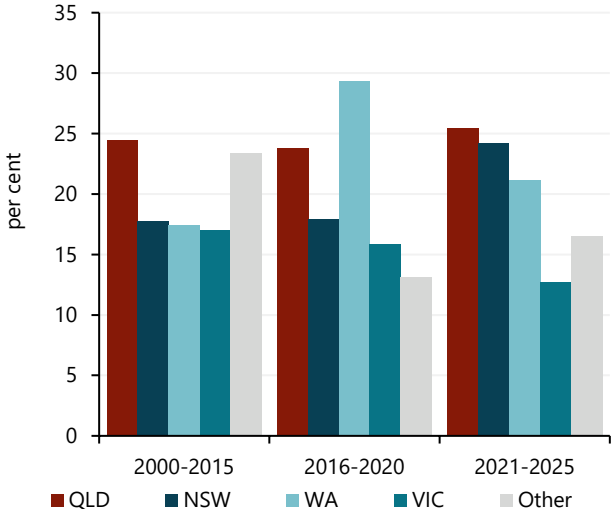
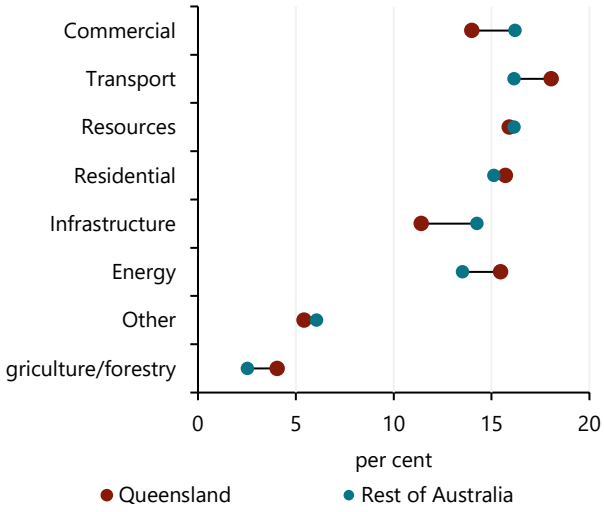


Figure 2.14 Proportion of referrals by industry, Queensland and rest of Australia, 2000–2025

Queensland has a higher proportion of energy, transport and agriculture referrals compared with the rest of Australia



Note: Industry type reported on the EPBC Act Public Portal has been simplified.

Source: QPC based on National EPA 2026b.

When compared with Australia, referrals in Queensland are also more likely to result in a controlled action (Figure 2.15).[10] When controlling for industry[11], Queensland referrals are 1.24 times more likely to result in a controlled action when compared with the rest of Australia.

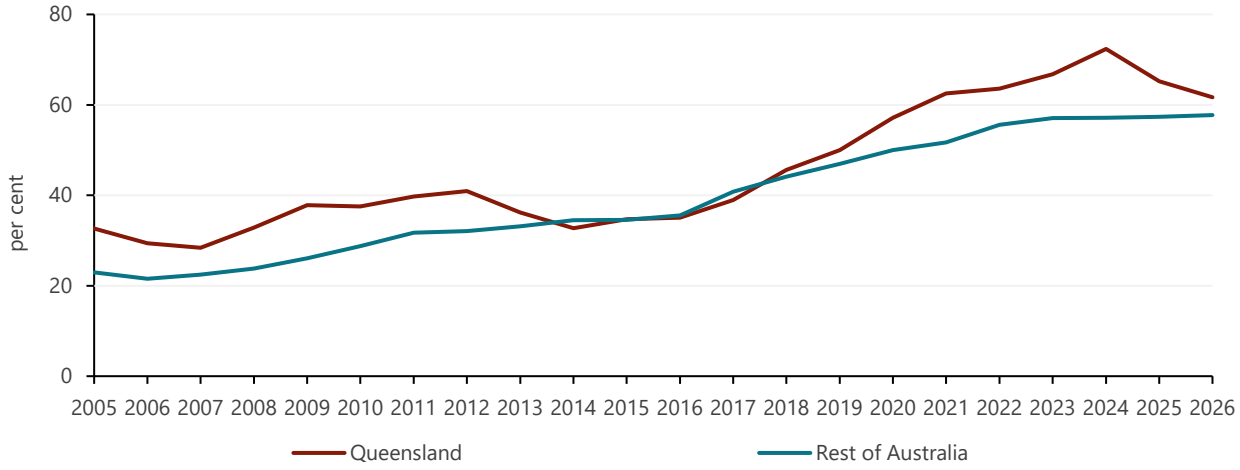
[9] To calculate this DCCEEW's savings estimates of $455 million to $6.9 billion were adjusted into an implied daily savings rate and then multiplied by the Commission's estimated approval timeframes.

[10] A controlled action means the Minister has decided the proposed action has or will have a significant impact on protected matters.

[11] A logit regression controlling for industry shows a referral in Queensland is 1.24 times more likely to be a controlled action than a referral in the rest of Australia.

Figure 2.15 Proportion of referrals assessed as a controlled action, five-year moving average

Referrals in Queensland are more likely to be controlled actions



Source: QPC based on National EPA 2026b.

INTERIM FINDING 1 REFERRALS UNDER THE EPBC ACT

Historically Queensland has one of the highest rates of EPBC Act referrals in Australia. Queensland has a higher proportion of energy, transport and agriculture referrals compared with the rest of Australia.

Compared to the national average, referrals relating to Queensland projects are more likely to result in a controlled action.

3.0
Analytical framework

Key points

- There is widespread acknowledgement of the large economic and social benefits and value of the environment to the community.
- However, regulation to achieve a satisfactory level of environmental protection is challenging in practice. Governments are attempting to protect matters that are diverse and complex in terms of size and scope. Where regulations apply broadly across matters, they risk being poorly targeted and disproportionate to the risk of harm from some activities. In the absence of directly targeted measures and full information, regulation can inadvertently lead to worse economic or environmental outcomes.
- In theory, an assessment of all the costs and benefits (including environmental costs and benefits) of a proposed project would identify whether the project provides a net gain for the community. However, poor consideration of the trade-offs (related directly and indirectly to the project) may lead to the introduction of poorly designed regulations.
- Good economic and environmental outcomes can be supported through well-designed, fit-for-purpose regulations. However, good environmental outcomes can be undermined by rules that impose excessive burdens or cause competitive disadvantages.
- The cost of poor outcomes, including perverse environmental outcomes, that result from poor regulation are borne by the community at large (either directly or indirectly). As such, there are equity considerations that accompany any regulation.
- The recency of the 2025 EPBC Act reforms constrains a comprehensive assessment of the effectiveness and efficiency of the reforms. There remains considerable uncertainty over the magnitude and direction of the associated impacts. Impacts will also depend on subordinate guidance materials, many of which are still under development. Practices of the newly formed regulator and the responding behaviour of regulated parties are also yet to be fully understood under the staged approach to implementation.
- The Commission used a mix of qualitative and quantitative tools to assess how the 2025 reforms compare with features of best-practice regulation, including whether they are consistent with practices that encourage:
  - efficacy, such as practices that target outcomes and are proportional
  - efficiency, such as practices that allow for efficient trade-offs, come at low cost, reduce duplication and inconsistencies and minimise regulatory burden more broadly.
- The Commission then assessed whether each reform was consistent with best practice. As part of this assessment, the Commission identified:
  - the underlying problem each reform element aimed to address
  - what impacts the reform is likely to have, including its environmental, economic, regulatory, administrative and other social impacts.
- The Commission used regulatory burden analysis to estimate likely impacts (both positive and negative) of the 2025 reforms and identify opportunities to reduce unnecessary burden.

3.1 Effective environmental regulation is challenging

There is widespread acknowledgement of the large economic and social benefits and value of the environment to the community. Stakeholders to this Inquiry recognise the role environmental protection plays in sustaining long run economic productivity (for example, Australian Climate & Biodiversity Foundation, sub 23, p. 1).

However, regulation to achieve a desired level of environmental protection is challenging in practice. It requires the government to:

- know what is optimal (that is, the desired outcome)
- be able to clearly define (in observable metrics or outcomes) what success will look like
- have the information to assess and target regulatory measures to support the desired environmental outcomes
- be able to apply regulations in a way that does not unnecessarily impact other outcomes desired by the community.

This is difficult due to a range of factors:

- Governments are attempting to protect matters that are diverse and complex in terms of size and scope. Where regulations apply broadly across diverse matters, they risk being poorly targeted and disproportionate to the risk of harm from some activities.
- It can be difficult to distinguish the level of conservation and protection that would be delivered without action. For instance, some individuals and firms will deliver environmental outcomes because they have economic incentives to do so (for example, to improve production or meet consumer demand), to meet market compliance requirements (for example, finance or export requirements), or for voluntary stewardship goals.
- It can be equally uncertain what *good* conservation looks like in practice, especially as the evidence base evolves:
  - new species of animals and plants are still being discovered, and knowledge is improving about how the natural environment works and how the built environment interacts with it (OECD 2025b, p. 61)
  - different species need different conservation approaches, and the impacts of actions vary across species and can be contestable
  - some actions can have coinciding positive and negative environmental effects.
- Assessing individual proposals can also fail to address cumulative and landscape-wide impacts as well as the most efficient options to address them. Further, development or land clearing are not the only activities affecting the environment. Invasive species, monoculture landscapes and natural disasters also have adverse environmental impacts (Chapter 2).

In the absence of directly targeted measures and full information, regulation can lead to worse economic or environmental outcomes.

In the context of this Inquiry, the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) is only one regulatory tool in a wide range of regulations and policies aimed at delivering environmental outcomes (Chapter 2).

If regulators do not consider the full impost of regulations across the Australian and state levels of government, business and the community can pay twice. Similarly, if all regulatory tools and stakeholder behaviours are not considered, unintended outcomes may occur including poorer environmental outcomes.

Assessing trade-offs with other desirable outcomes

The EPBC Act regulates actions that may impact matters of national environmental significance (MNES). In theory, a regulatory assessment of all the costs and benefits (including environmental costs and benefits) of a proposed action would identify if the action provides a net gain for the community.

The EPBC Act includes Ecologically Sustainable Development (ESD) as an objective. ESD means that actions such as development should effectively integrate both long-term and short-term economic, environmental, social, and equity considerations — ensuring the environment, natural resources, and heritage places benefit future generations.

While ESD is an objective, the regulator does not bear the cost of inadequately considering it. Poor consideration of these trade-offs may arise in cases where:

- regulatory requirements are rigid or too narrow — for example if requirements are unable to take contextual factors into account, consider benefits or costs external to the matter being regulated, or focus on unachievable outcomes
- regulation is inconsistent with other programs or policy seeking to deliver similar outcomes
- information about the full costs or benefits of a regulated activity is unknown or changing
- the benefits are concentrated but costs are diffused (including when costs of the regulated activity are borne at an uncertain point in the future).

The cost of poor regulation

Good economic and environmental outcomes can be supported through well-designed, fit-for-purpose regulations that:

- meet their objectives and equip regulators to regulate effectively through effective risk management
- drive competition, productivity and investment, and protects the community from harm, creating certainty, building trust, and facilitating growth.

However, good environmental outcomes can be undermined by rules that impose excessive burdens or overly complicated rules that lead to unnecessary compliance costs, reducing economic activity or competition (OECD 2025b, pp. 59–63). For example, poor regulation can:

- reduce competition by preventing existing businesses from growing, investing and adopting new technologies (PC 2025, p. 34), advantaging large firms over small, raising concentration, discouraging entry, and providing instruments which incumbents can use to discourage entry (Heyes 2009). In turn, this may lead to worse environmental outcomes. For instance, competition can be an effective driver of innovation — and consumer preferences for socially responsible products coupled with competition can encourage 'green' innovation (Aghion et al. 2023; Majeed et al. 2026; Menezes 2025, pp. 4–5)
- encourage behaviour that exploits loopholes or avoids regulation, shifting the balance of activity, so that aggregate outcomes are worse after regulation is established. For example, depending on its design, environmental regulation can unintentionally lead to accelerated development activity that hampers conservation efforts and increases economic costs (List et al. 2006; Lueck & Michael 2003)
- lead to neglect of land and other perverse environmental outcomes (PC 2004, p. 30, 2016, p. 106).

Perverse outcomes may be more likely when the underlying context of an activity is not thoroughly considered.

Who should bear the cost

The cost of poor outcomes, including perverse environmental outcomes, that result from poor regulation are borne by the community at large (either directly or indirectly).

Economic activities have environmental impacts. Where the benefits of those activities accrue to proponents, it can be efficient for proponents to bear the costs to the environment — to encourage proponents to change behaviour and deliver desired environmental outcomes.

Where the intended benefits accrue to the wider community, however, the optimal outcome may be for the community to pay. Having the community pay also invites community scrutiny where poorly scoped regulatory instruments do not deliver their desired outcomes.

While debate on this issue is contentious, community perceptions of regulation can influence acceptance and compliance (Samuel 2020, p. 82) — in addition to any direct impact from the effectiveness and efficiency of the regulation.

There is a high level of uncertainty with the EPBC Act reforms

The recency of the EPBC Act reforms and progressive development of key regulatory bodies/committees and guidance materials limits a comprehensive assessment of the effectiveness and efficiency of the reforms.

There remains considerable uncertainty over the magnitude and direction of impacts, which has been acknowledged by all stakeholders who have engaged with this Inquiry. Impacts will depend on the effects of reform elements (some of which are not implemented yet), subordinate guidance (some still under development), the approach of the newly formed regulator and the responding behaviour of regulated parties and other affected stakeholders.

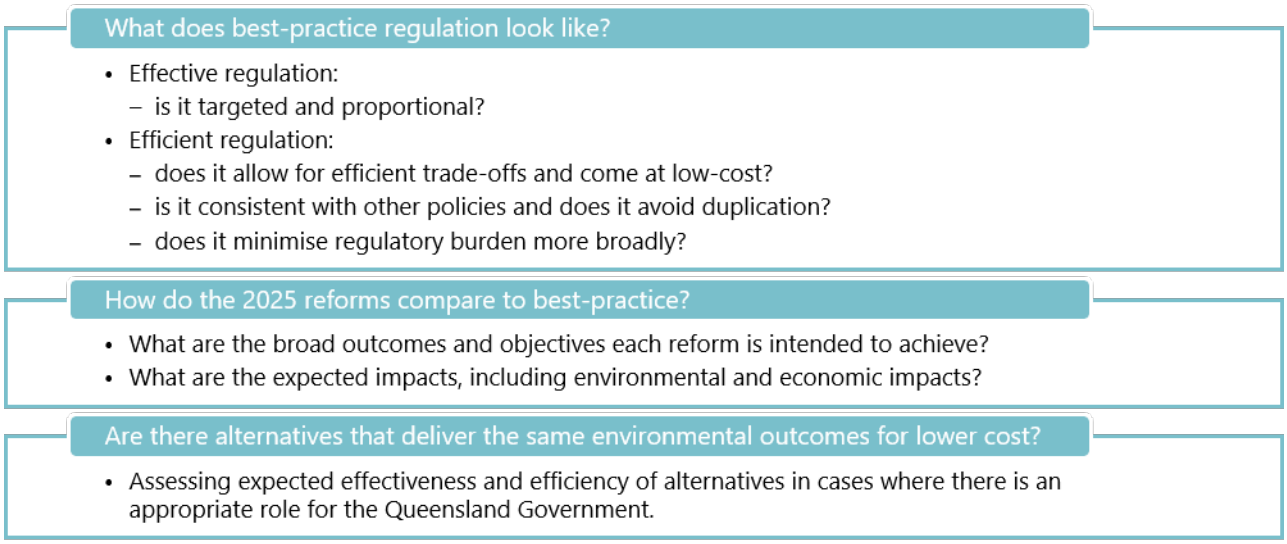
Whether the current levels of uncertainty are sustained will ultimately be influenced by:

- quasi obligations introduced by the legislation
- effectiveness of educational programmes on key reforms
- discretion and behaviour of the regulator and Minister
- the clarity and predictability of regulation and regulatory outcomes
- how well the regulator understands the stakeholders and markets it is regulating.

3.2 The Commission's approach

Within the context of the factors outlined above, the Commission has applied a framework to assess whether the 2025 reforms deliver a system of environmental regulation that is consistent with best practice (Figure 3.1).

Figure 3.1 The Commission's analytical framework



In practice, this requires an assessment of whether the regulation is:

- **appropriate** — including whether there is a genuine, material problem(s) that the regulation seeks to solve, such as the existence of market failures
- **effective** — including whether regulation addresses the intended problem and achieves its stated outcome(s)
- **efficient** — in that it maximises net benefits (that is, the benefits outweigh the costs) and improves overall community welfare (Australian Centre for Evaluation 2026; OECD 2020; PC 2011) (Box 3.1).

Box 3.1 Assessing appropriateness, efficacy and efficiency of environmental regulation

Is there a role for government?

Environmental regulation typically seeks to address a core set of market failures, including:

- negative externalities — where private firms do not bear the full cost of their actions, leading to over-provision of goods that harm the environment. For example, land clearing may lead to biodiversity loss and soil erosion, which landholders may not account for (PC 2004, pp. 26–27)
- public goods — where private firms cannot charge for the exclusive use of a good, firms may underinvest in that good. Where this occurs, it can lead to underinvestment in conservation from the perspective of society (PC 2004, p. 19, 2011, p. 11)
- information asymmetries — where the public is unable to assess the full effect of a firm's actions, including through lack of transparency, the market can be unable to incentivise 'good' behaviour. Similarly, some landholders may lack knowledge about the long-term benefits of conservation or the environmental costs of degradation, leading to suboptimal decisions (PC 2004, p. 19, 2016, p. 116).

These market failures result in a divergence between private and social costs (or benefits), which suggests a role for government to ensure the social costs of private activity do not leave the community worse off.

When is government regulation effective?

A regulation is most likely to be effective when:

- desired outcomes are well-understood and measurable, including where there is sufficient information to identify and target activities that affect desired environmental outcomes
- the regulatory problem, both in terms of environmental outcomes and regulated entities, is broadly homogenous; or rules are sufficiently flexible to handle complexity in outcomes and regulated entities
- the rules align economic incentives with desired outcomes and enforcement is credible.

When are regulations efficient?

A level of environmental protection that maximises community welfare would deliver outcomes where the cost of an additional unit of environmental protection equals the benefit. A regulation is most likely to be socially optimal when all costs, benefits and unintended consequences are considered and it:

- is administered by the level of government best able to do so effectively and efficiently
- encourages outcomes to be delivered by the firms or government body best able to do so
- does not impose *unnecessary* economic distortions or lead to other unintended adverse economic or environmental outcomes (OECD 2020, p. 12; PC 2011, p. 6), including where:
  - firms change behaviour to avoid the cost of regulation, including changes that lead to worse environmental outcomes
  - overly prescriptive regulation prevents innovative or lower cost approaches to meeting the intended outcomes of the regulation (PC 2011, p. XIV)
- minimises unnecessary regulatory burden imposed on the community, including through maintaining consistency with other policy and regulatory processes.

Features of a best-practice regulatory system

Minimising regulatory burden depends upon good regulatory design and the actions of regulators. How regulators implement, administer and enforce regulations all determine the level of regulatory burden.

Australian and Queensland Government frameworks identify a range of conditions and regulator practices aimed at ensuring regulations are fit-for-purpose and reduce regulatory burden (see Australian Government 2024b; Better Regulation Victoria 2022; Department of Finance 2025; NSW Treasury 2019; OBPR 2026; OECD 2025b, 2025a; PC 2011, 2025, 2026).

Consistent with these frameworks, and as outlined in the Commission's analytical framework (Figure 3.1), best practice regulation should:

Target outcomes and be proportional

Regulatory systems should be outcomes-focused — they should meet an identified need and achieve desired regulatory outcomes. Ideally, outcomes are measurable, and systems are in place to track whether regulation is effective (that is, whether it is meeting its objectives).

To achieve its outcomes, good regulatory systems also match regulatory intervention to the actual level of risk and problem severity, enabling a proportionate, risk-based approach.

Good regulatory systems enable a proportionate, risk-based approach to regulation through education, administration, compliance, enforcement activities and/or non-regulatory measures.

Allow for efficient trade-offs and come at low cost

Regulation should utilise efficient mechanisms to balance competing outcomes desired by the community.

In seeking to achieve its desired outcomes, it should:

- minimise regulatory burden and other costs to economic activity
- reduce investment risk by ensuring regulatory outcomes are predictable
- avoid unintended consequences, such as incentives to avoid regulation without necessarily delivering an improved environmental outcome.

Reduce duplication and inconsistencies

Where parallel regulatory processes administered by different jurisdictions address the same outcomes, existing regulations should be coordinated to simulate, as far as possible, a single regulator. Policymakers and regulators should take a whole-of-system view to consider the dynamic and interconnected nature of regulatory systems.

In seeking to achieve its desired outcomes, regulation should:

- leverage and be integrated with other existing regulatory systems, including through mechanisms such as accrediting or formally recognising other regulations that achieve comparable outcomes
- enable collaboration across regulators to ensure regulations, *as a whole*, efficiently achieve intended outcomes.

Minimise regulatory burden more broadly

Best-practice regulation is also commonly characterised as:

- user-centred and consultative — good regulatory design solves clear, well-defined problems and fosters changed behaviours, resulting in greater compliance and reduced need for enforcement
- evidence-based and continuously improved — regulation is most effective when it is data-driven, based on available evidence, and when its effectiveness and impact on business and the community is well understood
- transparent, accountable and fair — to help maintain integrity and demonstrate procedural fairness.

Practices inconsistent with effective and efficient regulations

Practices inconsistent with these features may be ineffective or add unnecessary regulatory costs, including by:

- encouraging perverse outcomes
- reducing competition or economic investment
- creating confusion over what regulations require
- duplicating effort of regulators
- reducing the effectiveness of managing risk
- encouraging over-investment in monitoring and compliance activities.

3.3 Assessing the 2025 reforms against best practice

The Commission assessed whether the 2025 reforms are consistent with best practice. As part of this assessment, the Commission identified:

- the underlying problem each reform element aimed to address — to assess alignment between the objectives, outcomes and the underlying problem and how specific reforms may interact or conflict with other important objectives and outcomes
- what impacts the reform is likely to have.

In its assessment, the Commission focused on impacts to Queensland and considered impacts including:

- **environmental impacts** — including direct environmental outcomes based on the reform. This also includes land management practices such as fire and flood mitigation, land stewardship, and weed and pest control
- **economic impacts** — including implications for private incentives, business investment and productivity
- **regulatory impacts** — including obligations and compliance requirements, regulatory burden (which includes the costs, timeframes, uncertainty and duplication involved in seeking approvals for regulated activities)
- **administrative impacts** — including the extent to which the reforms shift regulatory, administrative and financial responsibilities to Queensland, and any implications for resourcing and financial risk
- **other impacts** — including social impacts, and unintended consequences.

When estimating impacts, specific costs or benefits may be concentrated among specific groups. The Commission has particularly considered:

- the capacity of different land user groups to comply with the 2025 reforms
- implications for major infrastructure, housing delivery and government-led projects
- the distribution of impacts across industries, regions and proponents, including small and family businesses.

3.4 Evaluating opportunities for improvement

The terms of reference for this Inquiry required the Commission to have regard to measures that could achieve *the same environmental outcomes*. The Commission's analytical approach has sought to identify ways to improve regulatory burden and proportionality, lower costs to the economy and state, whilst being focused on the associated environmental impacts (for example, an intended or an unintended consequence).

As mentioned in Chapter 1, the Interim Report identifies potential opportunities that could be taken by all levels of government to improve the operation of the reforms. However, areas identified by the Commission for further consideration primarily relate to regulations, rules, inter-jurisdictional instruments and state-based instruments, even where there may be a case to reform the primary legislation. This is consistent with the Inquiry's terms of reference that focuses on actions the Queensland Government can take and reflects the current stated focus of the Australian Government on supporting regulatory instruments and practice (DCCEEW, sub. 44, p. 9).

Any Queensland actions to address impacts of the 2025 reforms should be guided by assessment of:

- benefits and costs, to ensure outcomes are improved
- risks and feasibility, to ensure actions are executable
- appropriate financing arrangements, particularly where actions address Australian regulation and benefits accrue to the Australian community
- whether Queensland is best equipped to deliver improvements
- whether meeting EPBC Act requirements will result in higher costs under state legislation.

3.5 Tools to assess the 2025 EPBC Act reforms

A key focus of the terms of reference is the impact of the 2025 reforms on the regulatory burden faced by stakeholders including impacts on costs, timeframes, uncertainty and duplication. As such, the Commission also undertook regulatory burden analysis (where applicable), with the aim to:

- assess the likely impact (both positive and negative) of the 2025 reforms on regulatory costs, timeframes, uncertainty, and duplication
- assess alignment with broader policy goals, such as effectiveness of environmental protection and whether they are likely to address these goals efficiently
- identify opportunities to streamline processes, reduce unnecessary burdens, and potentially achieve the same or better outcomes at lower cost.

Key drivers of regulatory burden include:

- the time and effort required to identify and understand regulatory obligations
- design features that create or increase barriers to entry, participation, diversification or expansion in a market
- how regulations are administered by regulators (QPC 2021).

Regulatory costs can be grouped into broad categories:

- **Compliance costs** sit with regulated parties (for example, businesses and individuals subject to the regulation) and include:
  - the administrative efforts required to interact with regulators, such as completing applications, reporting, record-keeping, audits and responding to regulator requests
  - the substantive costs and resources required for compliance with a requirement — examples include the costs of training staff to a set standard, using certain processes or equipment, or providing specified information to consumers
  - fees and charges may also be associated with applications and licensing — which contribute to funding the administrative costs of regulators.[12]
- **Delay costs** incurred by proponents, incorporating expenses and loss of income incurred by an entity through the application and approval process. Delays in approval timeframes, repeated requests for information, high rates of rework and frequent complaints, reviews, or appeals can create inefficiencies that increase compliance costs and uncertainty.

This approach is consistent with existing best practice regulation policies.[13]

Costs to government were considered where the reforms affect the regulatory burden and compliance impacts on the Queensland Government (including government landholders). This may include the impacts on Queensland regulators to design and administer regulation.

[12] While revenue from fees and changes may offset some of the administrative costs of regulation, from a business perspective, the fees and charges paid to regulators impose a compliance cost. The Australian Productivity Commission (2011) notes this cost depends on what fees and charges are passed onto business through cost recovery.

[13] See for example, the Queensland Government Better Regulation Policy (Queensland Government 2025c) and the Office of Best Practice Regulation's Costs Calculator (QPC 2026) or the Office of Impact Analysis' (OIA) treatment of regulatory costs under its 'regulatory burden measurement framework' (The Office of Impact Analysis 2026).

4.0
Land management

Key points

- Native vegetation is critical for maintaining biodiversity and habitat connectivity, preventing land degradation and erosion, and regulating the climate. Regulation typically seeks to minimise potential adverse impacts from the management and clearing of vegetation whilst balancing broader policy settings relating to the environment and sustainability the economy and the community.
- The *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) applies if a vegetation management activity has, or is likely to have, a significant impact on a Matter of National Environmental Significance (MNES). Prior to the 2025 reforms, the EPBC Act provided a broad exemption from Commonwealth approval if the activity was a continuation of an existing use of land that began before the EPBC Act commenced, provided there was no expansion or intensification.
- The 2025 reforms to the EPBC Act have narrowed the operation of these continuing use provisions for the clearing of vegetation. The exemption no longer applies to land:
  - within 50 metres of a watercourse, wetland or drainage line in the catchment of the Great Barrier Reef (GBR) Marine Park
  - that has not been cleared at least 15 years prior.
- Restricting the eligibility for this exemption will result in an increase in vegetation management activities, which might have otherwise been exempt, being subject to assessment under the EPBC Act.
  - For Queensland, removal of the continuing use exemption for vegetation over 15 years old brings an estimated 629,768 hectares across 25,851 lots within the scope of the EPBC Act. Changes to exemptions in the GBR catchment bring an estimated 4.3 million hectares across 143,834 lots within the scope of the EPBC Act.
  - At a minimum, affected landholders and proponents will now be required to undertake a self-assessment of whether clearing activities have the potential to significantly impact MNES.
  - In certain instances, activities may require referral to the newly created National Environmental Protection Agency for assessment, while in other cases, some activities may no longer be permitted.
- The changes are likely to impact landholders and proponents, in areas such as agriculture, forestry, mining and quarrying and essential infrastructure, through:
  - increased compliance costs from understanding requirements to conducting and managing assessments and referrals, including fees, time costs, delays, and the cost to conduct or engage an ecological survey. Stakeholders have reported self-assessment costs of between $2,000 to $30,000 for relatively routine farm management activities
  - broader economic impacts in terms of uncertainty and a reduction in the productive use of the land. The requirements may also affect the viability of projects where the cost does not make the project worthwhile to pursue.
- The reforms are expected to impact routine land management activities on affected properties and disaster preparation and recovery, which may increase the risk of bushfires, spread of invasive weeds and pests, and erosion. There will also be unintended environmental consequences such as more frequent clearing to avoid the 15-year rule and the hindering of activities that have a positive impact on the environment.
- While it is too early to tell whether the reforms will be effective, the regulatory obligations do not appear to be sufficiently well-targeted to the environmental outcomes they seek to address. This results in material compliance costs being imposed on routine and productive land clearing activities that may have low environmental impacts or do not affect MNES.
- The Australian and Queensland governments should work on determining whether state vegetation regulatory codes and environmental processes can be used to streamline assessment pathways for certain land clearing activities under the EPBC Act.

4.1 Background

Native vegetation is critical for maintaining biodiversity and habitat connectivity, preventing land degradation and erosion, and regulating the climate (Ball et al. 2025; State of Queensland (Office of the Queensland Chief Scientist) 2023, p. 15; Queensland Conservation Council, sub. 60, p. 3). It can also support tourism, recreation and visual amenity, fodder, food and shelter for animals and hold cultural value to First Nations people (PC 2004, p. 10).

However, overexploitation or material levels of poor land management can lead to negative environmental, economic, and social impacts that ultimately affect the broader community (PC 2016, p. 64). Vegetation management legislation typically seeks to minimise the potential for such adverse impacts whilst balancing broader policy settings relating to environmental, economic and social factors (PC 2016, pp. 65–66).

The regulation of vegetation management and land clearing is typically contentious, reflecting the policy challenges associated with potential trade-offs relating to the environment and sustainability, economy, community and property rights. For stakeholders, the associated discussions can also be polarising; which has historically been the case in Queensland (Hernandez et al. 2024, p. 2; State of Queensland (Office of the Queensland Chief Scientist) 2023, p. 30).

Key regulatory obligations

In addition to the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act), landholders and project proponents seeking to undertake land clearing activities have had to comply with state (and local) obligations. The main obligations are:

- The EPBC Act — takes an activity-based regulatory approach, focusing on specific actions or projects that may have, or are likely to have, a significant impact on a Matter of National Environmental Significance (MNES), such as threatened species or valuable habitats.[14]
- The *Vegetation Management Act 1999* (VMA) — takes a property-based regulatory approach, using vegetation mapping and categories to guide landholders in managing their land. VMA restrictions on land clearing aim to protect remnant endangered ecosystems, high-value regrowth and important habitats.

Prior to the 2025 reforms, section 43B of the EPBC Act provided a broad 'continuation of use' exemption (hereafter, continuing use exemption), where some activities (such as vegetation clearing) did not require Australian Government approval if it was a continuation of an existing use of land that was immediately occurring before the EPBC Act commenced (Parliament of Australia 1998, p. 115). This exemption did not apply if the activity involved an 'enlargement, expansion, or intensification of the use' that would result in a substantial increase in its environmental impact.

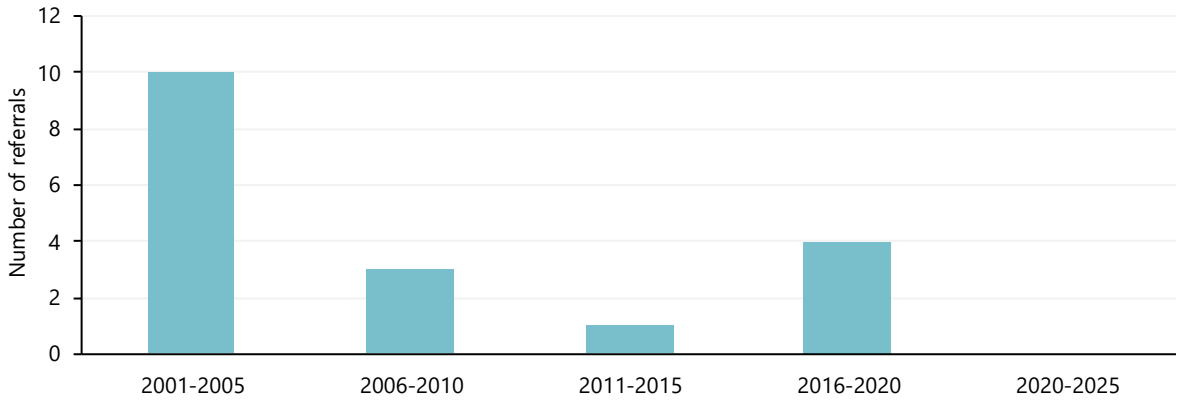
Where clearing activities such as routine land management were permitted under the VMA there was still a requirement for the landholder/proponent to comply with the EPBC Act. This could include the requirement to conduct a self-assessment and/or referral under the EPBC Act if there would be a significant impact on a MNES (National EPA 2026g).

Analysis by the Queensland Productivity Commission (the Commission) shows that since 2001 there have been 134 referrals to the Australian Government for agriculture and forestry matters, of which 29 were in Queensland. At least 18 of these referrals relate to vegetation clearing, with most before 2010 (Figure 4.1).[15]

[14] The EPBC Act does not specifically define a significant impact. Australian Government guidance notes "a 'significant impact' is an impact which is important, notable, or of consequence, having regard to its context or intensity. Whether or not an action is likely to have a significant impact depends upon the sensitivity, value, and quality of the environment which is impacted, and upon the intensity, duration, magnitude and geographic extent of the impacts" (Australian Government 2013, p. 2).

[15] Projects assessed under the earlier years of the EPBC Act (2001 to 2006) were almost all 'not controlled actions' whereas, all six projects assessed since 2010 have been 'controlled actions'. No vegetation clearing projects appear to have been referred for EPBC Act assessment since 2017. Ward et al. (2019, p. 11) noted there had been no referrals 'to clear pasture in Queensland' over the decade to date.

Figure 4.1 Number of referrals related to vegetation clearing, 2001–2025, Queensland



Source: QPC based on National EPA 2026b.

The level of referrals is low, compared to other sectors of the Australian economy, and has remained so since 2000 (Craik 2018, p. 17).

Historically there has been a comparatively low level of awareness of the EPBC Act in the agricultural sector, which has been attributed to:

- the continuing use exemption (Craik 2018, p. 17)
- low levels of enforcement being conducted by the Australian Government (Australian Conservation Foundation, sub. 64, p. 8; Thomas et al. 2024, p. 10)
- poor levels of communication by the Australian Government (Hamman et al. 2021, p. 8)
- the use of 'outcome-based' triggers in the EPBC Act, creating ambiguity for proponents in determining if or when to make a referral (Macintosh & Waschka 2025, p. 5)
- land management activities historically being a state matter (Office of the Special Commissioner for Regional and Rural Queensland, sub. 67, pp. 4–5).[16]

While no data is available on the use of the continuing use exemption, anecdotal evidence suggests it has been broadly applied across the agricultural sector, with AgForce previously noting that:

> *These provisions are essential to providing producers with certainty that long-standing agricultural practices will not be retrospectively captured by new federal requirements. (2025, p. 4)*

Other stakeholder groups have also noted their reliance on the continuing use exemption where projects or maintenance activities have occurred in a staged or progressive manner (Cement Concrete & Aggregates Australia, sub. 17, pp. 15–18).

Consultation undertaken by the Commission confirmed that Queensland landholders have frequently used the state-level vegetation management categories and mapping (see Box 4.1 below) to help guide management actions and compliance with regulatory requirements.

Land clearing for agriculture without EPBC Act referral or approval has previously been identified as a key risk of non-compliance with the EPBC Act (ANAO 2020, pp. 26–27). In addition, some media articles and reports have suggested that many agricultural projects in Queensland involving land clearing, that were not referred to the Australian Government, should have been (see Slezak 2017 and Thomas et al. 2024, p. 9). However, as noted by Ward et al. (2019, pp. 9–10) it is unclear whether a lack of referrals:

[16] A survey by the National Farmers' Federation, prepared to inform their response to the 2018 Craik Review into the interactions between the EPBC Act and the agriculture sector, also found a larger number of farmers (70 per cent) have in the past sought advice on the EPBC Act from their state government than from the Australian Government department (less than 40 per cent). This result is implied as farmers seeking to have information provided at a 'single point' (National Farmers' Federation, sub. 57, p. 26).

> *… are a result of proponents concluding their actions would have no significant impact or simply a result of either lack of awareness of or disregard for the EPBC Act.*

Furthermore, if the proposed actions had been referred, it is not clear what the views of the regulator may have ultimately been (that is, whether the regulator would have approved the works or what, if any, approval conditions would have been imposed).

Concerns about noncompliant clearing have also been considered in the context of the current state legislation. In March 2022 the Queensland Government asked a Native Vegetation Scientific Expert Panel (the Panel) to provide advice to the (then) Minister for Science on native vegetation matters, including the identification of incentives and reforms that avoid clearing in the future. The Panel, led by the (then) Queensland Chief Scientist, Professor Hugh Possingham, recommended (2023, p. 6):

> *The Queensland Government should not change the regulation of Category X land covered by a PMAV. The current system, whereby the only way to change the mapping of Category X areas on a PMAV is with the landholder's consent, remains appropriate and provides consistency. Such certainty will reduce volatility in clearing levels.*

Box 4.1 Queensland's vegetation management framework

The VMA, administered by the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development (DNRMMRRD), regulates the management of native vegetation in Queensland. It applies to freehold land, Indigenous land and some state land tenures.

Under the VMA, vegetation is classified into various categories (see below), which determine the regulation that applies to clearing of the vegetation. Depending on the category of vegetation landholders must comply with statutory vegetation mapping and clearing codes or obtain development approvals through the *Planning Act 2016* for higher risk clearing activities.

- **Category A** – Vegetation can only be cleared if it is part of a restoration or compliance notice or authorised under a development approval.
- **Category B** – Remnant vegetation. Clearing is only allowed under strict conditions, such as exemptions (for example, firebreaks or fencing) or with development approval.
- **Category C** – High value regrowth vegetation in an area that has not been cleared (other than for relevant clearing activities) for at least 15 years. It can be cleared for specific purposes, like routine management, but only if it complies with the Accepted Development Vegetation Clearing Codes (ADVCC) or with development approval.
- **Category R** – An area which is a regrowth watercourse and drainage feature area located within 50 metres of a watercourse located in a Great Barrier Reef (GBR) catchment.[17] It can be cleared for limited activities (for example, maintaining infrastructure) but must comply with the ADVCC or require approval.
- **Category X** – Exempt, as it does not meet criteria for any other category under the VMA. It can generally be cleared without requiring approval, as it is not considered regulated vegetation and has already been lawfully cleared.

Other legislative frameworks also seek to regulate vegetation clearing for other purposes — for example, koala habitat protection or protected plants under the *Nature Conservation Act 1992*. Any requirements under other legislative frameworks are in addition to those under the vegetation management framework.

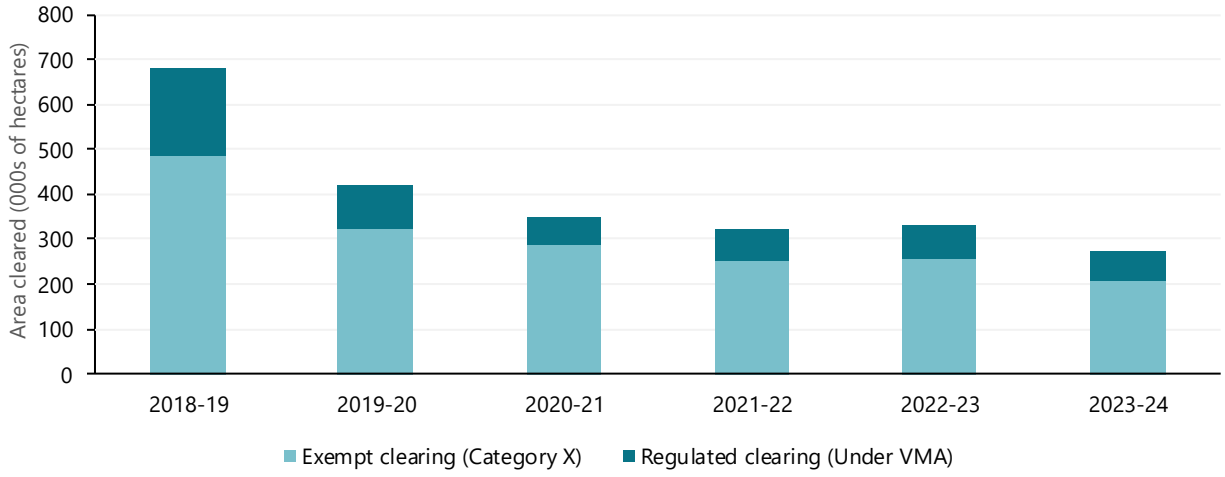
Source: Caxton Community Legal Centre 2026; EDO 2020b; State of Queensland 2025a.

[17] Includes the Burdekin, Burnett–Mary, Eastern Cape York, Fitzroy, Mackay–Whitsunday and Wet Tropics catchments.

Vegetation management and land clearing

Queensland has historically had some of the highest rates of land clearing in Australia, driven largely by agricultural expansion (Kilvert 2020). However, recent data, that pre-date the reforms, from the 2023–24 Statewide Landcover and Trees Study (SLATS) indicates a decline in clearing rates of woody vegetation, including a 60 per cent decline in overall clearing activity and a 66 per cent decline in clearing of regulated vegetation compared to levels reported in 2018–19 (Figure 4.2) (Queensland Government 2026h).

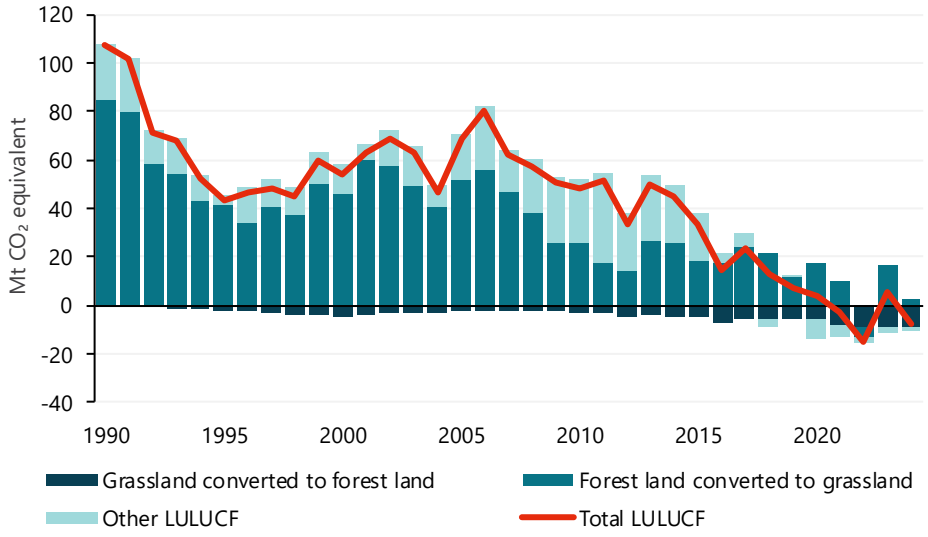
Figure 4.2 Annual vegetation clearing in Queensland



Source: Queensland Government 2026h

Also, carbon emissions from the Land Use, Land Use Change, and Forestry (LULUCF) sector in Queensland have decreased by approximately 114 per cent between 1999–2000 and 2023–2024 (see Figure 4.3) with reduced vegetation clearing and regulations identified as a primary driver of emissions reductions (State of Queensland 2025b, pp. 17, 70).

Figure 4.3 Carbon emissions from LULUCF sector in Queensland



Source: QPC based on DCCEEW 2025a.

There have also been efforts to improve other environmental outcomes including efforts to reduce sediment runoff into the Great Barrier Reef (GBR). Over the last two decades a wide range of policy and regulatory initiatives have been taken by all levels of government to improve the health of the GBR including Queensland's 'Reef protection regulations' that address land-based sources of water pollution flowing to the GBR. This was an action from the Australian and Queensland Government's *Reef 2050 Water Quality Improvement Plan.* Bartley and Bainbridge (2026) note:

> *Since 2014, the federal and Queensland governments have collectively spent more than A$5 billion on catchment programs for reef health. Many of these aim to improve water quality by reducing fertiliser runoff from farmland and tackling erosion to stop sediment entering waterways.*

The latest Reef Report Card under the Reef 2050 Plan shows progress against all water quality improvement targets although progress against other indicators is mixed (Australian Government & Queensland Government 2026).

Various industry groups have also taken active steps to improve their land use practices. These voluntary measures (which may require participants to operate above minimum regulatory obligations such as the Smartcane BMP) have delivered improved optional performance for industry participants and positive environmental outcomes through reduced runoff and water use (Queensland Farmers' Federation, sub. 31, p. 4).

4.2 The 2025 reforms

The Samuel Review noted some confusion on how state legislation and the EPBC Act interacted (including divergent mapping), but no specific analysis or recommendations on land or vegetation clearing were made (Samuel 2020, pp. 148, 163). Similarly, the original Reform Bill introduced to the Australian Parliament in October 2025 did not introduce any new explicit restrictions on land clearing, vegetation management, or the operation of the existing continuing use exemption.

Some submissions to the Senate Inquiry scrutinising the Reform Bill sought amendments to the EPBC Act to repeal or significantly narrow these exemptions:

> *The exemption for continuations of use has passed its use by date and should be repealed or refined in a manner to ensure that it does not undermine habitat protection or the need to improve compliance with the EPBC Act. (ACF 2025a, p. 3)*

Conversely, stakeholders representing the agriculture sector recommended the Australian Government 'maintain and protect' the continuing use provisions of the EPBC Act, and 'confirm that lawful agricultural activities recognised under Queensland frameworks will not be retrospectively reclassified as new impacts requiring referral' (AgForce 2025, p. 5).

Amendments introduced during the final stages of debate on the Reform Bill narrowed the operation of the continuing use provisions, to exclude the following land clearing activities:

- clearing of vegetation within 50 metres of a watercourse, wetland or drainage line in the catchment of the GBR Marine Park
- clearing of vegetation on land that has not been cleared at least 15 years prior to the time the action is taken.[18]

The removal of the continuing use exemption in these circumstances commenced immediately on passage of legislation in December 2025, with no transition period (National EPA 2026a, p. 31).

The GBR catchment area, stretching from Gympie to Cape York and west to the Great Dividing Range, is vast, with major agricultural regions like the Burdekin, Fitzroy, and Burnett-Mary catchments impacted (see Box 4.2).

[18] Genuine 'forestry operations' are excluded from the 15-year restriction. Forestry is further discussed in Chapter 11.

Box 4.2 The Great Barrier Reef catchment

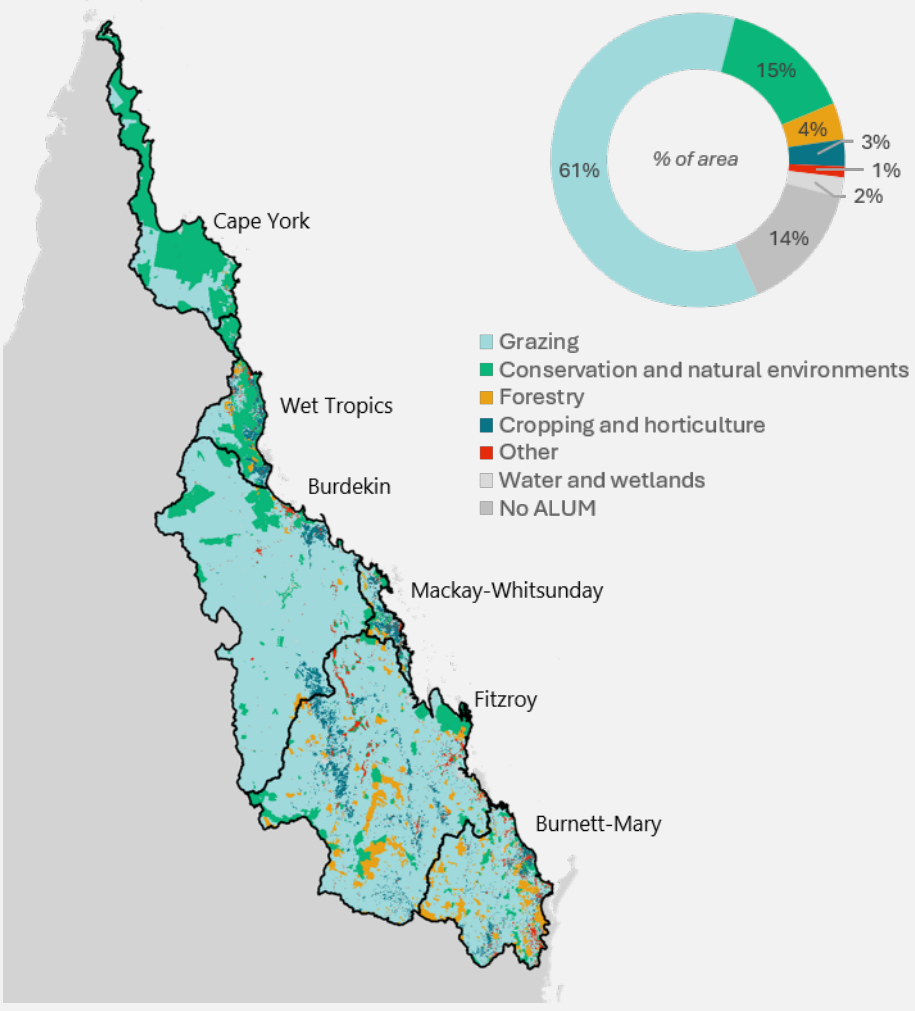
The GBR catchment comprises 424,000 square kilometres, equivalent to around a quarter of Queensland's total area.

Most land in the GBR catchment is used for grazing, around three times more than is used for conservation or natural environments. In contrast:

- only 3 per cent is used for cropping and horticulture
- mining, utilities, residential and farm infrastructure, industrial use, intensive animal production and transport make up just over 1 per cent of the total area (labelled as 'Other' in Figure 4.4).

Land use also varies significantly over different reef regions. For example, northern and coastal areas contain relatively more natural environment, southern and interior regions contain relatively more grazing land while forestry activities are mostly located in the Burnett-Mary region.

Figure 4.4 Land use in the Great Barrier Reef Catchment by reef region, 2021



Note: The definition of the GBR catchment used in this report is based on the map referred to in s. 13 of the Environment Protection Regulation 2019 (Qld). A reef region is defined as a group of drainage basins. The categorisation of land use is simplified for presentational purposes, and a correspondence to Australian Land Use and Management (ALUM) classifications can be found in Appendix C.3.

Source: QPC based on Queensland Government 2018, 2023a, 2024b.

The rationale for the reforms

Clearing of native vegetation has been identified as a key driver of habitat loss and fragmentation, with DCCEEW (sub. 44, p. 4) noting it has caused:

> *the decline of many of Australia's threatened species. Degradation of riparian zones leads to soil loss and erosion, impacting water quality as well as agricultural productivity and biodiversity. Land-based runoff presents a significant risk to the health of the Great Barrier Reef.*

The Senate Inquiry report (2026a, p. 50), which was completed and released after the Bill's passage, noted:

> *Minister Watt explained that the amendments made regarding land clearing would provide for national regulation of agricultural land clearing which may have a significant environmental impact. The Minister stated that, regarding the Great Barrier Reef catchment, the amendments would help to protect the Reef because:*
>
> > *… we know that one of the major threats to and impacts on the Great Barrier Reef is sediment run-off, which occurs at least partly through some of that clearing that takes place on riverbanks and creekbanks.*

Stakeholder views

Conservation groups have supported the change, referring to the ability of the reforms to protect regrowth vegetation and result in large positive environmental impacts, including for the GBR (Australian Marine Conservation Society, sub. 36, p. 4; Environmental Defenders Office, sub. 59, p. 4; The Wilderness Society, sub. 48, p. 4).

However, agricultural and industry stakeholders have criticised the changes, noting the amendments were introduced without consultation or scrutiny, a cost–benefit analysis, or transitional measures (that is, grandfathering or compensation) (Queensland Farmers' Federation, sub. 31, p. 5; NRM Regions Queensland, sub. 42, p. 5; Mr Colin Boyce MP, sub. 51, p. 1; Office of the Special Commissioner for Regional and Rural Queensland, sub. 67, pp. 7–8; Cotton Australia, sub. 8, p. 7). According to AgForce (sub. 58, p 1):

> *[T]he narrowing to the EPBC Act continuing use exemption are the most significant practical issues arising from the 2025 reforms for Queensland landholders, agricultural businesses and environmental management.*

By narrowing the continuing use exemption, land clearing and vegetation management activities that might otherwise have been exempt are required to be assessed (at a minimum via a self-assessment) to determine whether it will have a significant impact on an MNES (DCCEEW, sub. 44, p 5). This is further discussed in Section 4.3.

Due to the broadened scope of the regulatory obligations, other aspects of the 2025 reforms, such as revised assessment pathways, definitions of unacceptable impacts, new National Environmental Standards and changes to offsets may need to be considered. [19]

[19] See relevant chapters of this report for discussion on these matters.

4.3 Impact of the reforms

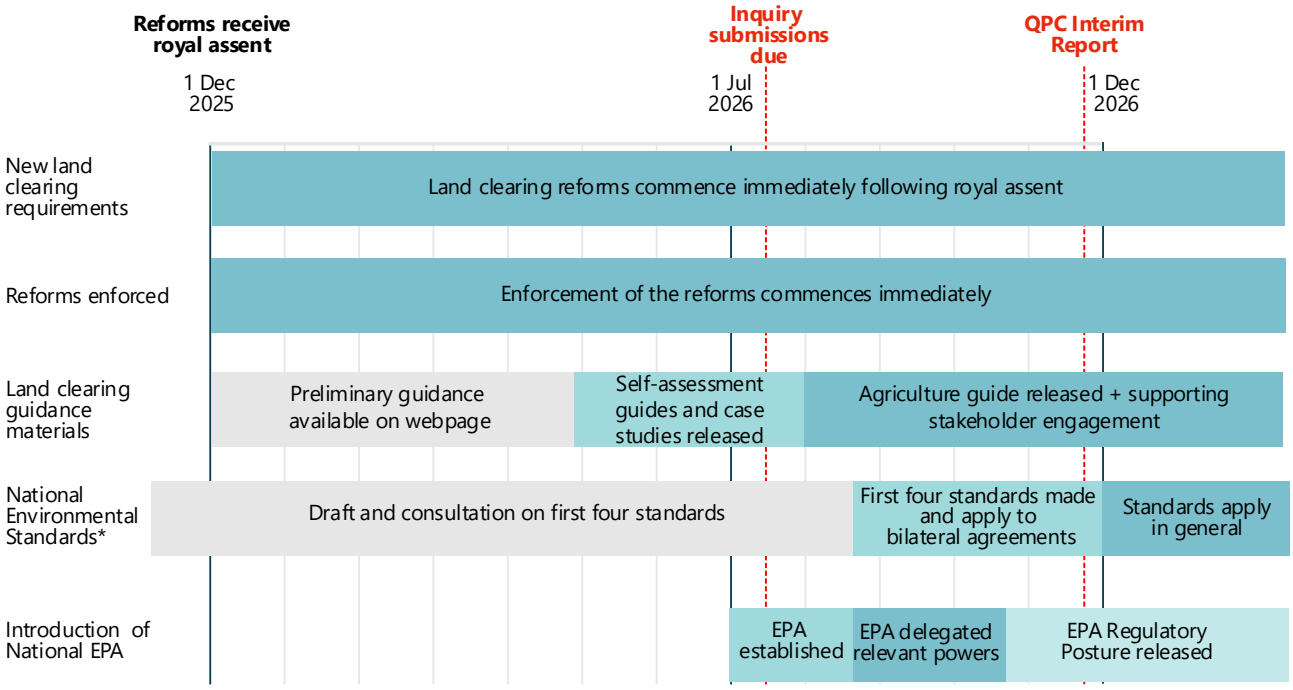
Determining the effect of narrowing the continuing use exemption requires an assessment of the new obligations compared to the prior regulatory obligations. While the self-assessment process and significant impact test on MNES are not new obligations (see Australian Government 2013) the exemption meant that many landholders never had to engage with these regulatory requirements or the Commonwealth regulator before. As such, the reforms represent an increased regulatory burden for many landholders.

As noted above, these reforms commenced immediately on passage of the legislation in December 2025, with no transitional period. Also, the narrowing of the continuing use exemption was not subject to consultation or another form of formal regulatory assessment and was introduced without comprehensive supporting guidance or educational materials being available at the time of assent. [20] As noted by the Office of the Special Commissioner for Regional and Rural Queensland (sub. 67, p. 7):

> *Given the breadth of the proposed changes and their potential implications for environmental regulation, economic development, investment certainty and intergovernmental arrangements, meaningful consultation was particularly important. Where stakeholders are not provided sufficient time to fully examine complex legislative changes, there is an increased risk that practical implementation issues, unintended consequences, regulatory inconsistencies and jurisdiction specific impacts will not be identified before legislation is enacted.*

Whilst the reforms took immediate effect, several key guidance materials and new entities have been or continue to be implemented — some longer than six months after the new obligations came into effect (see Figure 4.5). Many of these materials were viewed by stakeholders as essential to fully understanding the effect of the reforms on their operations.

Figure 4.5 Implementation of reforms and guidance materials



Note: *Future standards are still to be developed, including a National Environmental Standard for First Nations engagement.
Source: DCCEEW 2025, 2025, 2026b, 2026a; National EPA 2026a, p. 31, 2026c, 2026b.

[20] While the EPBC Act will be subject to a statutory review in five years, no post implementation review on the continuing use changes, to evaluate impacts and effectiveness, is planned at present (Senate Environment and Communications Legislation Committee 2026, p. 76).

The context and timing of the reforms and development of supporting materials are important factors in determining the likely effect of the reforms. Due to this delay, a higher level of confusion has occurred than would typically be expected when legislation is changed. This has likely materially impacted initial responses, some of which will have long term impacts for all stakeholders and the environment. This is further discussed throughout this section.

The long-term impacts of the reforms may also differ and evolve over time compared to the immediate impacts — due to both changing levels of stakeholder understanding and confidence in applying the reforms and in regulator behaviour.

Stakeholders affected

Based on initial stakeholder feedback, this reform was anticipated to primarily have a negative effect on the grazing industry. However as shown in Figure 4.4, the impacts may be broader, covering other agricultural sectors, such as cane farming and forestry as well as other industries (such as mining and quarrying) and essential infrastructure providers who may be required to clear vegetation (CCAA, sub. 17, pp. 15–18; LGAQ, sub. 22, pp. 1–2; Sunwater sub. 6, p. 6).

A material impact is anticipated for Queensland landholders with areas of land mapped as Category X under Queensland's vegetation management framework, which provides an exemption from clearing restrictions under the VMA (see Box 4.3).

Box 4.3 Category X landholdings and PMAVs

Category X under the VMA refers to land that is not regulated for vegetation clearing and usually includes areas that have been previously lawfully cleared or do not qualify as remnant vegetation.

In 2004, Property Maps of Assessable Vegetation (PMAVs) were introduced, giving Queensland landholders the ability to 'lock in' Category X boundaries, ensuring these areas remain exempt from any future changes to the VMA. This was to provide some certainty to landholders so that they could continue to manage their existing, largely previously cleared, areas (State of Queensland (Office of the Queensland Chief Scientist) 2023, p. 29).

A Category X PMAV does not provide an 'exemption' under the EPBC Act (National EPA 2026g).

With a PMAV in place, landholders can generally clear Category X areas without needing approval from the Queensland Government if other relevant state laws are followed. For example, Category X areas are still subject to the requirements of the protected plants legislative framework under the *Nature Conservation Act 1992*.

In the absence of a PMAV, the mapping of Category X areas relies on government vegetation maps in place at that time. As a result, some areas may potentially be reclassified over time; creating uncertainty for landholders.

Category X land represents just under 19 per cent of Queensland, and accounted for 75 per cent of total clearing activity in 2023–24 (DNRMMRRD, pers. comm.; State of Queensland 2026). Nearly 80 per cent of this Category X clearing was on land with a PMAV in place (Queensland Government 2026h).

Landholders in other vegetation management categories under the VMA may, to a lesser extent, will also be impacted, particularly if they previously conducted clearing under exempt routine activities or clearing codes (Box 4.4).

Box 4.4 Impact of reform on other vegetation categories

Under the VMA, some clearing is also permitted in other regulated categories, such as Category R (which applies to vegetation within 50 metres of a watercourse in GBR catchments).

Clearing in these areas is allowed for specific purposes, such as managing weeds, establishing infrastructure, or creating firebreaks, provided landholders follow an ADVCC (commonly referred to as a self-assessable code) or obtain formal approval.

Source: Caxton Community Legal Centre 2026; EDO 2020b; State of Queensland 2025a

Area of land affected by the reform

Analysis of this reform[21] indicates that:

- 629,768 hectares or 2.5 per cent of Category X land that has a PMAV in place (representing 25,851 property lots) has regrowth of 15 or more years of age. Most of this regrowth is in the Brigalow Belt and South East Queensland (SEQ) (see Table 4.1)
- over 4.3 million hectares of land (representing 143,834 property lots) in the GBR catchment area is affected by the 'within 50 metres of a watercourse' reform.

Of this:

- over 1.1 million hectares is currently Category X land
- over 2.8 million hectares is in Category B.[22]

Table 4.1 Regrowth area over 15 years on PMAV Category X, by bioregion

Brigalow Belt (ha)	SEQ (ha)	Mulga lands (ha)	All other bioregions combined (ha)	Total (ha)
252,945	226,985	77,165	72,673	629,768

Source: DNRMMRRD pers. comm.

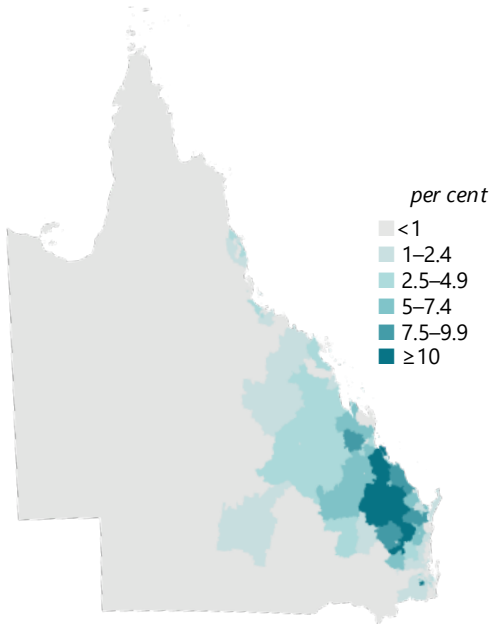
Commission analysis indicates the change in the availability of the continuing use exemption is most likely to affect landholders in central Queensland and near the Burnett River basin. However, much of Queensland's agricultural regions are affected, including the Innisfail-Cassowary Coast region, the Central Highlands and Charleville (Figure 4.6).

[21] The Commission has drawn on analysis developed by staff within the DNRMMRRD. However, the Commission has also conducted its own analysis to both confirm previous analysis and to develop a more granular regional breakdown of these impacts. Further information is provided in Appendix C.

[22] Category B land represents areas of remnant vegetation that meets specific criteria for structure, species composition and ecological value. Some self-assessable clearing activities are allowed (by a ADVCC under the VMA).

Figure 4.6 Indicative share of land for which the continuing use exemption is no longer available

Category X land within 50 metres of a water feature in the Great Barrier Reef or having 15-year-old regrowth, as a share of the total land area by Statistical Area 2



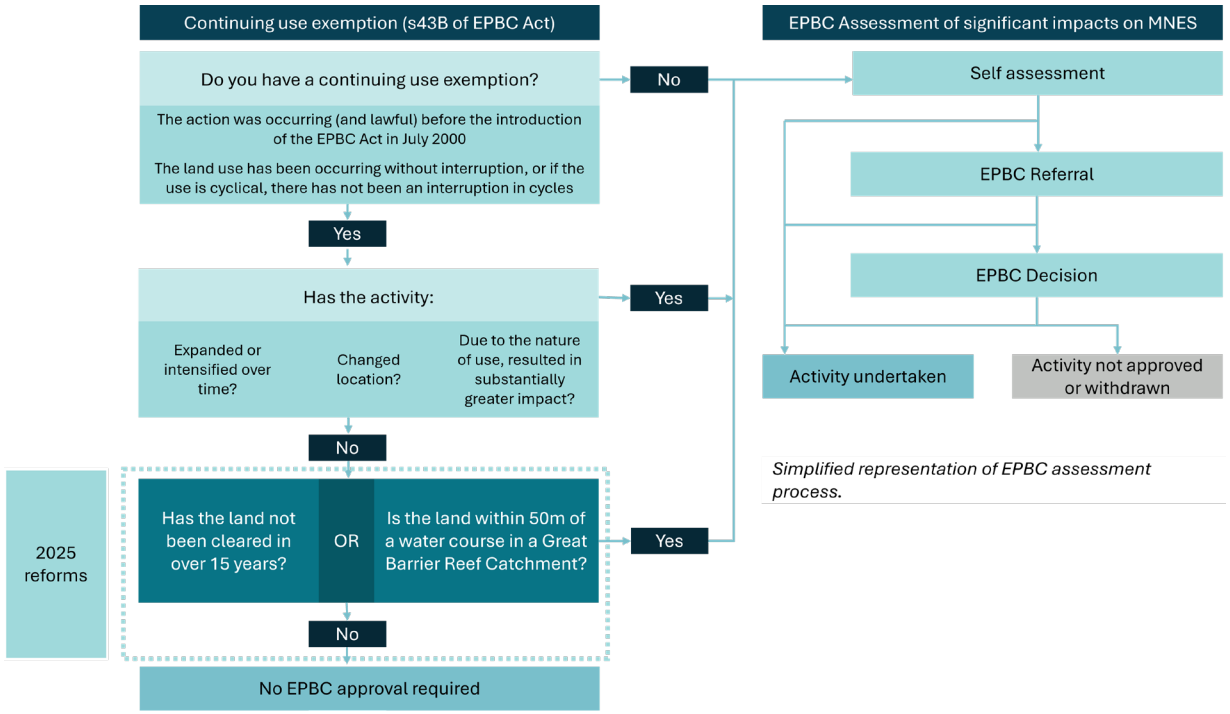
Note: Data relates to shares of the total land area of the SA2, including land which is not Category X. Data availability means that these areas are estimates only and may underrepresent land shares outside of the GBR catchment. Further details on data limitations and methodology are provided in Appendix C.2.

Source: QPC based on ABS 2026a; Queensland Government 2018, 2023b, 2024c, 2026j.

These are estimates of the total impacts rather than exact measures. As they are based on the presence of Category X land (which may not have been used continuously in a manner that enlivened the pre-reform exemption), the estimates may overstate the effect of change. Alternatively, it may understate the effect of the change outside the GBR catchment where regrowth data is more limited (see Appendix C.2 for further details).

The removal of the continuing use exemption does not constitute a blanket prohibition on activities. Impacts to activities depend on the assessment process, as outlined in Figure 4.7.

Figure 4.7 Changes to continuing use exemption



Source: QPC.

However, this process, as represented in Figure 4.7, introduces additional time, costs, and uncertainty for landholders — particularly those unfamiliar with applying the self-assessment, referral and approval requirements of the EPBC Act.

Stakeholders widely noted the requirements to determine a significant impact were unclear and open to interpretation. Landowners expressed nervousness around both undertaking routine land management activities, without triggering an Australian Government compliance action and the level of documentation needed (and to be retained for at least five years) to demonstrate compliance. The key issues raised by stakeholders included:

- ongoing development of guidance materials and standards, leaving landholders unsure of their obligations and increasing the risk of non-compliance (Queensland Farmers' Federation, sub. 31, pp. 5-6; Property Rights Australia, sub. 66, p. 11; AgForce, sub. 58, p. 4)
- the need for clearer, more practical pathways for low-risk activities to reduce regulatory burden and provide certainty for landholders (NRM Regions Queensland, sub. 42, p. 1; National Farmers' Federation, sub. 57, p. 13)
- a lack of clarity on what constitutes 'continuing use' and how the significant impact test applies in practice (KCGO, sub. 25, p. 2; AgForce, sub. 58, p. 1)
- inconsistent and unreliable mapping tools, such as the Protected Matters Search Tool, which stakeholders argue cannot be relied upon for informed decision-making (Hutchinson Ag, sub. 18, p. 3; Cotton Australia, sub. 8, p. 7; National Farmers' Federation, sub. 57, p. 5; P. & W. Sheehan, sub. 62, p. 2).

This uncertainty has the potential to lead to further impacts on landholders as discussed below.

Compliance costs and administrative burden

Compliance costs can include the administrative effort required to interact with regulators as well as costs incurred to comply with a requirement.

The 2025 reforms to the continuing use exemption have likely increased compliance costs for landholders and proponents by requiring additional assessments and referrals for activities that were previously considered exempt.

Self-assessment process

Under the new obligations, affected landholders, at a minimum, are to self-assess their activities to determine whether they are likely to have a significant impact on MNES.

Stakeholders argue that undertaking a self-assessment will increase regulatory burden on landholders by requiring record-keeping, mapping reviews and documentation requirements (Hutchinson Ag, sub. 18, p. 4; Queensland Farmers' Federation, sub. 31, pp. 5-6; National Farmers' Federation, sub. 57, pp. 7–8; AgForce, sub. 58, pp. 8–9). Stakeholders also consider the process will duplicate compliance requirements between the Australian and Queensland VMA requirements, adding further complexity and costs (Kalamia Cane Growers Organisation, sub. 25, pp. 3–4; Queensland Cane Growers Organisation Ltd, sub. 35, p. 2; Mr Guy Newell, sub. 55, p. 3; Timber Queensland, sub. 63, p. 2). AgForce (sub. 58, p. 8) contends that:

> *The changes to the continuing use provisions, together with expanded expectations for self-assessment and referral, could affect up to 88,000 farmers across Australia. If even a small proportion of those producers are required to seek advice, prepare self-assessments or make referrals, the regulatory load would represent a substantial increase compared with the 6,253 proposed actions referred to the Minister between commencement of the EPBC Act and 30 June 2019.*

In August 2026, the National EPA (2026a, pp. 12–16) produced a guide on how agricultural activities interact with the EPBC Act, including a categorisation of typical activities into different 'risk categories' and how to undertake a self-assessment. An extract of the guide is provided in Box 4.5.

Box 4.5 Extract from NEPA Agricultural Guide - Self-assessment process

A self-assessment is the first step of the EPBC Act process and helps you to understand your obligations under the EPBC Act. You can choose to undertake a property wide self-assessment as part of a farm management plan, but there is also the option of doing self-assessments for individual actions, depending on personal preference.

A well-prepared self-assessment is based on reliable information and helps you make an informed judgement on whether your activity needs to be referred under the EPBC Act. It is important for you to consider if you can avoid impacts on protected matters. Many landholders can undertake a robust self-assessment for low and medium-risk actions themselves. We recommend you engage an environmental consultant to provide assurance that your self-assessment for high-risk actions is sufficiently robust.

Landholders who apply this guidance, undertake robust self-assessments and can demonstrate that their activities are unlikely to have a significant impact should have a high degree of confidence that they are meeting their obligations under the EPBC Act.

Source: National EPA 2026a, p. 16

The National EPA guidance suggests a number of routine farming activities, such as maintaining existing firebreaks, creating new fencelines and weed management, will be of 'low risk of significant impact on MNES' (National EPA 2026a, p. 12). However, as the continuing exemption previously did not require any explicit assessment of significance for vegetation over 15 years of age or within 50 metres of a GBR catchment, this represents an increased burden in those circumstances.

In terms of timeframes for undertaking a self-assessment, the National EPA (2026a, p. 28) notes the time taken:

> *will vary depending on the complexity of the work, and the number of protected matters that are likely to be present. To date, most of the landholders contacting us directly have been able to complete their self-assessment in a few days.*

The National EPA guidance (2026a, p. 29) also notes that in some cases, the self-assessment process will require engagement of environmental consultants for large scale and high-risk actions. This has the potential to add significant financial and time costs, with one submitter (Anonymous, sub. 21, pp. 2–3) stating that:

> *The self-assessment framework is not, in practice, a self-assessment framework. Threatened Ecological Community (TEC) determinations require qualified ecological assessment; costs of at least $80,000 to $150,000 per parcel to obtain these assessments are unviable for family enterprises operating on agricultural margins.*

However, stakeholders are concerned that qualified experts, such as ecologists and legal advisors, may be required for not just high-risk actions, but for lower risk activities as well (Queensland Cane Growers Organisation Ltd, sub. 35, p. 2; NRM Regions Queensland, sub. 42, p. 7). Consolidated Pastoral Company (sub. 32, p. 2) notes:

> *The people who live and work on a specific property know the land and the species that are present. However, Commonwealth self-assessments requiring a formal evidence pack in support of each decision, accompanied with external ecological advice and legal advice, is a substantial cumulative burden for activities that are essentially routine and low risk.*

A key concern for stakeholders is that the burden and 'onus of proof' of incorrectly undertaking or retaining insufficient evidence when completing a self-assessment falls to the landholder. This concern may lead to some proponents referring matters that may not have a significant impact on MNES (Hutchinson Ag, sub. 18, p. 3; Consolidated Pastoral Company, sub. 32, p. 2; UDIA Qld, sub. 40, p. 9; P. & W. Sheehan, sub. 62, p. 2). As noted by stakeholders:

> *In the absence of clear thresholds and decision-making criteria, proponents may adopt a precautionary approach and refer activities that would not otherwise require Commonwealth assessment. This leads to unnecessary compliance costs, increased administrative burden and delays in investment decisions (Office of the Special Commissioner for Regional and Rural Queensland, sub. 67, p. 16).*

> *At present, uncertainty is effectively being transferred back onto the landholder who must either accept the legal risk (noting that reforms have increased penalties), obtain costly professional advice, or refer an activity that may not ultimately require Commonwealth approval. … This is especially a concern for family farms and small agricultural businesses which generally do not have access to in-house expertise and are least able to absorb the cost of regulatory uncertainty. A system that can only be navigated confidently by lawyers and/or consultants is simply unacceptable and not fit-for-purpose. (National Farmers' Federation, sub. 57, p. 7)*

The National EPA guidance recommends, for higher risk activities, landholders engage suitable ecologists and refers readers to the Environment Institute of Australia and New Zealand (EIANZ).

Stakeholders have noted there may be shortages of qualified ecologists and consultants, particularly in regional areas where access to technical expertise is limited (Queensland Farmers' Federation, sub. 31, p. 2–4). Commission analysis of areas with the highest concentration of EIANZ ecologists appears to confirm this concern.[23] Stakeholders also raised concerns that some consultants (especially newer entrants) lack an understanding of the relevant landscape and its history. There is also a concern, based on market observations since the 2025 reforms, that costs and lead times associated with ecology service providers are increasing due to demand.

[23] This showed a high concentration of EIANZ ecologists in major centres. This is based on members, and their locations, listed on the EIANZ member registry. This analysis is indicative only as not all ecologists are members of the EIANZ and not all members specify their detailed location.

Referral process

A referral may be required if the self-assessment process indicates the presence of a significant matter or if the landholder wishes to obtain confirmation of the actions required (that is, ensure their self-assessment is correct). Referral fees start at $6,577 but increase if further assessment is required (see Chapter 7 for more on referral fees). Referrals (and approvals) may also require consideration of offsets and other EPBC Act requirements (AgForce, sub 58, p. 24).

Stakeholders are concerned that in addition to the fees, there will be other compliance costs and time delays. As noted by AgForce (sub. 58, p. 27):

> *Commonwealth referral processes delay, restrict or prohibit activities that were factored into property purchase price, business viability and succession planning.*

However, a representative of the National EPA has stated that it is not expected that most people will need a formal referral (Nason 2026).

Estimates of compliance costs

A small number of submissions detailed estimated compliance costs from the reforms, mostly in relation to landholders and proponents undertaking a self-assessment. Some also provided information from quoted or actual costs incurred (rather than estimates). Several stakeholders also expressed a reluctance to undertake activities — such as compliance or land management activities on potentially impacted land — until further clarity on the reforms was available.

Submissions showed a large range of potential costs, depending on whether the self-assessment also required ecological surveys and legal assessments. For example, AgForce (sub. 58, p. 23) suggests that a single self-assessment of a 'routine' agricultural activity (in this case, a 5 km fence), would take a landholder 50 hours to complete at a direct financial cost of $3,514.

Other stakeholders noted:

> *I estimate each assessment could cost from $2,000 for a simple project, such as a 2 km fenceline, up to $10,000 for assessing 100 hectares of Category X regrowth older than 15 years that need control. (Geoff Swanson, pers. comm.)*
>
> *Legal costs of approximately $14,000 have already expensed to date in seeking advice on how the reforms apply. (Anonymous, sub. 21, p. 2)*
>
> *A project to construct approximately 30km of new fence to improve grazing management has been delayed by three to four months, incurring over $30,000 in self-assessment costs, with no corresponding environmental benefit … Under the current arrangements, however, an ecological consultant would need to be engaged to undertake a desktop assessment at a cost of approximately $15,000. … This survey would cost a further approximately $15,000 and confirm that Bridled Nail-tail Wallabies were not present. (Consolidated Pastoral Company, sub. 32, p. 3)*
>
> *The Enterprise faces quoted assessment and referral costs in the order of $80,000 for an initial self-assessment report from a qualified ecological consultant to confirm if referral is required. (Anonymous, sub. 21, p. 2)*
>
> *Cotton Australia estimates from member discussions that to simply engage a suitably qualified individual will in occur at least $120,000. This is even before it is confirmed by the Australian Government officials that a Pre-Referral discussion is needed. (Cotton Australia, sub. 8, p. 6)*

Some submissions also noted the large compliance costs involved in referrals (either instead of, or after completing, a self-assessment). While some of the costs involved could have already been incurred through the self-assessment process, a referral may also require more in-depth ecological and legal assessment, leading to additional fees. AgForce (sub. 58, p. 25) for example notes an EPBC Act referral could cost between $79,000 and $149,000, while another stakeholder noted:

> *Referral costs of $150,000+ (plus significantly greater costs if approval is required) equate to several years of net agricultural production on the parcel. (Anonymous, sub. 21, p. 11)*

Other stakeholders however dispute some of the estimates of the cost of the reforms. As noted by the Australian Conservation Foundation (sub. 64, p. 8).

> *[L]andholders undertaking actions that risk engaging with the legislation need to assess their compliance obligations, the so-called "self-assessment" process. While there is a cost involved in these circumstances, claims by industry bodies such as AgForce on the cost of the reforms ($3.5 billion per year) have been derived by assuming grossly exaggerated numbers for EPBC referrals and costs per referral.*

The time it takes to complete a self-assessment, as advised by the National EPA (2026a, p. 28) could take 'a few days', with timeframes dependent on where and what the project being proposed is (DCCEEW 2026ai). A landholder's confidence in undertaking a self-assessment, which is a function of capability, time and availability of supporting information and services, will also materially impact timeframes.

Given the range of information available, and that activities will differ in scope and geographical area, it is difficult to establish a definitive cost for landholders and proponents to undertake a self-assessment. However, it appears likely that a self-assessment, involving desktop research and some level of 'ground truthing', will at a minimum take several days, even for routine activities.

It therefore appears reasonable, based on stakeholder submissions, that a single self-assessment could be in the order of $2,000 to $30,000 depending on whether further ecological assessment is required. This amount will increase if multiple self-assessments are required throughout the year or if a referral for assessment is required.

These costs could be minimised through education and the use of pre-existing guidelines. For example, a National EPA representative has noted that Queensland has a range of accepted development codes for certain activities that already require a self-assessment to be completed and that these could be utilised by landholders in undertaking some assessments under the EPBC Act (Nason 2026).

The Commission is interested in further stakeholder evidence on the impacts of the self-assessment and referral process to further inform the Commission's analysis.

Land management challenges

The narrowing of the continuing use exemption has also created challenges for landholders engaging in routine as well as 'active' land management practices that may improve productivity and soil health. Landholders have raised concerns about:

- reduced flexibility to manage vegetation regrowth, leading to thickening vegetation, reduced ground cover, increased risks of erosion and sediment runoff, and negative effects on drought resilience preparations (P. & S. Joliffe, sub. 5, p. 2; Anonymous, sub. 21, p. 15; Mr Colin Boyce MP, sub. 51, p. 6; Mr Guy Newell, sub. 55, pp. 2–3)
- the 15-year clearing rule, which is seen as arbitrary and misaligned with agricultural practices, such as grazing and fodder harvesting, that require periodic clearing to maintain land productivity (Anonymous, sub. 21, p. 15; Mr Guy Newell, sub. 55, pp. 1–2)
- the lack of exemptions for essential activities, such as fire management and Indigenous land use, which could exacerbate risks of uncontrollable wildfires and hinder cultural practices (NRM Regions Queensland, sub. 42, pp. 4 , 6; Mr Guy Newell, sub. 55, pp. 2–3; AgForce, sub. 58, p. 11)
- the potential for unmanaged vegetation within the 50-metres of watercourses in GBR areas restricting stormwater movement and channel capacity and increasing flood risks (AgForce, sub. 58, p. 11; Property Rights Australia, sub. 66, p. 13)
- a lack of recognition of the longer-term landscape benefit and net environmental gain of restoration and remediation activities that may involve some short-term disturbance to vegetation (NRM Regions Queensland, sub. 42, p. 6).

Stakeholders outside of the agricultural sector have also noted how the changes may affect routine operational and maintenance activities:

> *The nature of Sunwater's operations and location of its assets in and around watercourses means that Sunwater is disproportionately impacted by removal of the continuous use exemption. Of particular concern is that essential asset maintenance or routine operational clearing works are now potentially captured by the EPBC Act requiring at a minimum self-assessment and potentially a full referral, assessment and approval. This will add cost and delays to essential and routine infrastructure maintenance works being completed in previously disturbed environments. (Sunwater, sub. 6, p. 6)*

> *The application of a uniform 50-metre clearing restriction may not adequately recognise the low-risk nature of routine maintenance activities undertaken within established operational easements or previously disturbed infrastructure corridors. In these circumstances additional regulatory requirements may increase project costs and delivery timeframes without delivering a commensurate improvement in environmental outcomes. (Gladstone Area Water Board, pers. comm.)*

Economic and productivity impacts

Restrictions on the use of land can limit productive land use, impact property rights, and reduce property values (PC 2004, p. 129; Senate Finance and Public Administration References Committee 2010, p. 28). As noted by the Australian Productivity Commission (PC) (2004, p. 122):

> *The most direct way in which the regulations on vegetation clearance can reduce landholders' returns is by restricting the amount of land available for production or by reducing the productivity of available land.*

Stakeholders raised similar concerns regarding the impact of the reforms, including:

- reduced land value and areas of productive land, particularly for properties within GBR catchments or with land that has not been cleared in the past 15 years (Nev Hunt, sub. 1 C1; Anonymous, sub. 21, p. 12)
- delays and increased costs for projects, which may lead to cancellations of activities, or deferred or reduced investment (Hutchinson Ag, sub. 18, pp. 1–2; Queensland Farmers' Federation, sub. 31, p. 5; Consolidated Pastoral Company, sub. 32, p. 3). Delays, while waiting for EPBC Act assessment and approval, could also result in the missing of seasonal and weather related windows for clearing or remove the ability to undertake fodder harvesting in times of drought (see Box 4.6)
- the potential for some projects to become economically unviable due to increased compliance costs (Cotton Australia, sub. 8, p. 8; Anonymous, sub. 21, pp. 2–3)
- the impact of regulatory uncertainty on bank financing, as some financial institutions base lending decisions on state-level regulatory frameworks, which are now 'misaligned' with Commonwealth requirements (Anonymous, sub. 21, p. 7). As noted by one stakeholder:

> *Properties have been valued, whether for purchase or ongoing valuation against the PMAV vegetation classifications from the Qld Vegetation Management Act 1999 since it was enacted, with particular emphasis on Category X country due to high production value. Valuers and banks have relied on vegetation classifications to understand the property's production, value and potential. (Australian Country Choice, pers. comm.)*

Box 4.6 Fodder harvesting

Fodder harvesting involves cutting or lopping edible native vegetation, such as mulga, to feed livestock during droughts. The VMA requires fodder harvesting to conserve vegetation in perpetuity, maintain regional ecosystems and leave woody biomass on-site.

During consultation, producers emphasised the critical role of mulga as a fallback during droughts, enabling them to avoid destocking, maintain cattle genetics and sustain marginal income. Some stakeholders also claimed the tannin in mulga is not mature enough or 'palatable' until after 15 years and that clearing cycles could be as long as 25 years.

These stakeholders further claimed the 2025 reforms, particularly the removal of the continuing use exemption for vegetation over 15 years old, would turn a relatively straightforward process under the VMA (requiring only a self-assessment and online notification) into a more comprehensive assessment process under the EPBC Act. Stakeholders are concerned this could require extensive ecological assessments and Commonwealth approval which may not be completed before harvesting is required.

Stakeholders noted that any delays in fodder harvesting could lead to animal welfare issues, economic losses and broader impacts on property management, cattle stock levels and lending arrangements.

The National EPA has produced a fodder harvesting case study in its 2026 agriculture guide, which suggests 'No EPBC Act referral is required.' However, this is predicated on the activity being limited to 'previously disturbed areas' and there being no MNES present.

Source: AgForce 2026b; Maizey 2026; National EPA 2026a, p. 52; State of Queensland (Office of the Queensland Chief Scientist) 2023, p. 65; P. & W. Sheehan, sub. 62, p. 2.

Stakeholders also raised concerns these reforms could reduce the attractiveness of operating in Queensland. Firstly, as a destination for interstate and overseas investment capital because land with significant areas of woody vegetation are typically given a lower financial asset value by both purchasers and land valuers (State of Queensland (Office of the Queensland Chief Scientist) 2023, p. 24). Secondly, policy measures introduced by state governments to increase productivity will not be as effective or heavily constrained. In the Queensland context the following initiatives were identified by stakeholders as potentially either in conflict with, or constrained by, the 2025 reforms:

- the Queensland Government's Prosper 2050 blueprint for Queensland's primary industries, including the Queensland Future Timber Plan 2050 (Timber Queensland, sub. 63, pp. 3–4; Cotton Australia, sub. 8, p. 5)
- Queensland Reef Protection Standards, including obligations to maintain certain levels of groundcover, which stakeholders note may be undermined by Australian Government requirements (Property Rights Australia, sub. 66, p. 6)
- the Australian Government's Climate-Smart Agriculture Program, National Soil Strategy and the Reef 2050 Plan which promote adaptive management principles and support rotational and rest-based approaches (Anonymous, sub. 21, p. 10)
- duty of care obligations for leases issued for agricultural, grazing or pastoral purposes, under the *Land Act 1994*, which historically have required lessees to take all reasonable steps to effectively manage the land[24]
- the work of Natural Resource Management organisations, who aim to protect, restore, and sustainably manage natural assets in consultation with landholders, including activities that are partially Australian Government funded (NRM Regions Queensland, sub. 42, p. 6).

Lastly, given these factors the potential for increased levels of food and fibre production are significantly constrained and may go backwards (Cotton Australia, sub. 8, p. 5).

More broadly, stakeholders in consultation and submissions were concerned the reforms will have broader impacts on local economies and were worried about how the changes could affect the future viability of agriculture in Queensland (Cotton Australia, sub. 8, p. 5). Concerns were also raised with the potential for increased third party scrutiny — beyond the EPBC Act objectives — of Queensland land clearing activities (see Eyers 2026a, 2026b).

[24] However, some stakeholders noted enforcement actions have changed over time.

Direct impact analysis

To further understand the potential impact of the amendments to the continuing use exemption on project proponents, the Commission estimated the direct impacts of additional land clearing assessments and referrals for the agricultural sector.

Box 4.7 Direct impact analysis

The Commission's analysis involves a quantification of the direct self-assessment and referral costs on landholders from the 2025 reforms.

The analysis is designed to reflect the process a single proponent follows as they seek to undertake an activity that may have EPBC Act implications.

Costs assessed include:

- the cost of landholder's time to undertake self-assessment and referral, including undertaking a desktop search of protected matters, completing paperwork and inspecting the land
- any additional ecological or legal advice landholders may need in order to meet EPBC Act requirements
- referral fees
- the opportunity cost of delays in undertaking the activity while awaiting a referral decision from the National EPA.[25]

Importantly, direct impact analysis only estimates the direct cost of compliance requirements on landholders. It does not include:

- the loss of activity that no longer proceeds as a consequence of the 2025 reforms
- consequent lost production or other land management impacts, including unintended consequences
- increasing marginal costs of assessments, such as in the case there are difficulties accessing ecological services
- costs or benefits of other elements of the reforms
- the costs, if required, of providing an offset for the activity
- benefits, including any avoided environmental harm.

A range of plausible impacts are estimated via several scenarios. Scenario parameters reflect the number of additional self-assessments or referrals that may be induced by the reforms and the costs of those additional assessment requirements.

The Commission's analysis considers three illustrative scenarios arising from the reforms that assess varying increases in both the cost and number of agricultural activities[26] requiring a self-assessment and being referred to the National EPA.

[25] No delay cost has been included for the self-assessment stage due to lack of historic data. However, a range of delay costs could conceivably arise, such as wait times for the sourcing of expert advice.

[26] Agricultural activities were chosen as they represent the industry most likely to, historically, undertake land clearing activities.

A summary of the key parameters used for the modelled scenarios is shown in Table 4.2.

Table 4.2 Parameters used in scenario analysis

Relevant Parameters	Scenario 1	Scenario 2	Scenario 3
Self-assessment process			
Number of additional activities or properties self-assessed per year	500	2,500	2,500
Average cost ($)	31,482	9,100[a]	4,060[b]
Referral process (stage 1)			
Number of additional activities or properties referred per year	5	25	5
Average cost of referral ($)		134, 977	

Note: [a] Represents an average cost of 500 assessments at $31,482 per self-assessment and a further 2,000 assessments at $3,500.
[b] Represents an average cost of 50 assessments at $31,482 per self-assessment and a further 2,450 assessments at $3,500.
Source: QPC.

The analysis and parameters used are based on evidence received from stakeholder submissions and consultations and other sources on the costs associated with self-assessment and referral.

However, the impact of the reforms is still emerging and how these variables change over time will depend on the continued development and release of regulatory and guidance material, how the regulator administers the requirements, and landholder awareness, behaviour and risk attitude. For example, if either the National EPA takes a more active posture in regulating smaller, routine clearing activities, or regulatory and guidance material remains insufficient for a landholder to confidently undertake a routine or low risk activity without assessment, then the number of self-assessments will be higher than otherwise.

The following sections summarise a proponent's journey through the EPBC Act process and how the above parameters for each scenario were developed.

1. Deciding on a self-assessment

At the start of the process a proponent must decide whether they need to undertake a self-assessment of possible impacts on MNES for an activity they plan to undertake that involves land clearing. If their actions have no impacts, or the activity still falls under the (narrowed) continuing use exemption under the EPBC Act, they undertake the activity with no further EPBC Act related assessment activities. The likelihood of a self-assessment being undertaken is discussed below. We do not estimate costs for this step.

2. Whether a self-assessment is required

Following Step 1, a proportion of proponents will decide whether a self-assessment is required to further determine whether an action is likely to have a significant impact on MNES. If the self-assessment establishes that the activity will have low (or no) risk of significantly impacting MNES then the activity can proceed without referral for assessment by the National EPA.

Additional self-assessments induced by the 2025 reforms

No data is available on the number of self-assessments previously completed by landholders or proponents for land clearing activities as this information is not required to be submitted to the Australian Government. However, due to several reasons (as discussed in Section 4.1), this number is likely to be low.[27]

How many self-assessments will be required post-reform will depend on the number of landholders undertaking clearing activity, how frequently clearing activity will interact with MNES and how frequently impacts could be viewed as potentially significant. These factors will also be dependent on the behaviour and discretion of the National EPA in assessing land clearing activity and providing guidance, and the behaviour and level of risk aversion among landholders when deciding on self-assessment and referral in the face of uncertain requirements.

Post-reform, the Australian Government had already received over 300 calls from affected landholders between December 2025 and end of June 2026, of which many are likely to be in Queensland, suggesting the number of self-assessments will increase (DCCEEW, sub. 44, p. 6). Stakeholder awareness of the reforms is also continuing to grow and regulator behaviour and guidance material is evolving. While the regulator has received around 300 calls, stakeholders have told the Commission many landholders are seeking advice from other sources before, or instead of, calling the National EPA (see also National Farmers' Federation, sub. 57, p. 26).

In its scenarios (detailed below) the Commission has explored the impact of the additional number of self-assessments occurring due to the reform, to be between 500 (under Scenario 1) and 2,500 (under Scenario 2 and Scenario 3) per year. This range has been selected as reflecting the potential for different levels of regulatory scrutiny of land clearing activities, differing levels of landholder awareness and differing levels of certainty or risk aversion among landholders in undertaking the assessment. They reflect self-assessments for both specific projects and property wide assessments.

Self-assessment costs

Due to the continuing use exemption and broader landholder awareness of the EPBC Act, self-assessments undertaken before the 2025 reforms were likely to be isolated to clearing activities that had a higher chance of significantly impacting MNES. In these situations, it would be expected that such assessments may require ecological and other professional assistance.

Post reform, the cost of self-assessment will depend on both:

- the proportion of self-assessments related to activities that are more routine in nature compared to those requiring more detailed ecological or legal advice
- the confidence of landholders in undertaking the self-assessment without this professional assistance, including for more routine activities (see earlier discussion).

The costs used in the analysis are based on evidence received from stakeholder submissions and consultations on current and prospective self-assessment costs. The numbers are underpinned by:

- lower-cost self-assessment, without ecological or legal support, of $3,500 per assessment. As stakeholder submissions suggested self-assessments for routine activities could cost between $2,000 and $10,000, $3,500 was considered a plausible value for analytical purposes, assuming a larger number of lower cost self-assessments
- higher cost self-assessment, with some additional ecological or legal advice provided, of $31,482 per assessment. This cost is consistent with the average 'pre-reform' cost of self-assessment reported by stakeholders.

[27] In addition, stakeholders told the Commission during consultation there were about 200 Queensland producers responsible for large amounts of clearing over time — this may be broadly representative of those undertaking significant clearing that could require self-assessment and referral, at various times, for MNES.

3. Whether a referral is required

If a self-assessment is conducted, the proponent will discover whether they are required to refer the project. If they are required to refer the project, they may choose to refer the project, abandon the project, or modify the project such that a referral is not required.

If the project is referred, the assessment and approval process begins. Following a referral, a proponent discovers whether the proposal has unacceptable impacts, is a 'controlled action' requiring second stage assessment or is 'not controlled' (that is, can proceed without further assessment).

Number of referrals

As noted, the level of agricultural referrals for EPBC Act approval has been low, averaging just over one per year. Since the reforms, the Australian Government has, between December 2025 and June 2026, held 10 pre-referral conversations with land holders, of which seven were Queensland based (DCCEEW 2026aj). This, along with information received from stakeholders during the Inquiry, suggests referrals will increase post-reform.

As with self-assessments, the number of referrals will also depend on the behaviour and discretion of the National EPA and behaviour and level of risk aversion among landholders.

The modelled scenarios consider whether more routine land management activities will be deemed by the regulator to require referral or whether more landholders will decide (potentially for increased certainty or greater risk aversion) to refer their activities. Referrals could plausibly increase to between five and 25 per year.

Referral costs

All scenarios modelled are based on a fixed referral cost (that is, a cost that applies regardless of project value) of $99,618, an initial referral fee of $6,577 and the opportunity cost of delays[28] in undertaking the activity while awaiting a referral decision from the National EPA. This information was sourced from stakeholder submissions on the costs associated with an agricultural referral under the EPBC Act.[29]

4. Whether a project is a controlled action

The second stage of referral occurs if the project is controlled and the proponent elects to continue with the process. The project is then approved without conditions, approved with conditions, or not approved.

All scenarios are based on further opportunity costs of delay while awaiting an approval decision from the National EPA (see footnote for referral costs) and a further fee of $11,420.[30]

[28] The opportunity cost of delay for agricultural projects was calculated by estimating, from data reported by submissions, an average monthly opportunity cost for an agricultural project (about $42,000) and multiplying this by the estimated median referral (0.7 months) and approval (34 months) duration for an agricultural project (see Appendix C for details). As a sense check, the opportunity cost for an agricultural project was compared with average monthly farm cash income in Queensland (about $22,000) between 2020 and 2025 (Australian Bureau of Agricultural and Resource Economics and Sciences 2026b).

[29] The impact of referral costs on proponents will differ depending on the size, type and region of the business operation. Average Queensland farm income (all broadscale) has ranged between $110,000 and $376,000 between 2020 and 2025 (Australian Bureau of Agricultural and Resource Economics and Sciences 2026b). Such costs are likely to disproportionately impact the large proportion of smaller farms who on average represent a small amount of total broadacre output (Australian Bureau of Agricultural and Resource Economics and Sciences 2026a).

[30] Represents a weighted average of assessment fees based on historic referral data.

Scenarios

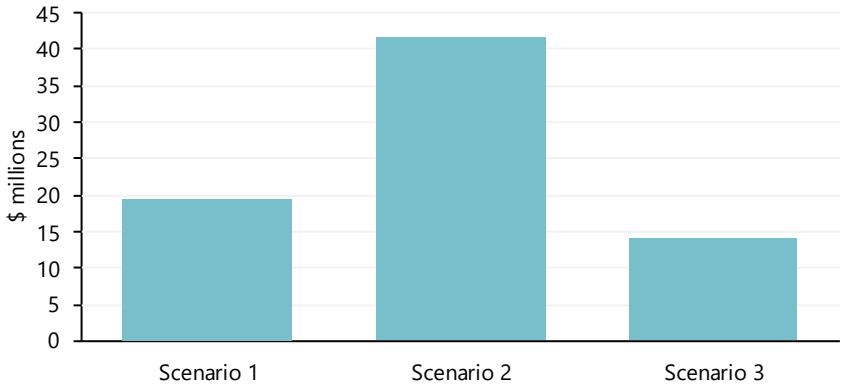
The Commission has explored three illustrative scenarios, reflecting the plausible range of costs to landholders due to the reforms:

- Scenario 1 reflects an increase in self-assessments and referrals broadly based on current landholder inquiries and pre-referral meetings. Self-assessment costs of $31,482 are assumed for 500 landholders, reflecting the need for ecological or legal support.
- Scenario 2 reflects the potential for stricter interpretation of EPBC Act requirements as applied to land clearing, whether by the regulator or as reflected in risk aversion among landholders. As with Scenario 1, around 500 landholders require self-assessment at costs of $31,482 per self-assessment. Additionally, a further 2,000 landholders undertake lower-cost self-assessment without ecological or legal support at a cost of $3,500 per assessment. Landholders are also more likely to refer activities to the National EPA, with 25 referrals made per year.
- Scenario 3, like Scenario 2, reflects a stricter interpretation of EPBC Act requirements but also assumes landholder costs are better able to be managed through greater regulator engagement with landholders and efforts to limit unnecessary regulatory burden (such as through improved guidance material and clearer requirements). Like Scenario 2, a larger number of self-assessments are undertaken, but it is assumed that for most landholders clear guidance and positive regulator engagement reduce the need for ecological and legal support. This assumption is also reflected in a more modest increase in matters going to the National EPA, with five referrals made per year.

Results of direct impact analysis

The potential total direct costs to the agricultural sector from the reforms, under the illustrative scenarios tested by the Commission, could range between $14 million (Scenario 3) and $41 million (Scenario 2). This is shown in Figure 4.8.

Figure 4.8 Direct impact of land clearing changes to agricultural sector under modelled scenarios



Source: QPC

As earlier noted, these results represent an illustrative range only, based on the parameters chosen (as discussed above) by the Commission for each scenario. Using different parameters will therefore yield different results.

Importantly, costs for landholders could be higher where EPBC Act requirements deter landholders from undertaking productive activity, where landholders incur additional costs to avoid the need for EPBC Act self-assessment or referral and where delays, while waiting for assessment and approval, could also result in the missing of seasonal and weather-related windows for clearing.

Actual impacts remain uncertain and will be dependent on how regulator and landholder behaviour adjusts over time. The long-term impacts of the reforms may differ and evolve over time compared to the immediate impacts — due to changing levels of stakeholder understanding and their confidence in applying the reforms. However, what the analysis does demonstrate is:

- the need for efficient solutions to deliver more low-cost pathways for landholders to avoid costly self-assessment requirements where there is no significant impact on MNES
- the impact positive regulator engagement and guidance material can have on landholders.

The Commission welcomes further stakeholder feedback on this analysis.

Distribution of impacts

The impacts of the reforms are unevenly distributed, with Queensland landholders and proponents disproportionately affected due to the inclusion of GBR catchments (Regulatory Intelligence Lab, sub. 3, p. 32; Sunwater, sub. 6, p. 6). In addition, whilst the EPBC Act was previously capturing mainly large projects, it is now capturing many farming operations run by small and family businesses.

Regional communities and small family businesses face higher compliance costs and greater challenges accessing legal or technical advice and navigating regulatory complexity, compared to larger enterprises (Hutchinson Ag, sub. 18, p. 4; Queensland Farmers' Federation, sub. 31, p. 6; Mr Guy Newell, sub. 55, p. 3; Office of the Special Commissioner for Regional and Rural Queensland, sub. 67, p. 13). As noted by stakeholders during the initial round of consultation:

- access to internet and technical skills may limit the ability of some landowners to navigate online resources
- some First Nations groups and graziers are also unsure about the impacts of the reforms on their activities.

Additionally, the reforms may favour larger businesses with specialist compliance staff, creating an uneven playing field (Hutchinson Ag, sub. 18, p. 4; Queensland Farmers' Federation, sub. 31, p. 6; National Farmers' Federation, sub. 57, p. 7; AgForce, sub. 68, p. 8). As noted by one stakeholder, who supported the reforms more broadly:

> *Smaller and family-owned businesses are likely to feel a disproportionate impact. They typically have far less capacity to absorb consultant, mapping and reporting costs than large corporate proponents. Clear guidance is what will most likely reduce this disproportionate burden in practice. (Anonymous, pers. comm)*

This is consistent with evidence that:

- smaller businesses can experience higher costs of regulation (as a proportion of its total costs and turnover) than larger businesses (Better Regulation Taskforce 2017, p. 5; PC 2016, pp. 48–49)
- small firms have fewer staff, time and resources available to understand and fulfill compliance obligations, while larger firms can more readily fund specialist compliance roles (Auster et al. 2025, pp. 36–37; Douglas & Land Pejoska 2017, p. 14).

The reforms also impose costs on the Queensland Government as a landowner and indirectly through the activities undertaken by Government-owned corporations and statutory authorities. Similarly local governments will be impacted.

The Australian Government will also incur incremental implementation costs, such as in the development of guidance materials, communicating changes to stakeholders and undertaking compliance and enforcement activities. The Federal Budget provides more than $500 million funding (over four years) to support the implementation of the 2025 reforms, including to establish the National EPA (Camenzuli et al. 2026).

Stakeholders have called for a risk-based approach to regulation to minimise unnecessary costs and maximise environmental outcomes (Hutchinson Ag, sub. 18, p. 5; NRM Regions Queensland, sub. 42, pp. 11-12).

Environmental impacts

As noted earlier, the clearing of native vegetation has been identified as a key driver of habitat loss and fragmentation, and vegetation management regulations seek to conserve native vegetation and prevent loss of threatened species and biodiversity and reduce land degradation (DCCEEW, sub. 44, p. 4; State of Queensland (Office of the Queensland Chief Scientist) 2023, p. 17).

While such regulations may improve environmental and conservation outcomes for the wider community, such improvements are usually multifaceted and rarely driven by one attribute or policy response (PC 2004, p. 11, 2016, pp. 106–107). For example, stakeholders have noted while water quality continues to impact the GBR, climate change is its greatest threat, with other impacts also coming from coastal development and illegal fishing (State of Queensland 2018, p. 3; Australian Government 2023b, pp. 6–7). In addition, while such vegetation management regulations aim to strengthen environmental protections, land clearing restrictions may also:

- lead to suboptimal levels of vegetation management, resulting in increased levels of invasive weeds or fuel loads (PC 2016, p. 126; Senate Finance and Public Administration References Committee 2010, pp. 54–56)
- discourage voluntary conservation efforts (PC 2016, p. 18)
- incentivise pre-emptive or premature clearing which undermine environmental goals (PC 2016, pp. 124–125; Senate Finance and Public Administration References Committee 2010, p. 57).

Will the 2025 reforms lead to environmental improvements?

As the narrowing of the continuing use exemption focusses on areas and activities occurring in areas not regulated by the VMA, such as Category X land, this may have the effect of preventing some clearing of environmentally valuable habitat. However, given the recent introduction of the reforms, no data is yet available to assess whether they have been effective at achieving their environmental aims.

The reforms apply a one size fits all approach to vegetation management across different landscapes, soil types and climatic conditions (Property Rights Australia, sub. 66, pp. 6 & 9; AgForce, sub. 58, p. 30). Stakeholders have highlighted some of the potential unintended consequences to the environment from the reform, including:

- delays in clearing activities due to referral uncertainty, which could worsen weed infestations and increase the risk of larger, hotter fires with negative impacts on native flora and fauna (Mr Guy Newell, sub. 55, pp. 2–3; AgForce, sub. 58, p 10)
- the possibility of entrenching monocultures and unmanaged vegetation, which may not necessarily improve biodiversity or environmental outcomes (Queensland Farmers' Federation, sub. 31, p. 4; AgForce, sub. 58, p 2)
- reduced viability of beneficial environmental projects due to increased compliance costs and regulatory uncertainty (Queensland Farmers' Federation, sub. 31, pp. 4–5).

Clearing in the GBR catchment

As noted, one of the stated rationales for the reforms is to reduce sediment run off into the GBR from land clearing. While there are differing views on the effect of sediment from agriculture on the GBR[31], the general scientific consensus is that reducing sediment loads supports water quality and the health of this ecosystem (Waterhouse et al. 2024, p. 6; Ball et al. 2025; Australian Conservation Foundation, sub. 64, p. 7).

[31] For example, see Ridd (2020, p. 2).

However, it has previously been raised that vegetation management compliance regimes have focused too much on tree coverage rather than overall environmental health, leading to unintended adverse environmental and land management outcomes (Senate Finance and Public Administration References Committee 2010, pp. 42–44). As noted by AgForce (sub. 58, p. 11):

> *While the reforms aim to maximise tree canopy cover, preventing the active management of regrowth and fodder harvesting can paradoxically lead to ecosystem degradation and severe landscaping vulnerabilities.*

While tree cover can serve as a useful proxy for assessing vegetation retention and its potential benefits in habitat protection and reducing sediment runoff, there are also incidences where increases and/or thickening in tree coverage can result in adverse environmental outcomes such as lost biodiversity (Senate Finance and Public Administration References Committee 2010, pp. 54–55).

Some stakeholders have also argued some tree cover can reduce groundcover (such as herbaceous plants and grasses). Groundcover has been acknowledged as an effective way to minimise wind and water erosion and run-off while also increasing the build up of soil carbon (AgForce, sub. 58, p 2; Barson 2013; Lang & McDonald 2005). For example, McCamley (as cited in AgForce 2026c) notes:

> *[D]ense, invasive regrowth of many Australian species like brigalow and mulga suppresses understorey growth, increases bare ground, accelerates erosion and reduces habitat function.*

Stakeholders argue that if the reforms unintentionally discourage beneficial land management practices this could lead to the proliferation of invasive weeds, woody vegetation thickening, and the choking of creeks and drainage lines, which can exacerbate erosion, increase sediment runoff, and reduce water flow capacity. (AgForce, sub. 58, p. 11; Property Rights Australia, sub. 66, p. 13).

Clearing vegetation older than 15 years

The 15-year vegetation rule is intended to reflect ecological principles like carbon sequestration, biodiversity development and habitat improvement (National EPA 2026g). As noted by one stakeholder:

> *Vegetation that has escaped clearing for fifteen years or more, and land close to reef catchment waterways, is where the highest remaining habitat and water-quality value sits (Anonymous, pers. comm.)*

In addition, Thomas and Maron (2026) have undertaken research on the benefits of regrowth for 30 threatened animal species in Queensland:

> *We found 15 years was the average minimum age at which regrowth became useful to threatened species. But the full range was 3–68 years, depending on factors such as what a species eats, how it moves through the landscape and whether it needs tree hollows for shelter or breeding.*

However, other stakeholders argue the rule is arbitrary and fails to account for variations in vegetation types, growth rates, and ecological timelines across Queensland (Maizey 2026; AgForce, sub. 58, p. 2). In addition, the benefits of carbon sequestration can differ depending on the size and distribution of trees.[32] As noted by stakeholders:

> *The 15-year rule is of particular concern because it treats time since previous clearing as a regulatory trigger, rather than focusing on the actual condition of the land, the purpose of the proposed work, or the environmental consequences of doing nothing. In the rangelands, vegetation can thicken, shift, recover or decline depending on rainfall, grazing pressure, fire history and pest impacts. A simple 15-year threshold does not capture that reality. (Mr Guy Newell, sub. 55, pp. 1–2)*

> *[T]his line in the sand does not mimic the way agriculture exists. Agricultural land is not static. Producers may use rotations, manage regrowth, control weeds, repair erosion, maintain infrastructure and respond to fire or flood. A fixed timeframe does not adequately reflect the purpose, history or environmental outcome of a particular management activity (Queensland Food Farmers' Commissioner, pers. comm.)*

It was also argued that this limit did not take into account developments that progress over many years:

> *Similarly, the introduction of the 15-year substantial commencement requirement creates uncertainty for projects that are deliberately developed in stages over several decades. … they have the potential to create broader uncertainty across other long-life industries that rely on progressive development and continual operational improvement. (Cement Concrete & Aggregates Australia, sub. 17, pp. 16–17)*

The 15-year limit on regrowth may also incentivise landholders to bring forward costly clearing activities to avoid the restriction, potentially leading to less optimal clearing regimes, environmental degradation and increased costs (PC 2004, p. 106; Guy Newell, sub. 55, p. 2; Property Rights Australia, sub. 66, p. 6). As noted by some stakeholders:

> *[D]ue to the 15 year rule, people are clearing regrowth trees without needing to, specifically because they're worried about what they might not be able to do if those trees are standing for longer than 15 years. (P. & W. Sheehan (sub. 62, p. 2)*

> *Applying an arbitrary 15-year treatment threshold risks forcing premature renovation, increasing long-term renovation costs, reducing carrying capacity, affecting land valuations and loan-to-value ratios, and tightening already narrow business margins. (Australian Country Choice, pers. comm.)*

These unintended consequences could undermine the environmental objectives of the reforms while adding further compliance burdens on landholders.

INTERIM FINDING 2 THE EFFECTIVENESS OF AMENDMENTS TO THE CONTINUING USE EXEMPTIONS IS UNCERTAIN

The effectiveness of expanded regulatory coverage in improving environmental outcomes, from the narrowing of the continuing use exemption, remains uncertain due to limited data and the risks of unintended consequences such as erosion and invasive regrowth.

[32] For example, Queensland Government advice on farming carbon from woodland eucalypts notes that 'a few big trees can hold far more carbon than a large number of small or medium trees' (State of Queensland 2024).

Summary of impacts

The narrowing of the continuing use exemption under the EPBC Act introduces significant regulatory changes, particularly for Queensland landholders, with the potential for wide-ranging impacts including:

- increased compliance costs and administrative burdens due to additional self-assessment and referral requirements, which many landholders have previously never had to engage with. Unclear guidance has led to further uncertainty and lack of confidence in adequately complying with the requirements
- broader economic effects, such as a reduction in useable or productive land for activities, delays in projects, and diminished investment confidence, particularly in GBR catchments and for small agricultural businesses
- uneven distribution of impacts, disproportionately affecting smaller businesses and regional communities due to limited resources and technical expertise
- potential unintended environmental consequences, such as reduced flexibility in effectively managing vegetation regrowth and undertaking fodder harvesting, delays in clearing leading to weed and pest infestations and increased fire and erosion risks.

INTERIM FINDING 3 IMPACTS OF AMENDMENT TO CONTINUING USE EXEMPTION

The narrowing of the continuing use exemption under the EPBC Act has increased compliance costs, regulatory complexity, and uncertainty for landholders, particularly in Queensland, while disproportionately impacting small businesses and regional communities.

These changes risk undermining agricultural productivity, impeding land management activities, creating conflicts between state and Australian government environmental and land use policies and generating poorer outcomes for the community.

INFORMATION REQUEST 1 COST OF UNDERTAKING LAND MANAGEMENT AND CLEARING SELF-ASSESSMENTS AND REFERRALS

The Commission is seeking further information from landholders and project proponents on the actual costs of preparing a self-assessment or referral for land clearing or management activities under the EPBC Act since the commencement of the 2025 reforms.

This could include compliance costs (such as the time taken to undertake an assessment and the cost of engaging any ecological or legal advice) and any other economic costs incurred (such as delays in undertaking an activity and any associated financial loss).

4.4 Evaluating the reforms

Given Queensland's VMA already addresses vegetation management activities comprehensively, the 2025 reforms should ideally complement these settings by focusing on high-value environmental areas and addressing the worst sources of sediment runoff, without creating excessive overlap or administrative hurdles. However, if the reforms are too general, they risk duplicating existing protections under the VMA without adding significant environmental benefits.

As noted in Section 4.3, several impacts from the reforms have been identified, with many likely to increase costs for landholders, project proponents and government. There is a high risk that these costs will outweigh any environmental benefits. For example, many land clearing activities may ultimately be assessed as low risk, particularly given the self-assessment process and significant impact test have not changed. For these low-risk activities, the reforms may impose unnecessary costs, including time spent navigating the regulatory framework, engaging consultants, and preparing documentation, without delivering meaningful environmental improvements (as the activity still occurs).

Further, if self-assessment processes under the EPBC Act are prohibitively expensive compared to the actual costs of clearing, they may deter necessary or low-impact clearing activities — even where there is no significant impact on MNES. This is likely to also capture activities and projects that deliver positive environmental outcomes. As noted by Hutchinson Ag (sub. 18, p. 3):

> *The current referral process largely focuses on potential environmental impacts and does not adequately consider environmental improvements created through agricultural development.*
>
> *… A balanced assessment should consider the net environmental outcome of development, not only the potential impacts.*

The focus on the agricultural sector may also not properly consider that many activities central to Queensland production systems are cyclical or seasonal (AgForce 2025, p. 4). As noted by Consolidated Pastoral Company (sub. 32, pp. 1–2):

> *Pastoral enterprises are continuous land management systems. They are not analogous to discrete development projects with a defined beginning and end. Removal of regenerated vegetation is not permanent and requires continuous upkeep on 5 to 40 years cycles, depending on growth rates (soil, rainfall and species). Activities such as grazing management, water development, fencing, pasture improvement, weed and pest control, erosion remediation, fire management, fodder management and animal welfare responses occur repeatedly over time and are adjusted to seasonal conditions.*

The duplication and inconsistency between Australian Government and state frameworks, particularly in Queensland, further compound these issues, disproportionately impacting landholders engaged in routine or low-risk activities and reducing the potential overall efficiency of the reforms.

INTERIM FINDING 4 AMENDMENTS TO THE CONTINUING USE EXEMPTION INTRODUCE MATERIAL INEFFICIENCIES

The narrowing of the continuing use exemption under the EPBC Act introduces material inefficiencies by duplicating some protections under Queensland's VMA, imposing disproportionate compliance costs on landholders, and creating regulatory uncertainty that may deter necessary or low-impact clearing activities.

The reforms lack alignment with state frameworks and risk delivering uncertain environmental benefits relative to their economic and administrative burdens.

4.5 Opportunities for improvement

Stakeholders have identified a wide range of additional measures to support the implementation of the 2025 reforms. Most of the following suggested measures would need to be developed and implemented by the Australian Government as the EPBC Act is Commonwealth legislation:

- Develop clear, practical pathways for small-scale, well-understood agricultural and regenerative activities, allowing routine actions to proceed without self-assessment or referral (Cotton Australia, sub. 8, p. 6; Anonymous, sub. 21, p. 20; Queensland Farmers' Federation, sub. 31, p. 3; NRM Regions Queensland, sub. 42, p. 11; Mr Guy Newell, sub. 55, p. 4; National Farmers' Federation, sub. 57, p. 13; AgForce, sub. 58, p. 14).
- Provide transitional arrangements and clear guidance on routine activities, continuing use definitions, and the significant impact test to reduce uncertainty and compliance burdens (Anonymous, sub. 21, p. 19; Queensland Cane Growers Organisation Ltd, sub. 35, p. 3; Mr Guy Newell, sub. 55, p. 4). This could include clarification that the continuing use exemption accommodates essential activities such as regrowth management, drainage, weed and pest control, fire mitigation, and biosecurity (Queensland Farmers' Federation, sub. 31, p. 3; Mr Guy Newell, sub. 55, p. 4).
- Align Australian and Queensland frameworks (for example, Category X land, mapping, approvals) and guidance materials and resolve inconsistencies through bilateral agreements (Anonymous, sub. 21, p. 19; Queensland Farmers' Federation, sub. 31, p. 9; Consolidated Pastoral Company, sub. 32, p. 5; Queensland Cane Growers Organisation Ltd, sub. 35, p. 3; NRM Regions Queensland, sub. 42, p. 12; Mr Guy Newell, sub. 55, p. 4; National Farmers' Federation, sub. 57, p. 13; AgForce, sub. 58, pp. 13–14).
- Ensure mapping and habitat models are 'ground-truthed' and challengeable and that active engagement with industry stakeholders to refine and implement reforms effectively continues (Queensland Cane Growers Organisation Ltd, sub. 35, p. 3; Mr Guy Newell, sub. 55, p. 4).
- Tailor compliance requirements to risk and ensure they are suitable for family farming and grazing businesses, not just major project proponents (Mr Guy Newell, sub. 55, p. 4).
- Provide incentives and funding for private landholders to undertake active environmental stewardship, conservation programs, and invasive species control including the use Natural Resource Management organisations to assist landholders (The Wilderness Society, sub. 48, p. 9; Mr Guy Newell, sub. 55, p. 4; Wildlife Preservation Society Queensland - Upper Dawson, sub. 45, p. 6).
- Test new standards, data systems, or approval pathways with regional producers before implementation (Mr Guy Newell, sub. 55, p. 4).
- Strengthen protections for remnant vegetation (for example, tighter restrictions on fodder harvesting) and require notification to the Australian Government for all clearing and logging activities, including on Category X lands (The Wilderness Society, sub. 48, pp. 8–9).
- Increase investment in compliance and enforcement activities to ensure adherence to the EPBC Act reforms (The Wilderness Society, sub. 48, p. 9).

Feasible opportunities for improvement

The narrowing of the continuing use exemption in the EPBC Act has been established in legislation and can only be amended by the Australian Parliament. In addition, Queensland vegetation management legislation, frameworks, tools and guidance materials cannot be relied on by landholders unless they can be shown to consider and/or address significant impacts on MNES.

Therefore, opportunities to reduce or eliminate the impact of the 2025 reforms are likely limited to ways to avoid costly self-assessment and referral requirements for activities that are not likely to have significant impacts on MNES.

Such opportunities can traditionally arise via:

- improved guidance and information provision to reduce uncertainty
- flexibility to demonstrate meeting requirements, including streamlining requirements (including through technology or risk assessment) and targeted compliance and enforcement
- reduced duplication to reduce regulatory friction and unnecessary compliance costs.

Landholder uncertainty remains

Despite the release of additional guidance material and landholder engagement activities, stakeholders may still struggle to understand their obligations or accurately assess the risks of non-compliance. For example, industry feedback on the National EPA's agricultural landholder guide raises significant concerns about a lack of clarity and practical guidance for navigating Australian Government environmental reforms. While many of the examples of low-risk activities provided by the National EPA suggest a referral under the EPBC Act is unlikely if the activity follows a Queensland AVDCC, this is also conditional on whether an MNES is present.

While Dr. Alexandra Lobb from the Australian Farm Institute (2026) acknowledged the guide as a step forward in providing detailed plain-English advice, organisations like NSW Farmers (2026), AgForce (2026a), and the National Farmers' Federation (2026) considered it failed to address key issues, such as routine farm practices, long-term management of vegetation and the administrative burden of compliance.

In addition to guidance materials, DCCEEW (sub. 44, p. 5) notes that they and the National EPA are:

> *supporting land managers to minimise the compliance costs associated with these changes [and] … providing direct assistance to land managers to help them comply, including advice on undertaking self-assessments and incorporating potential protected habitat into retained vegetation to avoid and minimise impacts.*

This includes providing 'direct support,' including through the opportunity for pre-referral meetings and a landholder hotline, to over 300 landholders since the reforms commenced in December 2025 (DCCEEW, sub. 44, p. 6; National EPA 2026a, p. 25). In their Regulatory Posture publication the National EPA note they will support regulated entities to comply with the EPBC Act through 'clearer expectations, guidance and decision pathways' and through 'early, problem solving engagement to clarify issues, risks and information requirements' (National EPA 2026e, p. 4).

The National EPA has flagged the agriculture guide is still being refined and feedback from stakeholders would be reviewed to consider whether any changes or additional support would be required (Nason 2026).

Pathways or exemptions for routine activities are limited

The National EPA guidance (both in the 2026 Agriculture Guide and fictional case studies on their website) suggests a number of routine farming activities, such as maintaining existing firebreaks, creating new fencelines and weed management, are either designated as 'exemptions' where self-assessment is not required or as 'low risk of significant impact on MNES' which should not require EPBC Act referral. However, these case studies are limited to activities that:

- occur within an existing disturbed area
- do not involve new clearing
- do not involve land use change
- do not impact MNES.

While many land clearing activities may ultimately be assessed as low risk, the reforms may still impose unnecessary costs (for example, undertaking a self-assessment), without delivering meaningful environmental improvements.

Many stakeholders have therefore sought the provision of pathways or exemptions from EPBC Act assessment and referral for more low-impact, routine land management activities such as management of weeds and pests, asset management and fire mitigation. However, guidance provided by the National EPA on low risk activities may not include all the activities that agricultural stakeholders and other interested parties may consider 'minor' or routine.

As noted, the narrowing of the continuing use exemption means a landholder seeking to clear vegetation greater than 15 years or within 50 metres of a GBR catchment must assess if an activity is likely to impact MNES. This means that the ability to provide a further specific exemption from this requirement is limited and may conflict with EPBC Act requirements.

However, some options may be available. For example, as noted in Chapter 7, despite some limitations, 'rulings' could provide some benefit to stakeholders through additional guidance and certainty where they clarify the National EPA's understanding and intentions in applying the EPBC Act requirements.

The Commission is therefore seeking further information from stakeholders on alternative and feasible pathways to minimise the regulatory burden on landholders that do not conflict with EPBC Act legislative requirements.

INFORMATION REQUEST 2 FEASIBLE PATHWAYS TO MINIMISE REGULATORY BURDEN ON LANDHOLDERS

The Commission notes stakeholders have sought the provision of pathways or exemptions from EPBC Act assessment and referral processes for more low-impact, routine land management activities such as management of weeds and pests, asset management and fire mitigation.

While improved guidance and the potential utilisation of Queensland vegetation clearing codes (see Interim Recommendation 1) may provide enhanced clarity, the Commission is seeking further information from stakeholders on feasible pathways (for example, rulings) to minimise the regulatory burden on landholders that do not conflict with EPBC Act legislative requirements.

Streamlined interaction between Australian and State government processes

As noted, landholders in Queensland likely face confusion and added costs due to overlapping requirements under Queensland's VMA and the EPBC Act. Activities permitted under the VMA may still require assessment or referral under the EPBC Act, potentially creating inefficiencies and duplicating compliance processes. This can disproportionately impact landholders conducting routine or low-risk activities and undermine the effectiveness of reforms.

In addition, there may also be competing statutory requirements under other Queensland legislation and policies (for example in areas such as biosecurity obligations and groundcover requirements in reef protection standards) that are affected by the 2025 EPBC Act reforms (see Section 4.3).

Ideally, compliance with the EPBC Act should complement Queensland's vegetation management framework requirements and minimise overlap and administrative burdens. However, while an integrated framework is preferable from a regulatory perspective, Queensland's VMA's framework may not be viewed as adequately addressing significant impacts to MNES.

The National EPA has already identified that some aspects of Queensland's Accepted Development Vegetation Clearing Codes could be utilised in carrying out a low risk activity or undertaking a self-assessment (Nason 2026). However, this guidance does not cover all VMA-relevant clearing purposes.

Queensland agencies, through engagement with the Australian Government, should therefore explore whether any additional State vegetation regulatory codes and environmental processes can be utilised to streamline or remove the need for assessment, for certain land clearing activities under the EPBC Act.

In addition, the Queensland Government should assess whether the ability of landholders to meet other Queensland legislative requirements, in areas such as biosecurity obligations and reef protection standards, are affected by the reforms to the EPBC Act.

While the introduction of more streamlined arrangements could reduce regulatory burden, consideration should be given to whether this arrangement would conversely increase requirements on landholders whose activities are not captured by the 2025 EPBC Act reforms (that is, those that still have access to the broader continuing use exemptions for their clearing activities).

INTERIM RECOMMENDATION 1 EXPLORE OPPORTUNITIES TO UTILISE QUEENSLAND VEGETATION CODES

The Queensland Government should work with the Australian Government to explore whether State vegetation regulatory codes and environmental processes can be utilised to streamline assessment for certain land management activities under the EPBC Act.

A review should be undertaken on whether the ability of landholders to meet other Queensland legislative requirements, in areas such as biosecurity obligations and reef protection standards, are affected by the reforms to the EPBC Act.

5.0
National Environmental Standards

Key points

- The *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) has been amended to define what unacceptable impacts are in relation to each matter protected under the Act and to allow the Australian Minister for the Environment to make National Environmental Standards (Standards) and protection statements as legislative instruments.
- The Australian Government has so far released four finalised Standards:
  - the Matters of National Environmental Significance Standard, which is intended to address how actors under the EPBC Act must protect, conserve, restore and recover matters protected by the Act
  - the Environmental Offsets Standard, which is intended to ensure offsets under the EPBC Act adequately compensate for residual significant impacts
  - the Community Engagement Standard, which is intended to ensure decisions made under the EPBC Act are informed by meaningful community engagement
  - the Data and Information Standard, which is intended to ensure that decisions made under the EPBC Act are informed by appropriate data and information.
- The Standards are governed by a no regression principle that means a Standard is unable to be varied or revoked after 18 months unless the Minister is satisfied doing so will not reduce protections afforded by the Standard.
- It is too early to effectively assess these reforms. Nevertheless, stakeholders have commented on what impacts they expect these reforms to have:
  - Some environmental stakeholders are concerned the Standards will not provide strong enough protections for the environment.
  - Agricultural stakeholders are concerned the Standards are impractical and disproportionate for application to their sector.
  - Other stakeholders tentatively supported the finalised Standards or indicated they expect outcomes to depend on how they are applied.
  - Some stakeholders told the Commission the new definition of unacceptable impacts will reduce discretion. Others had a different view, stating the definition was too ambiguous and created further uncertainty.
  - Stakeholders indicated confusion about protection statements as example documents are yet to be released. Issues raised ranged from concern the statements could prohibit some activities irrespective of their benefit; to concern the statements could regress environmental protections.
- While the Standards attempt to reduce the role of discretion in decision-making under the Act and subsequently improve environmental outcomes and increase business certainty, it is unclear how effective they will be in practice.
- Applying the no regression principle to Standards 18 months after they are made may be too early to effectively assess their impact. The initial review into a Standard is not required to be completed until 30 months after its making. The median timeframe for many referral assessments is over 20 months. This indicates the Australian Minister for the Environment may be limited in how they can amend Standards by the time the Standard's impact is understood. The impact may be to impede amendments to the Standards that would provide net economic and community benefits.
- Standards are within the control of the Australian Government. However, the Queensland Government should continue to participate in consultation processes to advocate for Standards that balance environmental protections with other community objectives, noting Standards will be more difficult to revoke or vary under the application of the no regression principle.

5.1 Background

Successive reviews of the EPBC Act have found it lacked a transparent and objective set of criteria to constrain discretion and guide decision-making under the Act:

> *While it is important to maintain discretion in decision-making, retaining a broad discretion without some guiding criteria could continue to fuel the perception that the Minister makes decisions without appropriately balancing environmental, social and economic considerations. The provision of these criteria would also reduce uncertainty among users of the Act. (Hawke 2009, p. 230)*

> *A fundamental shortcoming in the EPBC Act is that it does not clearly outline the outcomes it aims to achieve and does not provide sufficient constraints on discretion to ensure that development is sustainable. (Samuel 2020, p. 48)*

Due to this limitation, the Samuel Review noted the community did not trust that the EPBC Act effectively protects the environment, yet it was still burdensome for businesses to interact with (Samuel 2020, pp. 81–87). The Samuel Review additionally found that, while the Act's objects were sufficiently broad to allow the Australian Government to discretionarily protect the environment, they failed to precisely and objectively detail the outcomes the Act aims to achieve (Samuel 2020, p. 48).

A centrepiece of the Samuel Review, in response to these findings, was the recommendation to establish national environmental standards (Box 5.1). These standards were intended to, among other things, outline the EPBC Act's desired environmental outcomes with clarity, precision and specificity to reduce the use of discretion under the EPBC Act and create more certainty for businesses.

Box 5.1 The Samuel Review's draft standards

National environmental standards were first proposed in the Samuel Review. This included an overarching standard for matters of national environmental significance, as well as standards for First Nations engagement and participation, compliance and enforcement, and data and information (Samuel 2020, pp. 203–235).

It also proposed more detailed and granular matter-specific standards (MNES standards) for each matter protected by the EPBC Act (see Box 2.1 in Chapter 2).

These standards were intended to:

- guide decision-makers, resulting in less discretion and greater consistency in decision-making — although the Australian Minister for the Environment (Minister) would retain the discretion to, on rare occasions, make a decision that contravenes the standards where it is justifiable in the public interest and the rationale is transparently outlined
- be applied beyond individual projects; for instance, their design, with clear and enforceable rules, was also intended to be applied to accreditation agreements with other jurisdictions
- create a more transparent and objective benchmark by which the Minister could assess a state government's assessment and approval processes to ensure they would deliver outcomes for protected matters if they were accredited through bilateral agreements (Samuel 2020, pp. 49–50, 54).[33]

The Samuel Review recommended the MNES standards evolve to become more granular and measurable as higher quality data and information becomes more readily available (Samuel 2020, p. 53).

[33] Bilateral agreements are further discussed in Chapter 8.

The Australian Government first developed a set of national environmental standards as part of the *Environment Protection and Biodiversity Conservation Amendment (Standards and Assurance) Bill 2021*. However, the Bill lapsed in the Senate.

The Nature Positive Plan (2022, Box 5.2) — an earlier Australian Government response to the Samuel Review — viewed the Samuel Review's standards as the starting point for developing national environmental standards (DCCEEW 2022, p. 11).

Box 5.2 Nature Positive Plan's conceptualisation of standards

The Nature Positive Plan declared the Australian Government's national environmental standards would transition the regulatory system away from the process-driven and discretionary approach criticised by the Samuel Review to an approach that sets clear priorities to provide certainty to project proponents, and which promoted transparency, streamlined processes and supported faster decision-making.

It also set out the need for the standards to be amendable to accommodate fast-changing, unforeseen or emergency scenarios; however, it clarified the standards ought not be amendable in such a way that would weaken environmental protections (DCCEEW 2022, p. 11).

The Nature Positive Plan stated developing a standard for MNES would be prioritised. This standard would require a nature positive approach to development, which would entail decision-makers under the EPBC Act only approving projects that avoid unacceptable and unsustainable impacts on MNES, and deliver net positive outcomes for MNES (DCCEEW 2022, pp. 11–12).

Consistent with the Samuel Review, the Australian Government committed, through the Nature Positive Plan, to prioritise developing standards for First Nations engagement, community engagement, regional planning, and environmental offsets; with standards for data and information and compliance and enforcement to follow.

No additional information was provided on these prospective standards, other than to clarify the community engagement standard would ensure the public could provide informed feedback to the proponent early in the project development process (DCCEEW 2022, p. 12).

Although no standards were ultimately developed as part of the Nature Positive Plan, several elements proposed for the standards were incorporated in the 2025 EPBC Act reforms.

Regulatory approaches to efficiently achieve outcomes

One of the primary motivations outlined in both the Samuel Review and Nature Positive Plan for establishing national environment standards is to more clearly articulate the intended outcomes of the EPBC Act. By articulating these outcomes, the standards are intended to both improve environmental outcomes and reduce costs for business through improving the quality and consistency of decision-making under the EPBC Act (discussed further in Section 5.2).

However, the development of such standards needs to carefully consider the associated regulatory trade-offs (Box 5.3).

In theory, standards should be outcomes-based. An outcomes-based approach sets measurable and objective outcomes while allowing flexibility in approaches to compliance. An outcomes-based approach to the standards can ensure proponents and decision-makers are focused on achieving tangible environmental outcomes, rather than following an outlined process through a 'box-ticking' exercise that is subject to government discretion.

In practice, outcomes can be difficult to measure and monitor, methods may be contested, or outcomes may be influenced by factors outside proponents' control. There may be instances where the downsides outweigh the benefits. Proponents and regulators may disagree over whether outcomes have been met, resulting in delays and excessive compliance burdens for proponents in having appropriate compliance methods approved. In other situations, the consequence from failing to follow prescribed rules may be severe, despite the intent to deliver a specific outcome.

Box 5.3 Comparison of outcomes, principles- and rules-based regulation

Rules-based regulation

Rules-based regulation consists of prescriptive rules that specify what actions firms can undertake and how they must perform them. This type of regulation creates certainty for regulated entities but is also highly inflexible, by, for example, having the regulator effectively dictating precisely how business must deliver the government's desired outcomes (Ford 2018).

Principles-based regulation

Principles-based regulations set out fundamental principles that businesses can develop their own approaches to abide by. This type of regulation is less prescriptive and gives businesses flexibility to determine how to most efficiently satisfy the regulation (Ford 2018).

Adopting a principles-based approach can be particularly beneficial for regulation anticipated to operate over the long term, as it is relatively future-proof, allowing businesses the flexibility to adapt their compliance strategies to technological advancements or the emergence of new challenges. However, this flexibility can impose a disproportionate burden on some firms, especially those with less capacity, as they may need to allocate substantial resources to interpret and navigate compliance requirements instead of following a clear, predefined process. This challenge is particularly pronounced when the principles are overly complex or poorly articulated. A further issue with principles-based regulations is that, by not explicitly emphasising specific outcomes, businesses may produce results that differ from the government's intended objectives (Jacobson 2019).

Outcomes-based regulation

Outcomes-based regulation sets measurable outcomes that businesses must demonstrate their compliance with (Ford 2018). Like a principles-based approach, an outcomes-based approach provides business flexibility in determining how to most efficiently comply with the regulation. Outcomes-based regulation also imposes a burden on businesses by requiring them to identify appropriate compliance methods to achieve outcomes. However, unlike principles-based regulation, it avoids the risk of businesses misinterpreting the government's intended outcomes for the regulation (Coglianese et al. 2003, pp. 711–712; PC 2013, pp. 222–223). [34]

However, outcomes-based standards rely on the government being able to accurately measure and monitor outcomes. This can be a difficult undertaking, especially when decisions need to be made based on expectations of outcomes rather than outcomes themselves. This may be particularly problematic in circumstances where there is significant uncertainty about the nature or severity of an activity's impact (Coglianese et al. 2003, pp. 708, 711; PC 2013, pp. 223–224). Even where the government can accurately measure and monitor outcomes it can be difficult to determine which activities, or other factors, may have contributed towards instances of poor environmental outcomes.

Finding a balance

Coglianese et al. (2003, pp. 712–713) describes outcomes-based and rules-based approaches as being at either extreme of a regulatory continuum, with a middle-ground available that aims to balance the flexibility benefits of the former and the benefits related to certainty of the latter. One method to achieve this is rules-based standards with equivalency clauses, which effectively act like outcomes-based standards by allowing proponents to demonstrate they can achieve a similar outcome through an approach that differs to the prescribed rules. However, where the government is unable to effectively outline a process that reliably delivers intended outcomes, equivalency clauses may increase the risk of not achieving those outcomes.

Smaller businesses in particular may prefer to follow specific rules, rather than be required to establish methods to address desired outcomes. The benefits of greater certainty may outweigh the costs of a reduced focus on outcomes where the consequences of failing to achieve the intended outcome is small.

To address these disadvantages, outcomes should be articulated with clear, specific and precise language to ensure proponents can interpret the specific outcomes they need to achieve, as well as the types of evidence required to demonstrate their compliance; and to help decision-makers to make more consistent decisions based on robust and transparent criteria.

Rules-based or principles-based approaches may also be required to allow regulators to be satisfied an activity has been managed in a way to appropriately address an outcome, while providing proponents certainty over what they need to do to satisfy a regulatory requirement, and at what cost.

5.2 The 2025 reforms

The Australian Government's 2025 EPBC Act reforms included the development of National Environmental Standards (Standards), the implementation of an accompanying no regression principle, the definition of unacceptable impacts and the introduction of protection statements.

National Environmental Standards

The 2025 reforms give the Australian Minister for the Environment (the Minister) the ability to make Standards as legislative instruments under Part 19B of the EPBC Act.

On 19 August 2026 the Minister made four Standards[35]:

- National Environmental Standard (Matters of National Environmental Significance) 2026 (MNES Standard)
- National Environmental Standard (Environmental Offsets) 2026 (Offsets Standard)
- National Environmental Standard (Community Engagement) 2026 (Community Engagement Standard)
- National Environmental Standard (Data and Information) 2026 (Data and Information Standard).

These four Standards applied to new bilateral agreements from the week commencing 24 August 2026, but will not apply to other decisions under the EPBC Act until the remaining reforms are implemented, which will be no later than 1 December 2026 (DCCEEW 2026z; Watt 2026b). At that time the *Environment Protection and Biodiversity Conservation Regulations 2025* (EPBC Regulations) will specify which Standards will apply to particular decisions under the EPBC Act.

[34] Coglianese et al. (2003) discusses performance-based regulation, but their arguments are equivalently applicable to outcomes-based regulation because, in this context, performance is a specific type of outcome.

[35] A fifth — a Standard for First Nations engagement — is indicated to be currently under development. DCCEEW (2026z) has stated it will be released for consultation when ready and the Minister has indicated it would be released after finalisation of separate cultural heritage reforms (Senate Environment and Communications Legislation Committee 2026, pp. 47–48).

Standards are intended to improve both environmental outcomes and certainty for business by improving the quality and consistency of decision-making (Parliament of Australia 2025d, p. 2).[36] Broadly, the Standards will inform decisions to[37]:

- approve an action or class of actions
- enter into bilateral agreements
- accredit a management or authorisation framework to allow a specified class of actions to be undertaken without approval, including a NOPSEMA management or authorisation framework
- approve an action or class of actions in accordance with an endorsed policy, plan or program
- make or vary a bioregional or bioregional guidance plan
- spend funds from the Restoration Contribution Fund on a restoration action
- make a protection statement.

More details about many of these elements of the Act are discussed later in this report. Specifically:

- protection statements are discussed below
- assessment pathways are discussed in Chapter 7
- bilateral agreements are discussed in Chapter 8
- the Restoration Contribution Fund, and offsets more fully, are discussed in Chapter 9
- bioregional and bioregional guidance plans are discussed in Chapter 10.

A review of each Standard is required to have commenced within 18 months of the Standard being made, with subsequent reviews legislated every five years there onwards.

The Australian Government has stated guidance materials to assist with the Standards' implementation are currently under development and will be released ahead of the final tranche of reforms coming into effect (on or before 1 December 2026) (DCCEEW 2026ab).

MNES Standard

The MNES Standard's overarching objectives are to ensure decisions under the EPBC Act protect and conserve, and where appropriate, manage, restore and recover matters protected by the EPBC Act (protected matters).[38] It is also to promote and enhance the diversity, abundance, resilience and integrity of protected matters to support the matters' long-term survival, consistent with the principles of ecologically sustainable development.

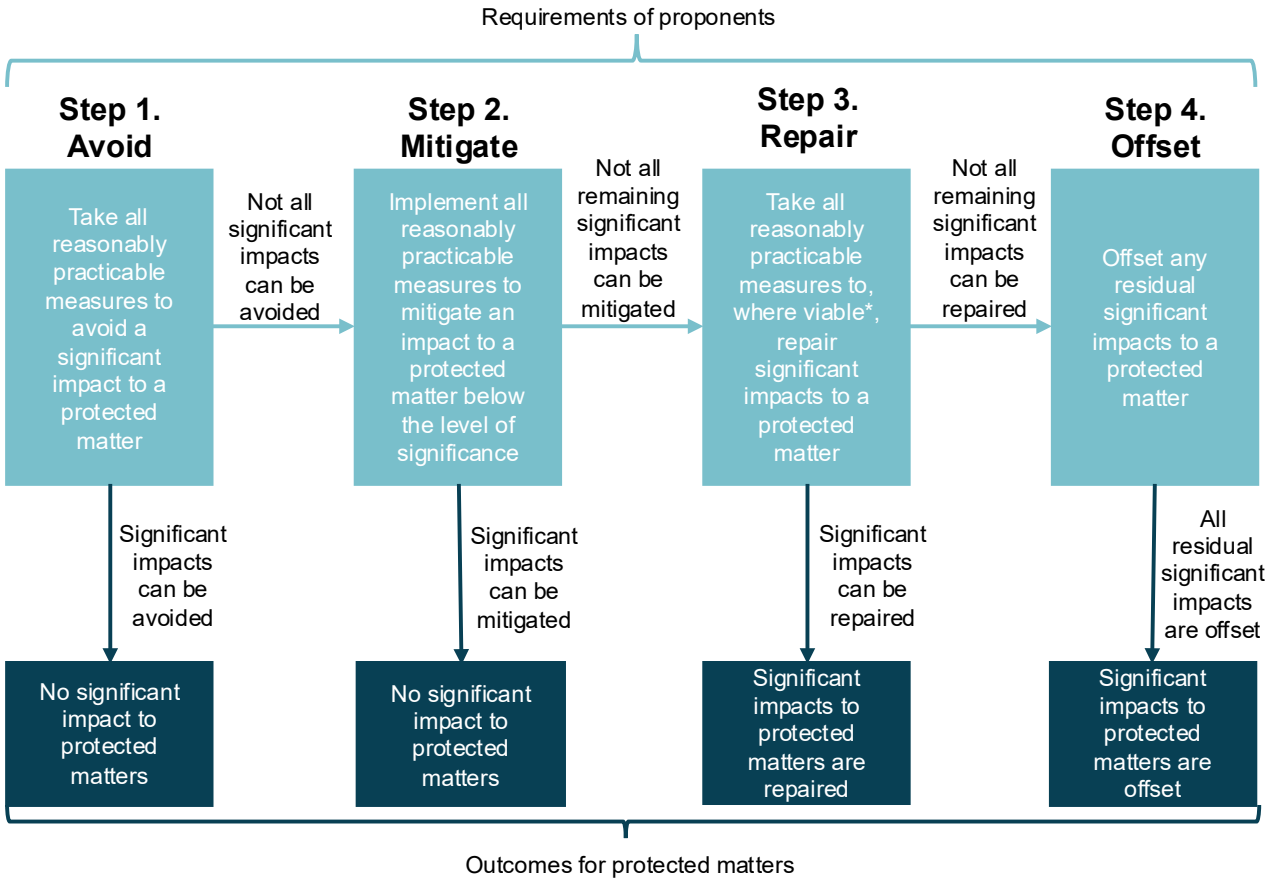
The Standard sets out four principles; with the first principle being the most significant as it requires proponents and decision makers to have regard for the mitigation hierarchy (see Figure 5.1). The second principle requires decisions to consider the broader context within which an action or class of actions will impact a protected matter. The third principle reiterates the final steps of the mitigation hierarchy. The fourth principle relates to requirements under the Community Engagement and Data and Information Standards.

[36] Each of the Standards sets out their intent through outcomes and objectives. Each Standard's principles then outline how these outcomes will be achieved in relation to a specific decision (Parliament of Australia 2026d, p. 12, 2026c, p. 14, 2026b, p. 8, 2026a, p. 9).

[37] In general, a referred project will not be able to be approved unless it is consistent with each of the Standards. However, once the Standards begin to apply to approval decisions, proposals that are inconsistent with one or more Standards will be approvable where they are in the national interest (Parliament of Australia 2025a, pp. 107–108). National interest proposals are discussed in Chapter 7.

[38] Protected matters are broader than matters of national environmental significance (MNES), which are only the matters listed in Division 1 of Part 3 of the EPBC Act, such as threatened species and Ramsar wetlands. Comparatively, protected matters include MNES in addition to matters listed in Division 2 of Part 3 of the Act, such as environment that is on Commonwealth land and Commonwealth Heritage places outside Australia's jurisdiction.

Figure 5.1 Mitigation hierarchy



Note: *The MNES Standard (subsection 8(7)) states repairing an impact will only be viable where the damage is temporary and can be repaired in a timely manner, and repairing the damage is feasible and will reduce the impact on the protected matter.

Source: QPC based on the MNES Standard.

Offsets Standard

The objective of the Offsets Standard is to ensure offset activities compensate for residual significant impacts on a protected matter in such a way that they provide a net gain for the impacted matter to contribute to the matter's protection, conservation, restoration and recovery.

The Standard's intended outcomes are designed to promote its objective. These are that offset activities compensate for residual significant impacts, provide a net gain for the impacted protected matter, and provide a high level of confidence the long-term survival of the matter will be promoted and enhanced.

The Standard also includes eight principles, which require an offset activity to:

- be feasible
- be securely protected
- provide a tangible benefit to the affected protected matter
- deliver a measurable improvement to the affected protected matter relative to the relevant baseline for the affected protected matter at the offset site
- deliver an additional benefit to the affected protected matter that would not have otherwise occurred
- deliver a like-for-like result for that protected matter
- be located in an area that is relevant to the affected protected matter
- be secured and registered, with management of the offset activity to have commenced, before the relevant residual significant impact occurs (or, in some limited circumstances, have the process of obtaining security demonstrably underway).

A broader assessment of the EPBC Act reforms in relation to offsets is provided in Chapter 9.

Community Engagement Standard

The objective of the Community Engagement Standard is to ensure decisions made under the EPBC Act relating to the protection of protected matters are supported by meaningful community engagement.

The Community Engagement Standard contains four principles that proponents must comply with when planning and undertaking community engagement in relation to a proposal under the EPBC Act. The principles require engagement to:

- be planned, considerate, clear and adaptable
- be conducted transparently, and be accountable and responsive
- protect the privacy of those contributing
- be accessible and support inclusivity.

Each of the principles include equivalency clauses (described in Box 5.3) as they describe a process proponents can follow to satisfy the principle while also allowing them to otherwise demonstrate they have achieved the principle.

Proponents have always been expected to consult with the community in relation to an activity they are referring for approval. However, before the introduction of the Community Engagement Standard minimal guidance was provided on how proponents were expected to consult the community. The Standard formalises this guidance to ensure there is greater consistency in how consultation is undertaken and factored into decision-making.

Data and Information Standard

The objective of the Data and Information Standard is to ensure decisions made under the Act are based on appropriate data and information. This objective is also supported by three intended outcomes, including that the data be: transparently described and representative; comparable and reusable; and collected, managed and used ethically.

The Standard also contains five principles that data and information included in a referral proposal will need to be consistent with. These are that data and information be representative, transparent, comparable, reusable, and ethical. Each of the principles include equivalency clauses (described in Box 5.3) as they describe a process proponents can follow to satisfy the principle while also allowing proponents to otherwise demonstrate that a different process would also achieve the principle.

Historically, the Australian Government has provided guidance and implied expectations to proponents related to data and information through different documents and webpages — for instance, the 'Guide to providing maps and boundary data for EPBC Act projects' document (Australian Government 2021), or the 'On-ground surveys and data for referred actions under the EPBC Act' webpage (DCCEEW 2024c), which provided brief information on survey guidelines, species profile and threats database, and the self-assessment process. The Data and Information Standard should convey what is expected of proponents in a single document — although more specific guidance is expected to still be available across the array of existing documents.

No regression principle

The Standards are subject to a no regression principle. The no regression principle will mean that, following an 18-month probation period from a Standard being made, the Minister will not be able to revoke or vary a Standard unless the Minister is satisfied that the revocation or variation will not lead to any of:

- reduced protections for the environment
- a reduced likelihood of proponents accompanying their referrals with appropriate data
- a reduced likelihood that proponents will undertake appropriate consultation
- a reduced likelihood that outcomes or objectives specified in the Standard will be achieved.

The Australian Government (Parliament of Australia 2025b, pp. 508–510) explains the purpose of the no regression principle is to avoid a weakening of environmental, or other, protections provided by a Standard; it is not intended to capture procedural matters that do not affect the protections provided by a Standard. Accordingly, the legislative provision allows a Standard to be revoked where equivalent protections are provided through alternative legislation or regulation.

The Australian Government (Parliament of Australia 2025b, p. 510) also states the 18-month probation period before the no regression principle comes into effect is designed to ensure Standards can be adjusted as appropriate following their initial application.

The Commission anticipates the no regression principle to apply to the first four Standards from 21 February 2028 as this will be 18 months since they were made. However, there is some uncertainty since the Standards will not apply broadly to the EPBC Act until 1 December 2026.

Unacceptable impacts

Division 1A of Part 7 of the EPBC Act enables the Minister to decide that an action is clearly unacceptable. However, prior to the reforms, there was no definition of what impacts were considered unacceptable, allowing the Minister to use their discretion to make such a decision.

Subsection 527F of the reformed Act defines unacceptable impacts. There are 37 impacts defined as unacceptable, including multiple for most protected maters. This is intended to reduce discretion and provide greater certainty for proponents.

On 24 August 2026 the unacceptable impact test commenced applying to decisions related to bilateral agreements and accrediting a management or authorisation framework. In addition, from 1 December 2026 a project cannot be approved if it will have an unacceptable impact on a protected matter, except when applying the national interest test (see Chapter 7) (section 237 of the *Environment Protection Reform Act 2025* (Cth) (EP Reform Act)). The unacceptable impact test will also apply to decisions related to:

- extending an approval period where doing so will result in the approved action having an unacceptable impact
- approving an action through a strategic assessment
- making a bioregional plan (sections 247, 283 and 323 of the EP Reform Act).

Many of the unacceptable impacts are impacts that will 'seriously impair' the protected matter impacted by the action. 'Seriously impair' is a new term introduced in the reformed EPBC Act (subsection 527H) that means, if compared to an action not being taken, the impact on a protected matter results in a severe impairment or alteration of the matter.

Numerous unacceptable impacts also use the term 'viability', another term introduced through the 2025 reforms. The EPBC Act defines 'viability' as the ability of the species or ecological community to survive and recover in the wild (subsection 528).

Protection statements

The reforms allow the Minister to make protection statements for threatened species or ecological communities (subsection 298A of the EPBC Act). In order to make a protection statement, the Minister must be satisfied the protection statement is consistent with all relevant Standards. The purpose of protection statements is to help translate scientific information in recovery plans and approved conservation advices into easier to understand language and more practical requirements to apply to regulatory decisions (Parliament of Australia 2025b, p. 409).

The criteria for what must be incorporated into a protection is outlined in Part 8AA of the EPBC Regulations. The regulations detail that a protection statement must:

- provide effective guidance for decision makers
- be likely to improve the protection of the listed threated species or ecological community
- be based on, to the extent practicable, scientifically robust and representative information.

The Australian Government (2026, pp. 53–54) indicates the intent of these criteria is to ensure protection statements are based on high quality data and provide stronger protections than existing recovery plans or conservation advice, so as to ensure they do not simply duplicate information provided elsewhere.

Protection statements will inform decisions to:

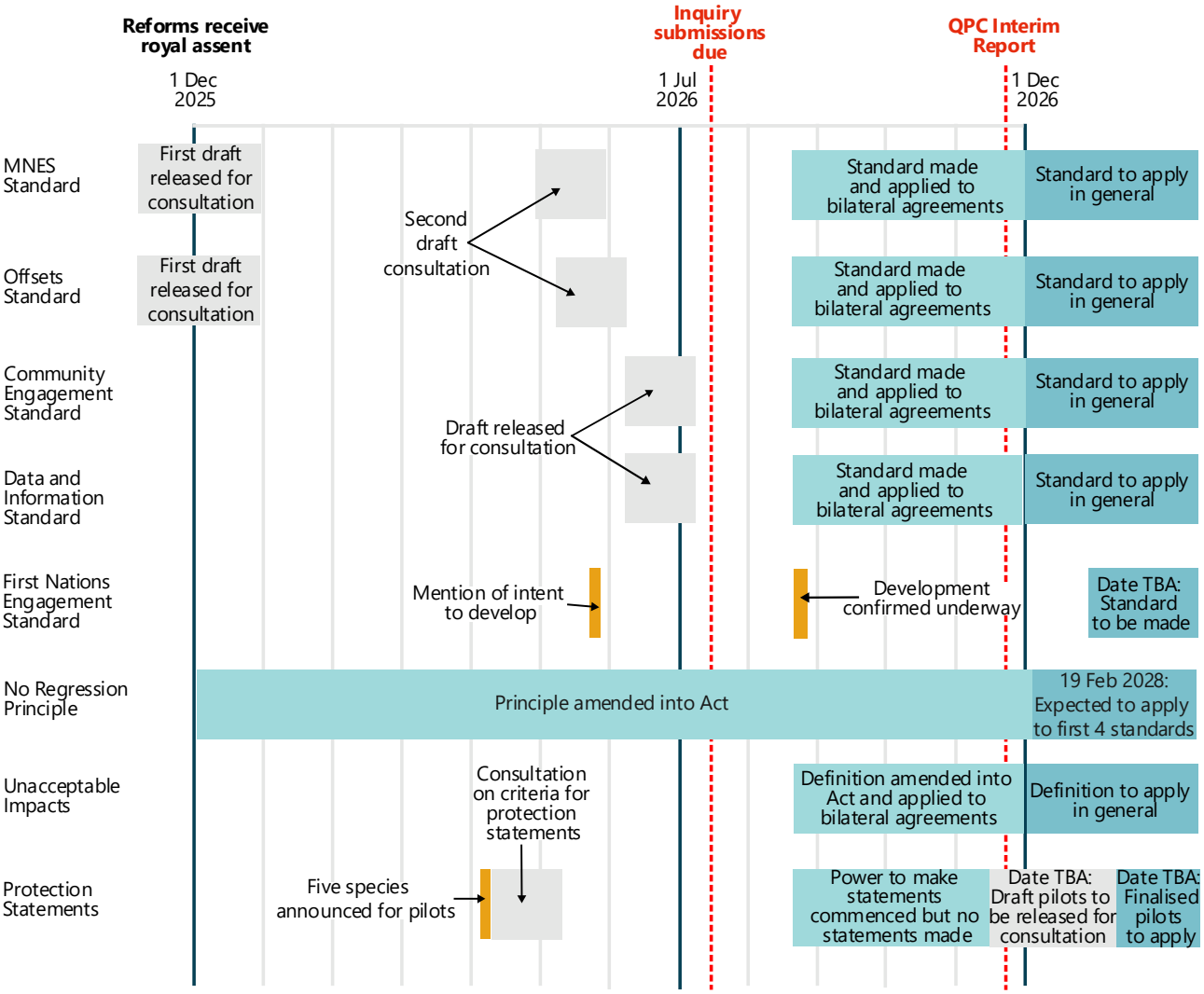
- declare that a group of activities do not require approval under the EPBC Act because the group of actions has been approved in accordance with an accredited management or authorisation framework, including a NOPSEMA management or authorisation framework
- enter into a bilateral agreement that relates to a listed threatened species or ecological community
- approve the taking of an action that is likely to have a significant impact on a listed threatened species or ecological community
- make a bioregional plan (Parliament of Australia 2025a, pp. 22–24, 34–35, 55–56, 110–111, 138–139, 175–176).

Despite not announcing a timeframe for the first pilot protection statement, DCCEEW (2026ap) have selected five threatened species for which pilot protection statements will be developed: regent honeyeater; southern bent-wing bat; pygmy blue-tongue lizard; grand spider orchid; and southern right whale.

5.3 Impact of the reforms

Each of the regulatory instruments noted above have been formally developed after the commencement of the reforms to the EPBC Act. This staged approach is shown in Figure 5.2.

Figure 5.2 Relevant reforms and their progress



Source: QPC based on EPBC Act; EPBC Amendment (2026 Measures No. 1) Regulations 2026; EP Reform Act; DCCEEW 2026aa, 2026y, 2026v, 2026w, 2026x, 2026z, 2026m, 2026af; Senate Environment and Communications Legislation Committee 2026, pp. 47–48; Watt 2026d

Standards

Specific impacts of the Standards are yet to arise, as they are yet to be applied to assessment decisions, and impacts will depend on how the Standards are implemented and administered by the Australian Government.

Many stakeholders suggest the impacts of the Standards, if not the reforms more broadly, will not be properly assessable until the full suite of reforms has been implemented (for example, CaneGrowers, sub. 35, p. 2; CCAA, sub. 17, p. 9; Environmental Defenders Office, sub. 59, p. 6; Property Council of Australia 2026; Sunshine Coast Environment Council, sub. 53, p. 8; UDIA 2026).

Nevertheless, the Commission has outlined potential impacts, drawn from stakeholder submissions, below.[39]

[39] Views conveyed in stakeholders' submissions to the Commission were generally in response to drafts of the Standards, as they were submitted prior to the finalisation of the Standards (see Figure 5.2). However, the Commission has only referenced views about elements of the draft Standards that did not significantly change between the draft and finalised Standards.

Environmental impacts

A subset of environmental stakeholders have expressed concern that the Standards will not meaningfully improve environmental outcomes.

For instance, some environmental groups raised concerns proponents may be able to comply with the Standards without delivering environmental outcomes:

> *Approvals will be based on process, not protection. A developer or logging agency can satisfy the Standard simply by following a set of principles and a mitigation or compensation process, rather than by actually avoiding harm or delivering real outcomes for nature. (The Wilderness Society, sub. 48, p. 6)*

> *[Section 7(3) appears] to provide that the objectives and outcomes of the [MNES] Standard will be achieved where an action, decision or framework is consistent with the principles in the Standard. This risks allowing compliance with process-based principles to stand in for the actual achievement of environmental outcomes. (Wildlife Queensland, sub. 9, att., p. 12)*

> *This means that the test for determining whether an action, or any of the decisions listed above, will achieve the Outcomes and Objectives is simply whether the action is consistent with the Principles, and not whether the action is consistent with or will achieve the Outcomes or Objectives. In other words, if the Principles are met, the more detailed Outcomes and Objectives can essentially be ignored. (EDO 2026, p. 9)*

A related concern is the level of discretion the Standards allow decision-makers. For instance, Environmental Justice Australia (2026) assessed the MNES and Offsets Standards as providing inadequate protections because they fail to provide clear, binding rules for decision-making and use imprecise language such as "consider" or "be satisfied" in consequential areas, allowing decision-makers significant discretion. This sentiment was also shared by other environmental groups (Australian Marine Conservation Society, sub. 36, p. 7; Koala Action Inc., sub. 12, p. 3; The Wilderness Society, sub. 48, p. 6).

Environmental groups are also concerned about the lack of reference to cumulative impacts throughout the Standards. Principle 2 of the MNES Standard — which requires decisions to appropriately consider impacts to protected matters and the context in which the impact may occur — includes a note that the context may include the cumulative effect of actions on a protected matter within a strategic assessment or bioregional plan. However, stakeholders told the Commission it should be considered in a broader context than this:

> *Cumulative impacts are not an explicit requirement. The [MNES] Standard limits consideration of context to bioregional plans and strategic assessments, rather than requiring it across all decisions. (The Wilderness Society, sub. 48, p. 6)*

> *Wildlife Queensland view is that cumulative impacts are still not being given sufficient force. Many threatened species are not lost through a single catastrophic decision, but through repeated incremental habitat loss, fragmentation, disturbance and degradation. A Standard that does not properly address cumulative impacts will fail to protect species and ecological communities across the landscape. (Wildlife Queensland, sub. 9, att., p. 12)*

A failure to properly consider cumulative impacts may reduce the MNES Standards' effectiveness because it means decision-makers may permit a range of activities that individually only have small impacts on a protected matter but may cumulatively result in a serious degradation of the matter.

Regulatory burden

Agricultural stakeholders expressed concerns with the compliance burden associated with meeting the Standards, particularly as agricultural landholders are typically smaller than other proponents and may be carrying out ordinary farm activities, which are of a different nature to other development activities, such as housing or mining.

Cotton Australia (sub. 8, pp. 5–6) noted the Standards are likely to be costly to comply with and as such called for the Standards to distinguish the requirements for small agricultural proponents from those for large developers and miners. By distinguishing the requirements the Standards may become more proportionate and practical for agricultural proponents.

The National Farmers' Federation (sub. 57, pp. 9–13) raised a similar perspective by noting the agricultural industry was not effectively consulted in the development of the Standards, which has led to them being 'unfit-for-purpose' for the agricultural industry. Likewise, Kamalia Cane Growers Organisation (sub. 25, p. 3) stated the MNES Standard, in particular, creates uncertainty for sugarcane growers and that the Australian Government has failed to clearly identify how complying with the Standard will impact individual businesses within the sector.

The Queensland Farmers' Federation (sub. 31, p. 6) additionally noted the evidentiary burden placed on regional small-scale agricultural businesses to comply with the MNES Standard is disproportionate and impractical:

> *The evidentiary burden is placed on individual farmers to disprove environmental impacts, using tools the department concedes are not determinative. Producers are expected to hold the same expertise, time and resources as the Commonwealth, and to independently track every new species and ecological community listing. This uncertainty is compounded by definitional gaps … Capacity to comply does not exist in regional Queensland. The reforms assume a supply of suitably qualified ecologists, heritage practitioners, hydrologists, environmental lawyers and planners that is not available outside South East Queensland …*

AgForce likewise identified the Community Engagement, Data and Information and MNES Standards as being impractical and disproportionate for individual farm businesses to comply with:

> *The current Exposure Draft [MNES] Standard is not fit for purpose for Australian agriculture and, if implemented in its current form, risks undermining food security, reducing productive capacity, increasing sovereign risk to agricultural land, and weakening regional economies. (AgForce, sub. 58, att. 3, p. 1)*

> *AgForce supports the objective of improving the quality and consistency of environmental data and information around Matters of National Environmental Significance (MNES) to mitigate the administrative and financial burden on farmers. However, the draft Standard should not be approved until its application to agricultural activities is clearly defined, the quality of data to underpin confident decision-making is available and it is practical to implement. (AgForce, sub. 58, att. 5, p. 2)*

> *As drafted, the [Community Engagement] Standard establishes detailed and legally enforceable engagement requirements for the Australian public. While meaningful participation is appropriate for some proposals, this model is not appropriate for agricultural activities, that are cyclical and adaptive, such as pasture improvement. (AgForce, sub. 58, att. 6, p. 2)*

Duplication with State regulation

Industry stakeholders raised concerns the Community Engagement Standard duplicates state consultation requirements, which may mean the Standard results in an increased regulatory burden without necessarily improving outcomes:

> *CCAA supports meaningful engagement and robust environmental data. However, Queensland quarry projects already undergo extensive State assessment, public notification, technical studies and agency referral processes. If the new Commonwealth Standards duplicate Queensland consultation, surveys, mapping, reporting or data-format requirements, they will increase cost and delay without materially improving environmental outcomes. (CCAA, sub. 17, p. 20)*

> *[The Community Engagement Standard introduces] a new process that could act to duplicate stakeholder engagement processes already required under the Environmental Protection Act, 1994 (Qld). … The creation of overlapping state and Commonwealth requirements will increase complexity, delay decision making and impose additional costs without corresponding environmental benefit. (Senex Energy, sub. 56, pp. 7–8)*

Overall

In contrast to the concerns noted above, Australian Industry Group (sub. 24, p. 2) noted the Standards seemed 'fit for purpose'. Likewise, property development peak bodies tentatively supported the finalised Standards, concluding they sufficiently incorporated industry feedback to strike an appropriate balance between providing business with certainty and delivering strong environmental protections. However, this was caveated by noting that a real assessment of the Standards will not be possible until they are applied in practice (Property Council of Australia 2026; UDIA 2026).

Overall, while there is general consensus that the effectiveness of the Standards will not be assessable until they have been fully implemented and operational for a period of time, there is a dearth of public commentary on what impacts the finalised Standards are expected to have.

INFORMATION REQUEST 3 EXPECTED IMPACTS OF THE STANDARDS

The Commission is seeking further insights from stakeholders on the expected impacts of the finalised National Environmental Standards on both environmental outcomes and on compliance costs.

The Commission would also welcome any insights on the likely impacts of potential additional Standards yet to be prepared, including the under-development Standard for First Nations engagement.

No regression principle

It is understood the aim of this principle is to reduce the potential for the Standards, and in turn environmental outcomes, to be weakened over time. At the same time, the application of the principle risks reducing the flexibility of governments and legislative bodies to introduce legislative changes that have the potential to deliver overall beneficial outcomes for the community. The no regression principle applies to environmental law in France (through statute) and Brazil (by Supreme Court decision). In Brazil, their supreme court has been prepared to uphold the principle by overturning government policy decisions (Sullivan 2023, pp. 2099–2101). This suggests the design and implementation of a no regression principle can have genuine implications for governments' ability to adapt policy settings over time.

Whilst an 18-month probation period is provided, this timeframe does not appear to be reasonable; especially since a review of a Standard does not need to be completed until 30 months after its implementation. A principle that significantly restricts the ability of ministers to modify a regulatory measure should not apply until a sufficient period has elapsed so the operation of the measure can be adequately reviewed. Such a review should incorporate transparent processes, including stakeholder consultation, which are important for ensuring regulatory measures are appropriate for contemporary circumstances.

The median timeframe for many referral assessments, depending on their assessment pathway, has historically been over 20 months, and over 35 months in recent years (see Figure 2.12 in Chapter 2). This suggests inefficient impacts arising from Standards (particularly for more complex proposals that can take more time) may not become apparent in the 18-month timeframe.

Due to the constraints on amending Standards after the 18-month probation period, changes may be disallowed where they would reduce disproportionately high compliance costs for governments or proponents but involve some reduction in environmental protections. This creates a risk that Standards could impose increasingly disproportionate compliance costs over time, even where their actual environmental benefits remain uncertain or cannot be conclusively determined.

Similar to the Standards themselves, Ministerial discretion has been raised as a concern. Although sections 514YH and 514YI of the EPBC Act require the Minister to undertake consultation before amending the Standards, the Act does not require the Minister to publish evidence supporting their decision. Wildlife Queensland (sub. 9, att., p. 33) has called for the no regression principle to be based on a more objective assessment than the 'Minister's satisfaction.'

Unacceptable impacts

The Australian Government indicates the new definition for unacceptable impacts is intended to provide clarity on what types of environmental harm must be avoided and cannot be offset (DCCEEW 2026ap).

Some environmental stakeholders argue the new definition improves certainty, in contrast with the previous test, which relied on ministerial discretion:

> *Proponents, governments, investors, landholders and communities benefit when the unambiguous rules are known early, high-value habitat is identified before project design is locked in, and unacceptable impacts are clearly understood. (Wildlife Queensland, sub. 9, p. 2)*

Other stakeholders suggest the new thresholds will impose absolute barriers to certain types of development:

> *The reforms introduce a category of unacceptable impacts for which approval cannot be granted and which neither conditions nor offsets can resolve. The Act contains 37 matter-specific criteria, none are yet tested against real-world examples. Interpreted broadly the test could replace constructive management with an absolute approval barrier across prospective development areas. (Australian Energy Producers, sub. 28, p. 2)*

Many stakeholders have raised concerns with ambiguity around definitions and thresholds, and whether there is a clear distinction between significant impact and unacceptable impact (Stockland sub. 37, pp. 2–3; CCAA sub. 17, p. 8–9; Queensland Water Directorate, sub. 30, p. 4; Australian Marine Conservation Society sub. 36, p. 5). Lack of clarity can both raise investment risk and result in projects expending considerable effort on assessment proposals despite ultimately having little or no prospect of approval. Ambiguity can reflect the reforms being new, with administrative practices, guidance material and precedents still evolving. These concerns will be addressed or confirmed once the full suite of reforms has been operational for a period of time.

While ambiguity persists some stakeholders are concerned with what unacceptable impacts may mean in their industry specific domain. For example, the seafood industry is concerned bycatch amounts could be deemed unacceptable impacts despite being regulated under separate existing policies, with the industry seeking specific guidance material (QSIA, pers comms):

> *The question that cannot yet be answered is: will the managed [threatened, endangered and protected species] interaction rates the [Protection Species Management Strategy (PSMS)] has been designed to address and improve be classified as "unacceptable impacts" under the new MNES Standard? If the threshold is set at a level that reclassifies currently-managed interactions as unacceptable, the PSMS — regardless of its quality and comprehensiveness — will be insufficient, and the fishery will face a new compliance pathway whose content and timeline are unknown. If the threshold aligns with the existing [ecological risk assessment] framework, the PSMS will be sufficient — but neither the fishery nor its funders can determine which outcome is coming.*

Protection statements

Despite the EPBC Regulations outlining what information must be included in protection statements there is still uncertainty about how effective these statements will be at protecting the environment as well as easing the regulatory burden on proponents (that is, clarifying what factors related to the endangered species or ecological community need to be considered). Stakeholders have told the Commission they are not sure how protection statements will interact with obligations and guidance materials, such as Significant Impact Guidelines, bioregional plans, mapping and Standards.

Stakeholders have also raised concerns on how protection statements will be applied and when in the investment decision and assessment process key information will be provided. For example, the Urban Development Institute of Australia – Queensland (sub. 40, p. 22) raised concerns with the potential for protection statements to outright prohibit development impacting certain species or a certain region without considering the broader benefits the project may deliver.

Conversely, Wildlife Queensland (sub. 9, att., p. 26) raised concerns that protection statements may potentially be a backward step for the protection of threatened species and ecological communities:

> *Protection statements risk undermining long-standing requirements in the EPBC Act that align conservation planning with decision making and require that Ministerial decisions are not inconsistent with recovery plans.*

5.4 Evaluating the reforms

As noted in Figure 5.2, the four Standards were recently made by the Minister and are yet to apply fully. So, it is too early to determine the full effect of the Standards on the environment and overall effectiveness (that is, impact on stakeholders and the community). At this point in the implementation process the following impacts have been identified.

Standards

The Standards set out the specific outcomes sought from proponents. Whilst this seeks to provide proponents with an additional level of certainty, several stakeholders have raised concerns with the practical effect of the Standards, especially as many of the environmental outcomes sought under the EPBC Act are difficult to measure. In such instances outcomes-based standards may be difficult to apply and comply with:

- regulators – may find it difficult to accurately assess whether an individual project will achieve desired outcomes
- proponents – there may be significant regulatory costs associated with demonstrating the project's design achieves these outcomes. This could be due to the nature of the project, the proponent's expertise or resources available to evaluate how the activity will impact specific protected matters.

In theory, the Standards have the potential to improve outcomes as they seek to reduce regulator discretion in decision-making and improve business certainty. However, as they are new instruments it will take time to determine whether they deliver these potential positive attributes in practice across different proponents and industry proposals.

The Community Engagement and Data and Information Standards, through their use of equivalency clauses, may achieve a better balance of providing flexibility for proponents to find the most efficient way to satisfy the principles while minimising the burden smaller firms can experience when trying to satisfy outcomes- or principles-based regulation. This approach is expected to work for these two Standards because it is easier for the government to outline processes to satisfy these Standards' principles, objectives and outcomes.

The use of equivalency clauses may not be suitable for the MNES and Offsets Standards because it is more difficult to outline processes to satisfy their intended objectives. However, this is expected to make the MNES and Offsets Standards more burdensome for business to comply with. It is also possible this burden will not be distributed equally across firms or industries. The planned release of guidance, to assist businesses comply with the Standards, may reduce the burden they impose. However, the timing and completeness of these guiding materials can significantly influence industry understanding and confidence.

At this point in time, it is unclear whether the Community Engagement and Data and Information Standards will impose incremental regulatory costs on proponents compared to the pre-reform process, or if they simply consolidate and formalise existing regulator expectations. If the latter, these Standards may streamline the referral process by providing proponents greater upfront clarity of their responsibilities.

While the Standards can be adjusted over time to more effectively deliver against their objectives, the no regression principle makes the process for adjustment rigid. As a result, changes may not be permitted that could generate a net economic improvement by delivering materially improved community outcomes, despite some environmental trade-offs.

INTERIM FINDING 5 THE EFFECTIVENESS OF THE STANDARDS IS YET TO BE TESTED

The National Environment Standards (Standards) have the potential to improve outcomes by outlining the EPBC Act's intended outcomes, which should reduce discretion in decision-making under the Act, and in doing so improve environmental outcomes and certainty for proponents.

However, there is still significant uncertainty as to how the Standards will be applied and some elements may have net costs on the community. The legislative requirements that aim to provide certainty by requiring 'no regression' in Standards, may equally prevent outcome-improving changes.

INFORMATION REQUEST 4 DO THE COMMUNITY ENGAGEMENT AND DATA AND INFORMATION STANDARDS IMPOSE NEW REQUIREMENTS OR FORMALISE THE REGULATOR'S EXISTING EXPECTATIONS?

The Commission is seeking information from stakeholders on whether the Community Engagement and Data and Information Standards impose new requirements relating to:

- how proponents are to engage the community in relation to projects they are seeking approval for
- the types and formats of data and information proponents provide to support their approval requests.

Or, do these Standards formalise requirements the regulator expected from proponents prior to the reforms?

Unacceptable impacts

Codifying unacceptable impacts may provide additional environmental protections. However, it may also impede activities that seek to balance both environmental and community outcomes (that is, deliver an overall net positive outcome). Currently there is significant uncertainty across several stakeholder groups, which may be a function of the implementation process and guidance materials available. Some stakeholders have raised concerns with ministerial discretion applying to this provision due to the Australian Government Minister for the Environment being able to apply the national interest test to approve projects with unacceptable impacts, except for fossil fuel projects. The ultimate impacts of this reform will become more apparent as further regulatory and guidance material is developed, definitions are tested and precedents are established.

INTERIM FINDING 6 UNACCEPTABLE IMPACTS PROVIDE AN ADDITIONAL ENVIRONMENTAL SAFEGUARD BUT RISK OTHER OUTCOMES

The 'unacceptable impacts' requirement provides an additional environmental safeguard but also has the potential to impede activities that seek to manage environmental outcomes while delivering other objectives valued by the community. Impacts will depend on further development of definitions and guidance, along with regulator discretion.

Protection statements

It remains too early to adequately evaluate the impact of protection statements, apart from noting the uncertainty introduced while regulatory material continues to be developed. Once the first pilot protection statement is released for consultation it will become clearer how effective they will be at protecting environment values and how they affect proponents' obligations.

5.5 Opportunities for improvement

Standards

The Standards are Australian Government legislative instruments. This means the Queensland Government has limited ability to influence the Standards.

Consultation is required before making, varying or revoking a Standard. The Queensland Government can provide feedback to the Australian Government on relevant Standards through these consultative processes. Additionally, consultation will presumably be undertaken as part of the required reviews of Standards (outlined in Section 5.2). If this is the case, it will provide the Queensland Government with a further avenue to provide feedback on a Standard. However, any amendments to Standards following a review will be subject to the no regression principle.

The Standards have, understandably, a focus on objectives that align with the objective of the EPBC Act. However, the application of the no regression principle limits the ability to take a comprehensive approach to the review process. It will thus be important for stakeholders, including the state government, to communicate any concerns with the Standards, prior to the 18-month anniversary of the Standard being made. This will help ensure Standards strike an appropriate balance — between the environment, economy and the community — and assist with avoiding unintended consequences.

6.0
Compliance and enforcement

Key points

- How the regulator administers the EPBC Act and undertakes compliance and enforcement activities has a significant impact on both the level of environment protection and the costs of regulation.
- In 2020, the Samuel Review identified significant shortcomings in surveillance, compliance and enforcement of the EPBC Act. This included the unnecessary complexity of legislation, under-utilisation of powers, inadequate transparency, insufficient resources and weak compliance culture within the Australian Government department.
- Since 2024, there has been a substantive uplift in the number of infringement notices issued and the number of audits conducted by DCCEEW, suggesting there has been a significant change in regulator behaviour, even prior to the reforms being legislated.
- The 2025 reforms included the introduction of Environment Protection Orders, an increase in the maximum value of penalties, and an expansion to the scope of audits. The reforms also established the National Environmental Protection Agency (National EPA).
- The impact of these reforms will depend on:
  - whether the regulator practice of the National EPA is responsive and risk-based, or heavy-handed
  - the perceived risk and cost of non-compliance associated with higher penalties and expanded compliance powers.
- Evidence available to date suggests that:
  - the National EPA intends to take a proportionate response model to enforcement that will consider the impact of the action and whether it was deliberate to determine a commensurate punitive action
  - stakeholders are uncertain on what is required to comply with the EPBC Act reforms and are cognisant of the higher penalties associated with non-compliance. For some stakeholders, these factors are a deterrent to undertaking any activity that may impact MNES, including activities that would improve the productivity of land and environmental outcomes.
- Regulator practice and the approach taken to enforcement can determine the impact of the reforms. A risk-based, collaborative, and educational approach to compliance will focus compliance resources on higher-risk EPBC Act contraventions and may achieve better environmental outcomes in the long-run.
- There is also a risk in relation to compliance and enforcement duplication and inconsistency at the state and Australian Government level.
- An opportunity to improve the administration of the EPBC Act and its 2025 reforms is to seek enhanced coordination of monitoring and enforcement activities, such that:
  - stakeholders are not unduly burdened by facilitating audits from multiple levels of government, except where greater oversight is necessary
  - compliance actions undertaken at the state level are aware of the National EPA's enforcement actions and allow for a productive and environmentally beneficial approach to compliance.

6.1 Background

How a regulator discharges their obligations, along with their legislative powers, can have a material impact on the effectiveness of an Act in delivering against its stated objectives.

A regulating body will often have discretion in how it communicates regulatory requirements to those impacted by the regulation. The regulator will also have discretion in how it monitors and enforces compliance. In some cases, there may also be opportunities to coordinate with other jurisdictions and across levels of government. Collectively, these actions can assist in maximising the net benefits of regulation (OECD 2025b, pp. 134–136). Where one or more of these actions are not pursued or do not represent a best-practice approach, the costs of regulation can increase and/or limit the objectives of regulation being achieved.

In the context of the EPBC Act, if there are insufficient compliance, enforcement and subsequent remediation actions, the environment and community ultimately bear the cost.

In 2020, the Samuel Review found 'surveillance, compliance and enforcement under the EPBC Act to be ineffective' (Samuel 2020, p. 147). The following five key areas lead to this conclusion:

- complexity within the language and operation of the EPBC Act that impedes compliance and enforcement
- under-utilisation of powers at the time of the Samuel Review
- a lack of transparency and trust around compliance and enforcement decisions
- under-resourcing of compliance and enforcement activities within DCCEEW
- a weak compliance and enforcement culture within the Department of Climate Change, Energy, the Environment and Water (DCCEEW) (Samuel 2020, pp. 147–150).

At the time of the Samuel Review, it was noted that 41 breaches of the EPBC Act had been subject to compliance outcomes (Samuel 2020, pp. 147–150).

Prior to the reforms, the Australian environmental regulator had several options available to them to address contraventions of the EPBC Act and associated regulation. This included the imposition of civil and criminal penalties, infringement notices, injunctions, directed variations, directed environmental audits, remediation of damage to the protected matter or third parties, and enforceable undertakings.

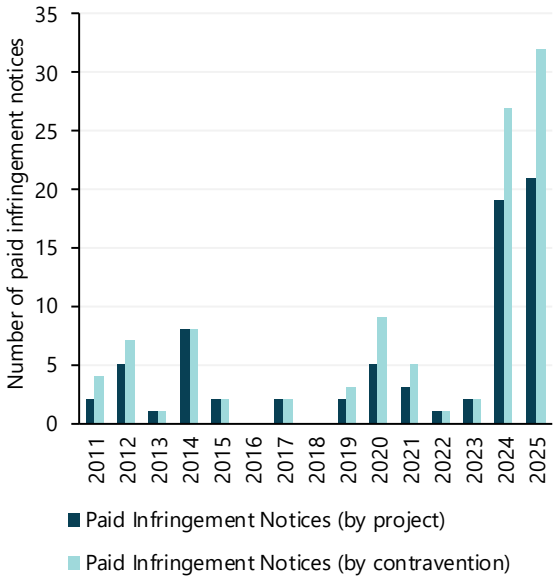
Some of these actions are publicly reported, including the payment of infringement notices and audit outcomes.[40]

DCCEEW's historical compliance and enforcement activities are shown in Figure 6.1 and Figure 6.2. Since 2024, there has been a notable increase in infringement activity across Australia, and the value of infringement notices has increased. This increase in activity coincides with the 2023–24 Federal Budget which announced funding of $121 million, at that time intended for the establishment of Environment Protection Australia (within DCCEEW) 'to enforce environmental laws and restore confidence in Australia's environmental protection system' (Australian Government 2023a, p. 77).

[40] Data on directed variations and 'other compliance outcomes' is also publicly reported but not included in this chapter, since 'other compliance outcomes,' as listed by DCCEEW, includes outcomes both pertaining to the EPBC Act and other associated environmental acts; for directed variations and 'other compliance outcomes', judgements made prior to 2017 are indexed as a combined category of 'judgements granted', of which, only 20 are listed (DCCEEW 2026g).

Figure 6.1 Paid infringement notices by project and by number of contraventions, yearly, Australia

Paid infringement notices have notably increased in volume from 2024

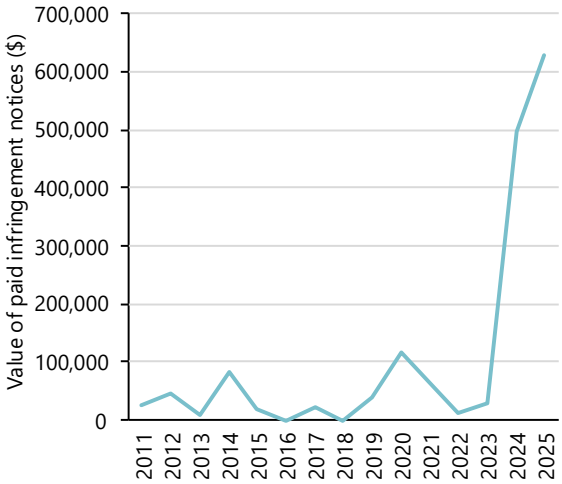


Note: 2026 data has been excluded as it is incomplete. This does not capture all infringements issued, only those issued under the EPBC Act that have been paid. A project that receives an infringement notice may receive more than one, should it breach multiple conditions of its EPBC Act approval.

Source: National EPA 2026d

Figure 6.2 Value of paid infringement notices related to the EPBC Act, Australia

Paid infringement notices have significantly increased in value from 2024



Note: 2026 data has been excluded as it is incomplete. This does not capture all infringements issued, only those issued under the EPBC Act that have been paid.

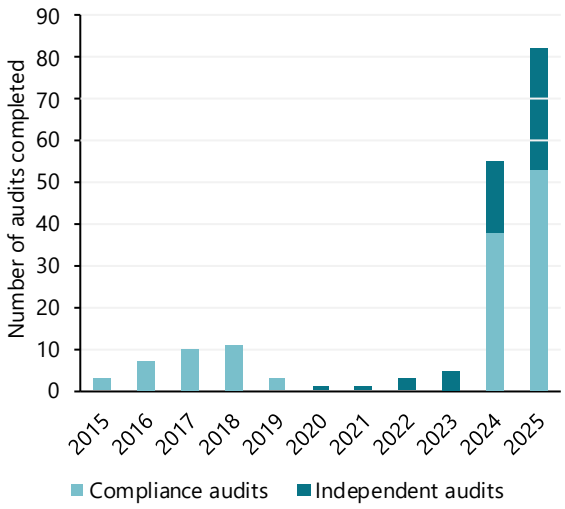
Source: National EPA 2026d

DCCEEW audit activity also substantially increased across Australia in 2024 and again in 2025 (Figure 6.3). Audit outcomes show a relatively high share of non-compliance for both compliance audits and independent audits (Figure 6.4).[41] DCCEEW do not publish information on the nature or the seriousness of audit outcomes that are assessed as non-compliant.

[41] Compliance audits are undertaken at the regulator's discretion, while independent audits may be an approval condition applied under EPBC Act assessment. Specifically, compliance audits are undertaken when determined to be required by the regulator, for activities covered or required by an environmental authority, an environmental exemption, a marine park permission, or for activities carried out or required for the purposes of complying with an environmental order (EPBC Act, s. 462). Independent audits refer to audits undertaken under Section 134, subsection 3(c) of the EPBC Act, which enables the Minister or delegate to impose approval conditions on projects assessed under the Act, including 'conditions requiring an environmental audit of the action to be carried out periodically by a person who can be regarded as being independent from any person whose taking of the action is approved'.

Figure 6.3 **Number of EPBC-related audits (compliance and independent audits) completed each year, Australia**

Since 2024, there has been a significant increase in audits undertaken by DCCEEW

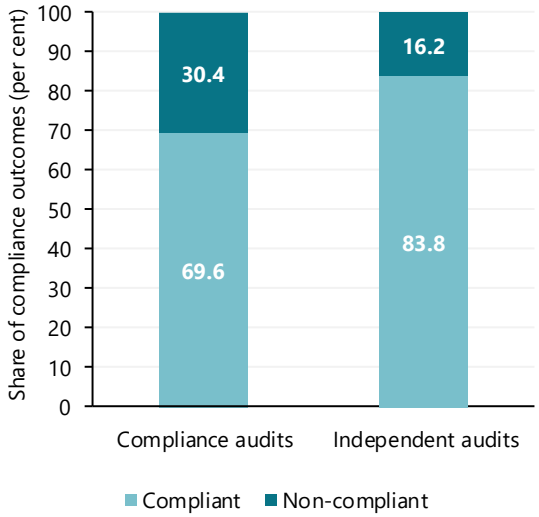


Note: 2026 data has been excluded as it is incomplete.

Source: DCCEEW 2026c; National EPA.

Figure 6.4 **Share of compliance outcomes by audit type, based on audits completed between 2023 and 2025, Australia**

Compliance with conditions is typically higher in independent audits



Note: 2026 data has been excluded as it is incomplete. This data is taken from the DCCEEW website, provided as part of their audit program. Compliance outcomes marked as 'not applicable' have been excluded from this chart.

Source: DCCEEW 2026c.

The compliance activities of other related regulators can also have an impact on stakeholder actions or provide feedback on the effectiveness of current regulatory measures. For example, a review of environmental offsets, released in May 2024, found one in seven projects audited 'were not compliant or potentially non-compliant with their approval conditions and required further investigation' (DCCEEW 2024a, p. 6; Gibson 2024, p. 13).

6.2 The 2025 reforms

The 2025 reforms included the establishment of the National Environmental Protection Agency (National EPA) and expanded compliance and enforcement powers.

National Environmental Protection Agency

The National EPA was established on 1 July 2026 as Australia's dedicated independent environmental regulator. Previously, this function sat within DCCEEW.

The National EPA administers functions under the EPBC Act, as well as eight other federal acts (National EPA 2026j).[42] Its responsibilities include:

- education, regulation, compliance and enforcement as they relate to Australia's environmental laws and matters of national environmental significance (MNES), including through audits
- the issuing of permits and licenses
- responsibilities around assessing projects and setting approval conditions. Final approval decisions remain with the Minister, and the National EPA is only permitted to make approvals as a delegate of the Minister (National EPA 2026i).

On 24 August 2026, the Minister delegated several powers and functions to the National EPA and senior employees. These included most compliance, assessment, and approval functions of the Australian Government under the EPBC Act, as well as various other responsibilities such as issuing permits (Watt 2026a, pp. 4–29).

The National EPA has a legal obligation to maintain a publicly available register of registrable decisions and prescribed matters (*National Environmental Protection Agency Act 2025*, s. 18). Under the *National Environmental Protection Agency Rules 2026* (ss. 5–6), compliance actions undertaken by the National EPA, in addition to the issuance and revocation of permits, are registrable decisions or prescribed matters (depending on what compliance action is being pursued) and therefore must be published.

The establishment of the National EPA was not recommended by the Samuel Review (Samuel 2020, pp. 152–153).[43] Rather, Professor Samuel has expressed concern about the potential for conflict of interest within the National EPA if it had broad responsibilities including the power to make decisions on developments, enforcement and compliance while also overseeing its own roles (The Senate 2026a, pp. 96–97).

Environment Protection Orders

The EPBC Act allows the CEO of the National EPA to issue Environment Protection Orders (EPOs) where they reasonably believe that 'a person has engaged, is engaging, or is likely to engage' in conduct that contravenes the EPBC Act, associated regulations, approval conditions or environmental exemptions specific to that action (EPBC Act s. 474A). Where the CEO of the National EPA has reason to believe that an EPO is necessary, they can impose any requirement on the proponent that they reasonably believe necessary to achieve future compliance or prevent or mitigate damage (for example, the EPBC Act section 474A notes these requirements could include discontinuing or not commencing an activity or changing the manner in which an activity is undertaken).

An EPO can be issued both in writing or orally (in urgent circumstances), although a written order must follow within 72 hours in the latter case (EPBC Act s. 474A). An EPO must be set for a certain time frame, usually 14 days from the day it comes into force or less. It can be extended for up to another 14 days or revoked (EPBC Act ss. 474B–474D).

The EPBC Act includes penalties ranging from 300 units to 1000 units for breaches of an EPO.[44] Based on materials currently available, it is unclear how these penalties will be applied in practice through regulator discretion.

[42] These are, other than the EPBC Act, *Environment Protection (Sea Dumping) Act 1981*; *Hazardous Waste (Regulation of Exports and Imports) Act 1989; Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Act 1995; Ozone Protection and Synthetic Greenhouse Gas Management Act 1989; Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Act 1995; Product Emission Standards Act 2017; Recycling and Waste Reduction Act 2020*; and *Underwater Cultural Heritage Act 2018*.

[43] In terms of establishing new compliance and enforcement roles, the Samuel Review recommended assigning independent powers for Commonwealth compliance and enforcement to the Secretary of the Department of Agriculture, Water and the Environment, with compliance functions consolidated into an Office of Compliance and Enforcement within the Department. The review suggested this office should be provided with a full suite of modern regulatory powers and tools, and adequate resourcing to enable the Australian Government to meet the proposed National Environmental Standard for compliance and enforcement (Samuel 2020, p. 153).

[44] As of 1 July 2026, one penalty unit is worth $364 (Australian Financial Security Authority 2026), meaning these values are $109,200 and $364,000 respectively.

Increased penalties

The reforms have allowed for the possibility of much higher penalties. These penalties are summarised in Table 6.1.

Table 6.1 Overview of reforms to EPBC Act penalties

	Pre reform maximum penalties	Post reform maximum penalties
Civil penalty - individuals	5,000 penalty units ($1,820,000)	The higher of 5,000 penalty units ($1,820,000) or triple the financial benefit of the breach (if calculable)
Civil penalty – body corporates	50,000 penalty units ($18,200,000)	The higher of 50,000 penalty units ($18,200,000), triple the financial benefit of the breach (if calculable), or 10% of annual turnover, however this value cannot exceed 2.5 million penalty units ($910,000,000)
Criminal penalty	420 penalty units ($152,880) 7 years imprisonment	1,000 penalty units ($364,000) 7 years imprisonment

Note: The monetary values listed here are based on the current value of one penalty unit being $364, which increased from $330 on 1 July 2026.

Source: EPBC Act s. 481A, Environment Protection Reform Bill (Cth) ss. 638–640.

Expanded audit powers

The auditing powers of the National EPA have been expanded for compliance audits and directed environmental audits.[45]

Compliance audit powers have changed such that they can now be undertaken without giving prior notice of the audit (EPBC Act s. 462D).

The scope for directed environmental audits has expanded from compliance with environmental approvals, to include compliance with environmental orders and exemptions (EPBC Act s. 458; Trainer et al. 2026).

In addition to these expanded powers, the CEO of the National EPA must establish a register of registrable decisions and a register of any other matters prescribed by the rules that relate to environmental laws (clause 18, National Environmental Protection Agency Bill 2025).

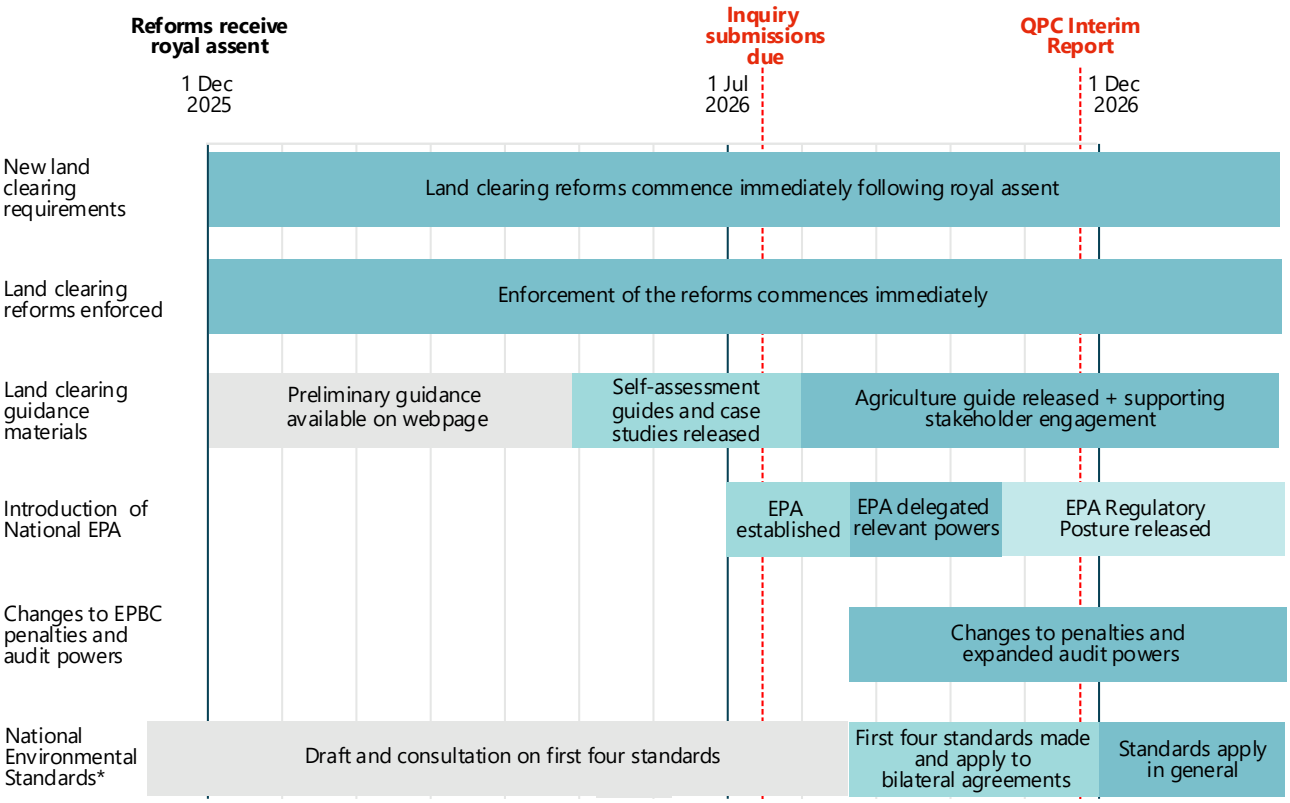
Additionally, the CEO must establish a register of independent and accredited auditors who can undertake audits as they relate to the National EPA (for example, compliance audits) (EPBC Act s. 462G). If no registered auditor is reasonably available to conduct the audit, the CEO can approve the appointment of an alternative auditor if the person approved is not an officer or employee of the audited person and the CEO is satisfied that the person approved is independent and has the necessary knowledge and experience to properly conduct the audit (EPBC Act s. 459).

[45] Directed environmental audits may be required by the CEO of the National EPA if a permit or approval holder or a person subject to an environmental order or exemption is reasonably suspected to have contravened or is likely to contravene a condition or requirement of the environmental authority, order or exemption.

6.3 Impact of the reforms

Many of the above changes were specified in the Environment Protection Reform Bill 2025 (Cth) and related instruments. However, the establishment of the National EPA and several of the instruments the National EPA will apply have occurred following the commencement of the EPBC Act reforms, particularly the reforms to land clearing. This staged approach is shown in Figure 6.5.

Figure 6.5 Staged implementation of reforms and compliance and enforcement activities



Note: *Future standards are still to be developed, including a National Environmental Standard for First Nations engagement.

Source: QPC based on the EPBC Act; Environment Protection Reform Act 2025 (Cth); Minister for the Environment and Water 2026; National EPA 2026f, 2026e; Watt 2026a

National EPA

The establishment of the National EPA, together with strengthened compliance powers and new Standards architecture, reflects a more structured and potentially interventionist model of compliance and enforcement. These features may be appropriate in principle but also carry the risk of increasing compliance costs unless paired with clear guidance, practical transitional arrangements and genuine interoperability with state systems.

These risks can be material as noted by several stakeholders:

> [The implication of the National EPA] *for urban development is unclear, an authoritarian approach without achieving optimum solutions from balancing environmental protection, flexible and creative restoration and enhancement and negotiation is a risk to housing development. (UDIA Qld, sub. 40, p. 21)*
>
> *Compliance capacity depends on clarity, proportionality and predictability. Where the system is still being designed, standards are not finalised, and obligations may become more prescriptive over time, compliance becomes more expensive and less certain. (Property Council of Australia, sub. 49, p. 6)*
>
> *For agriculture, NEPA's success will depend on adopting a proportionate and risk-based approach that distinguishes serious or deliberate non-compliance from producers acting reasonably and in good faith. (National Farmers' Federation, sub. 57, p. 9)*
>
> *Our experience shows that introducing legislation and focusing on compliance, without adequate resourcing for clear guidance material, practical tools and extension or capacity-building support, is likely to create further confusion, additional costs and perverse environmental outcomes. (NRM Regions Queensland, sub. 42, p. 8)*

Compliance actions can respond to the level of risk of non-compliance and the intent behind non-compliant behaviour, so as to not impose disproportionate consequences on stakeholders who are trying to do the right thing. This approach is closely aligned with the concept of responsive regulation (Box 6.1).[46]

[46] John Braithwaite was one of the original developers of the regulatory pyramid, which captures his expertise around responsive regulation.

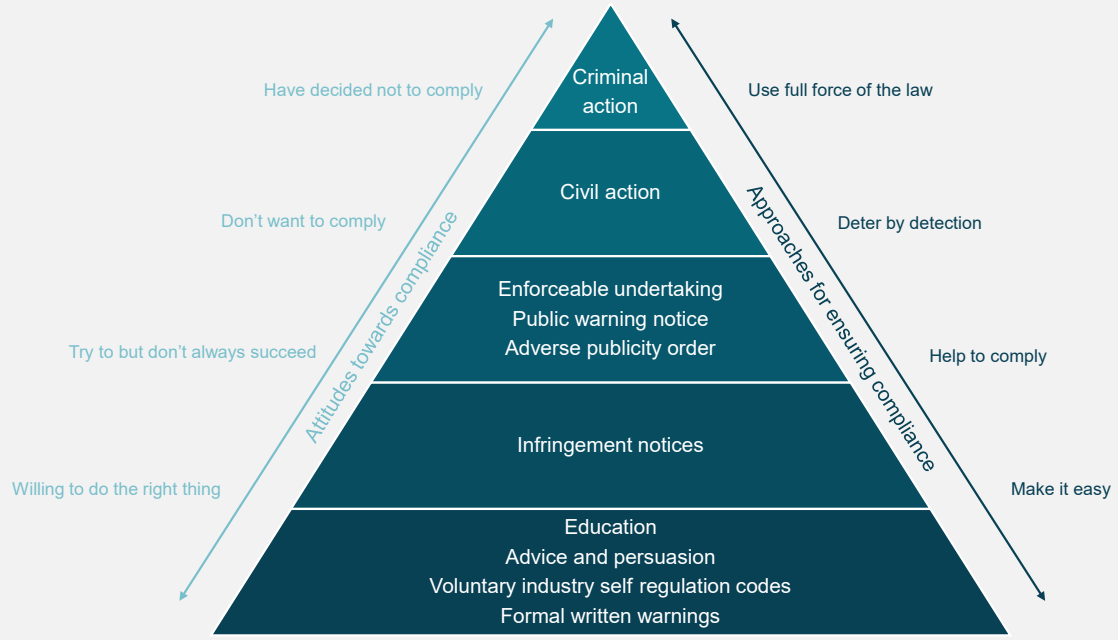
Box 6.1 Responsive regulation

Each time a regulator is faced with a person or organisation who has breached regulation, they are able to choose, within the bounds of the legislation itself, the most appropriate course of action. Where punishment is strictly applied, this is known as regulatory formalism, whereas taking a more discretionary approach is responsive regulation. By adopting a responsive regulation approach, the regulator is more likely to consider the unique circumstances of each case within law enforcement (Braithwaite 2002, p. 29).

The regulatory pyramid (Figure 6.6) is the most distinctive part of responsive regulation and attempts to guide when punishment should be applied and when persuasion is appropriate.

Figure 6.6 The regulatory pyramid

The regulatory pyramid identifies compliance and enforcement options available to a regulator



Source: Australian Government 2017, p. 12

Note: While this specific design of the regulatory pyramid was produced in relation to Australian Consumer Law, similar variations are used across government. This version, for example, has been reproduced by the Australian Government Department of Finance in their 2025 Regulatory Policy, Practice & Performance Framework (Australian Government 2024c, p. 11).

In applying the regulatory pyramid, and hence responsive regulation more broadly, the regulator should start at the bottom and only when these options fail, utilise strategies higher on the pyramid to fill these 'gaps'. This approach can encourage stakeholders to take a collaborative approach to problem solving where dialogue can be used (Braithwaite 2016). It also provides the regulator the opportunity to be responsive to the measures already being taken by individuals or corporations to achieve the same/similar outcomes to the regulations.

Increased penalties and expanded audit powers

Individuals and organisations make behavioural choices based on their understanding of potential penalties for their actions. Additionally, different penalties may impact proponents in varying ways, particularly where one proponent may have a far greater scope to absorb penalties and restrictions.

Stakeholders have indicated the introduction of increased penalties for EPBC Act contraventions, expanded audit powers and the establishment of the National EPA has impacted their willingness to engage with the regulator, for fear of adverse impacts arising because they sought guidance on a potential project. The sequencing of the reforms and issuance of guidance materials (including education and communications) has also heightened these concerns.

> *For agriculture, stronger compliance powers and penalties have already been introduced ahead of guidance, reliable mapping, practical Self-Assessment tools, and accessible advisory mechanisms needed to support confident compliance. This sequencing creates a significant implementation risk. The immediate priority must therefore be to close that gap and ensure producers are not exposed to heightened compliance consequences while their underlying obligations remain uncertain. (National Farmers' Federation, sub. 57, pp. 8–9)*

> *Compliance powers have commenced while implementation guidance and practical interpretation continue to evolve, creating uncertainty regarding the practical application of the reforms... There are currently over 30 active compliance cases relating to activities undertaken by Queensland stakeholders prior to December 1 2025. Majority of these cases relate to continuous use, and or intent to abandon. This remains poorly defined for producers. (AgForce Queensland, sub. 58, p. 6)*

6.4 Evaluating the reforms

National EPA

Following their establishment on the 1 July 2026, the National EPA has publicly stated their preference is to work with individuals and organisations to achieve compliance and address environmental impacts when non-compliance is identified (National EPA 2026h). In October 2026, the National EPA released a statement on their regulatory posture, which publicly states how they will regulate in practice. It sets out their principles of engaging early and problem-solving, impartial and timely decision making, having an expectation of compliance, taking a fair and firm stance on enforcement, and stewarding the regulatory system (National EPA 2026e, p. 3).

The National EPA's guide on Agriculture and the EPBC Act also provides an indication of the National EPA's intended approach to compliance and enforcement. It states the National EPA will apply '*a proportionate response model that considers a range of factors, including the nature and seriousness of the contravention, the level of environmental harm or risk of harm, the conduct and cooperation, compliance history and whether the behaviour is deliberate, reckless or repeated*' (National EPA 2026a, pp. 30–31).

This risk-based, collaborative, and educational approach to enforcement aligns with best practice and is likely to yield better compliance and environmental outcomes in the long-run.

INTERIM FINDING 7 REGULATOR PRACTICE WILL BE A DETERMINANT OF THE IMPACTS OF THE REFORM

Heavy-handed enforcement, particularly for those who are willing to do the right thing but may not fully understand EPBC Act requirements, may deter stakeholders from undertaking activities with possible EPBC Act interactions. A risk-based, and educational approach is more likely to improve compliance behaviours among stakeholders over the long-run and improve environmental outcomes as stakeholders better understand their obligations under the EPBC Act.

Timely resolution of issues is essential to minimise negative economic, environmental and community impacts.

A risk-based approach will also help to direct the National EPA's resources towards enforcing more serious contraventions of the EPBC Act.

Increased penalties and expanded audit powers

A lack of sufficient information or uncertainty about legislative requirements, and fear around harsh enforcement for contraventions, is a scenario that can lead to stakeholders being highly risk averse. Stakeholders have noted fear around undertaking actions that may have an impact on MNES, even where that action may be for environmental benefit, due to the complexity of legislation and the fear of punishment for errors in processes.

> *There also remains no statutory safe harbour for producers acting reasonably and in good faith using available guidance where Government subsequently reaches a different conclusion. (AgForce Queensland, sub. 58, p. 4)*

> *NFF is aware of producers delaying, modifying, and/or abandoning development and land management activities entirely (including those that may deliver positive environmental or productivity outcomes) because of regulatory risk and a lack of confidence in their ability to understand and comply with their obligations. (National Farmers' Federation, sub. 57, p. 6)*

This uncertainty is resulting in some stakeholders delaying routine land-management practices due to uncertainty regarding the possible EPBC Act implications of such actions. There are cases where the delay of land management practices will have negative impacts on environmental outcomes or the productivity of the land.

INTERIM FINDING 8 UNCERTAINTY HAS HAD ADVERSE IMPACTS

The introduction of the National EPA, coupled with increased penalties and expanded audit powers, has led to uncertainty and fear of compliance actions for stakeholders. The sequencing of the introduction of the reforms without guidance materials has also contributed to this uncertainty. In response, stakeholders, particularly landholders, are delaying activities that could have a possible impact on MNES, even if these activities would likely yield positive environmental or productivity outcomes.

For small and family run businesses, stakeholders noted that increased penalties and changes to the compliance and enforcement laws may have a disproportionate impact. Where small businesses are unable to obtain professional services and advice to ensure their activities do not contravene the EPBC Act, they may refrain from undertaking routine activities.

> *Legal, ecological and administrative capacity is typically not held in-house on family enterprises. Each of these must be procured externally at market rates. (Anonymous, sub. 21, p. 12)*

Additionally, the Queensland Water Directorate (sub. 30, p. 5) raised a concern 'that the proposed increase in penalties for body corporates will unfairly impact local governments and other essential publicly funded service providers', because the definition of 'body corporate' is unclear so such entities may be subject to far higher penalties.

INTERIM FINDING 9 SOME ENTITIES ARE CONCERNED THEY CANNOT ABSORB THE BURDEN OF EPBC ACT COMPLIANCE

There is particular concern from small businesses and local government of penalties under the EPBC Act, even for genuine mistakes.

When the cost of professional services and advice is prohibitive or not proportionate to the activity, this may result in stakeholders avoiding any actions that may trigger EPBC Act requirements altogether, rather than attempting an assessment. This can include activities that have a positive environmental impact.

The National EPA has been engaging with stakeholders to help them to understand what is required to comply with the reforms, through consultative activities and the release of guidance. For example, guidance materials such as the *Agriculture and the EPBC Act: Guide to the Environment Protection and Biodiversity Conservation Act 1999* have been released. National EPA guidance for agricultural stakeholders is further discussed in Chapter 4.

The National EPA has also stated that they intend to take a proportionate approach to enforcement activities. Where consideration is given to the impact of the action and whether it was deliberate, to determine a commensurate penalty. These measures by the National EPA may alleviate some concerns.

The boundaries of what is now considered an acceptable impact remains largely untested. So, at this early stage of implementation, it is contributing towards a conservative and risk-averse approach from stakeholders. During consultation, many stakeholders raised concerns they would still be at risk of enforcement actions unless binding advice could be delivered by the National EPA to confirm their proposed action does not constitute a significant impact.

As noted in stakeholder submissions and recent media, these measures are welcomed but concerns remain due to uncertainty, proponent capability and associated costs.

6.5 Opportunities for improvement

There is an opportunity to reduce the regulatory burden associated with compliance and enforcement activities for government and the community through reducing duplicative monitoring and enforcement undertaken at the state and Australian Government level.

Minimising unnecessary duplication in compliance and enforcement

Some stakeholders expressed concern around the expanded enforcement powers that may be associated with the National EPA, and the potential for these to impact state level enforcement:

> *The creation of National Environmental Standards and a federal EPA moves key decision-rights upward into Commonwealth domain. This reduces the autonomy of State systems and introduces a new layer of oversight that Queensland must now navigate. (Regulatory Intelligence Lab, sub. 3, p. 11)*

Across legislation, there will often be some level of duplication between the state and Australian governments. Where regulatory processes overlap, there is also a risk that compliance and enforcement actions will be taken for the same act of non-compliance across multiple jurisdictions.

The Queensland regulator (the Department of Environment, Tourism, Science and Innovation (DETSI)) has broad compliance obligations and takes an active role in enforcement activities.

While compliance activity under the EPBC Act has increased in recent years, Queensland remains a more frequent issuer of compliance actions despite legislating a smaller population. Queensland issued 480 environmental protection orders between 2005 and 2024. Environmental protection orders were replaced in 2024 with broader environmental enforcement orders. Since this change, Queensland issued a further 236 environmental enforcement orders as of September 2026 (Queensland Government 2026e).

Queensland's approach to compliance and enforcement under the *Environmental Protection Act 1994* (EP Act) has recently been reviewed (Box 6.2).

Box 6.2 Review of Queensland's environment protection framework

In 2022, an independent review into the adequacy of powers and penalties available under Queensland's EP Act was conducted, with a government response provided in 2023. This review found that Queensland's EP Act 'contains adequate powers and penalties to, in most instances, enforce environmental obligations and reduce the risk of environmental harm.' (Jones & Hedge 2022, p. 9).

In response to the independent review, Queensland's enforcement processes were updated in 2024 through the *Environment Protection (Powers and Penalties) and Other Legislation Amendment Act 2024* (Qld). This amendment made changes, including making the duty to restore the environment directly enforceable and expanding notification obligations (Queensland Parliament 2024).

According to DETSI's guidance note on compliance with the EP Act, DETSI takes an approach similar to the regulatory pyramid (Box 6.1). DETSI uses a 'disrupt, detect, decide and deter' framework, where they disrupt through education, detect through community and industry notification, decide on fair and reasonable compliance outcomes and then deter through enforcement (Queensland Government 2025a, pp. 3–4).

The EP Act applies to a broader set of environmental impacts than the EPBC Act, in that it is not bound to MNES. Under the EP Act, everyone in Queensland has a general environmental duty to avoid carrying out activities that cause or are likely to cause environmental harm, unless this harm has been minimised. (Queensland Government 2025a, p. 5). Under the EP Act, much like compliance audits under the EPBC Act, compliance inspections can be both proactive and reactive (Queensland Government 2025a, p. 7).

The way the Queensland Government and the National EPA concurrently monitor and enforce environmental requirements will contribute to the burden associated with these reforms.

Stakeholders have also emphasised the importance of ensuring compliance measures are focused on environmental outcomes, rather than imposing costs on stakeholders.

> *APFA supports strong environmental outcomes. However, effective regulation should be measured by improvements in environmental performance rather than by the volume or complexity of compliance requirements. (Australian Prawn Farmers Association, sub. 15, p. 7)*

> *QREC considers that compliance and monitoring frameworks should be designed to achieve clear environmental outcomes while remaining practical to implement. (QREC, sub. 38, p. 9)*

There are opportunities to coordinate compliance activities, such as audits, in a manner that reduces the cost of audit activity without unduly compromising on monitoring compliance. Aside from higher-risk cases where more frequent oversight is required for prudent monitoring, audit activities conducted at the state and Australian Government level could be coordinated in a manner that means stakeholders are not unduly burdened with facilitating audits from multiple levels of government.

Coordination could involve focusing Queensland Government environmental audits on activities and stakeholders that have not been audited by the Australian Government for a reasonable timeframe (or at all), except for in high-risk or otherwise necessary cases. This could be supported by communication between regulators such that any proposed audits are informed by whether the other regulator is also considering, is already undertaking, or has recently undertaken an audit on the same activity.

Governments could also seek to align concurrent enforcement actions in a manner that is complementary to one another when there is a breach of both the EPBC Act and the EP Act, in a manner that is commensurate to the breach. This may involve setting conditions on enforcement actions that are not overly cumbersome and contradictory between the concurrent enforcement measures and ensuring the collective punitive action remains proportionate to the seriousness of the contravention across both state and Australian Government compliance regimes.

INTERIM RECOMMENDATION 2 AWARENESS OF AUSTRALIAN GOVERNMENT COMPLIANCE AND AUDIT ACTIVITY

Where it minimises regulatory burdens and maintains effective compliance requirements, the Queensland Government should have regard to the audits, compliance and enforcement actions being conducted by the Australian Government. There may be opportunities to reduce the regulatory burden, in areas such as information collection and compliance activities.

7.0
Assessment pathways

Key points

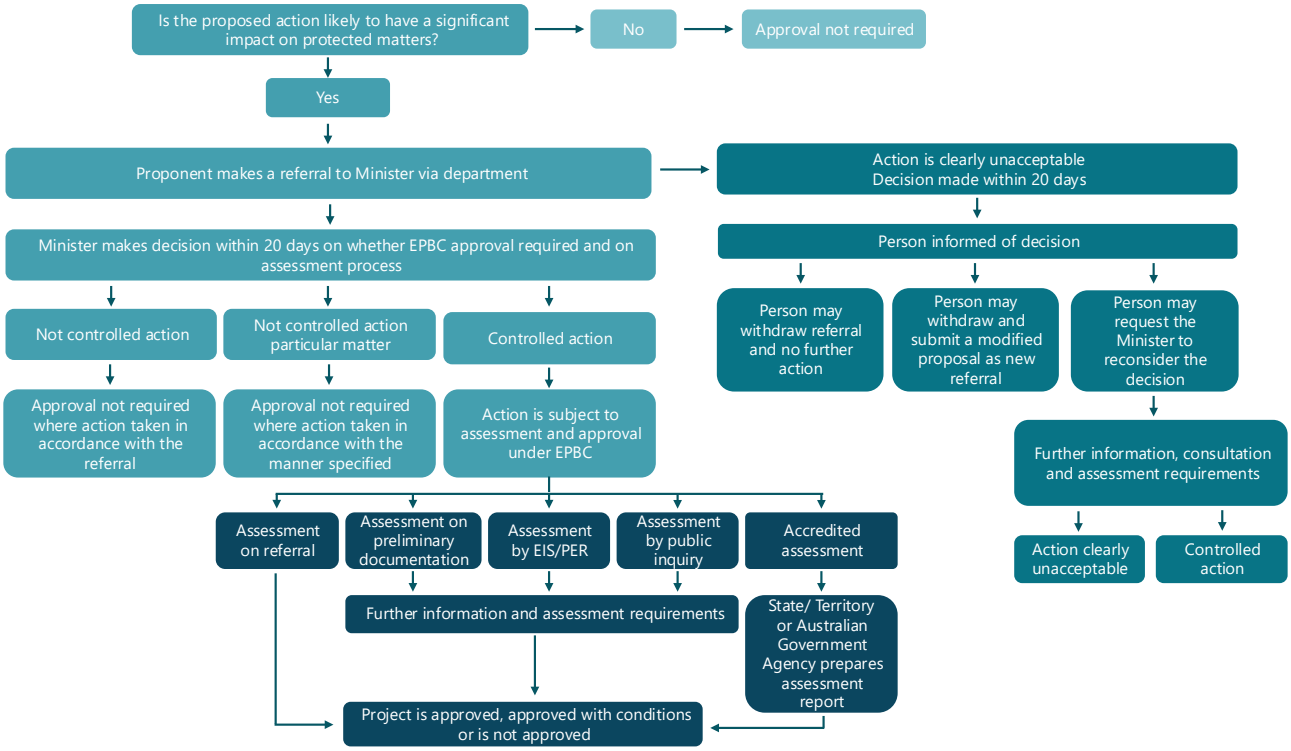
- The assessment process is complex. Referrals analysed show a project may have tens of thousands of pages of documentation, thousands of submissions and multiple stages of assessment. A single referral review from the regulator can sometimes cost hundreds of thousands of dollars to address.
- Stakeholders have commented the assessment process is too uncertain and the time taken can be indefinite, imposing compliance and holding costs on project proponents. Prior to the 2025 reforms, controlled action assessment decisions in Queensland were taking over 1,150 days on average. The time taken to approve a controlled action has increased over time.
- Stakeholders are concerned about the costs, delays and uncertainty incurred in seeking EPBC Act approval. These issues can have secondary impacts on other outcomes desired by the community. For example, there are policy tensions between EPBC Act requirements and the objectives of the planning system, particularly for housing.
- Changes to assessment pathways are not fully implemented. Crucially, the Streamlined assessment pathway and the accrediting of state approval processes — that in concert with clear standards are designed to reduce compliance costs — are yet to take place.
- Once fully implemented, the 2025 reforms provide an opportunity to reduce project costs through the availability of the Streamlined assessment pathway for more projects. However, the 20-day reduction in approval decisions only applies to the relatively straightforward Streamlined assessment pathway and other administrative efforts to speed up assessment could have proceeded regardless of regulatory change.
- The reforms place additional restrictions on fossil fuel projects undergoing assessment. This may impose additional costs on these projects without benefitting protected matters and is inconsistent with the original design of the reforms.
- The time taken to complete assessments, the cost of professional expertise and the uncertainty that comes with assessment have a greater impact on proponents than associated government fees. However, for smaller projects, such as those undertaken by small and family agricultural businesses affected by changes to the continuing use exemption under the Act, assessment fees are likely to have a more significant impact.
- The 2025 reforms stipulate that approvals that are 'not a controlled action' will now lapse after 5 years. For complex projects, there is risk this obligation — in combination with the time it takes to address planning obligations, investment conditions and funding arrangements — may impede the delivery of some projects.
- New 'rulings' are intended to increase consistency and certainty in decision making and confidence in assessment and approval decisions. However, EPBC Act rulings are not binding, unlike similar regulatory instruments, such as Australian Tax Office (ATO) tax rulings, which can be more readily relied upon by taxpayers.

7.1 Background

There is a long-standing requirement for project proponents and landholders to self-assess their proposed actions to determine if they are likely to have significant impacts on matters of national environmental significance (MNES). Subject to the outcome of the self-assessment the proposed action may need to be 'referred' to the Australian Government for assessment. A referral must be made to the Australian Government where a proposed action is likely to have a significant impact on MNES. The Australian Government assesses referral information supplied by the proponent to decide whether further assessment is required.

Figure 7.1 outlines the various assessment pathways and outcomes a proposed action could take. Depending on the likely impacts to MNES, a proposed action may not require approval (which may depend on the action being taken in a certain way), may be clearly unacceptable, or may require some form of assessment. Assessment may involve further information requirements (depending on the assessment pathway) that then lead to the project being approved, approved with conditions, or not approved.

Figure 7.1 EPBC Act environmental assessment process, pre-reform



Source: DCCEEW n.d.; EPBC Act.

Approval processes are taking longer

The time taken for the Australian Minister for the Environment (the Minister) to make a referral decision on projects has improved from approximately 35 days between 2000 and 2009 to approximately 22 days between 2018 and 2025 (Figure 7.2). However, the time taken to reach a final approval decision has lengthened materially. The Commission estimates that between 2000 and 2009, it took around 700 days to reach approval, but between 2018 and 2025 it took over 1,150 days (Figure 7.3). Residential, resources and energy projects had the longest approval timeframes.

Approval times in Queensland were marginally shorter (by around 60 days) than national approval times between 2018 and 2025.

Figure 7.2 **Number of days to reach a referral decision, Queensland, median**

Reaching a referral decision has improved by around 6 days

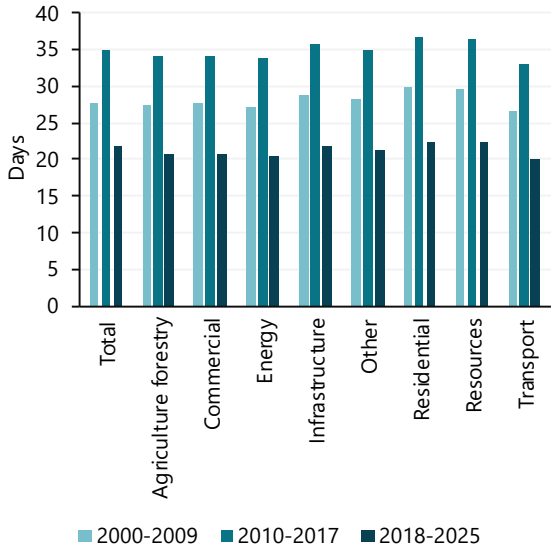
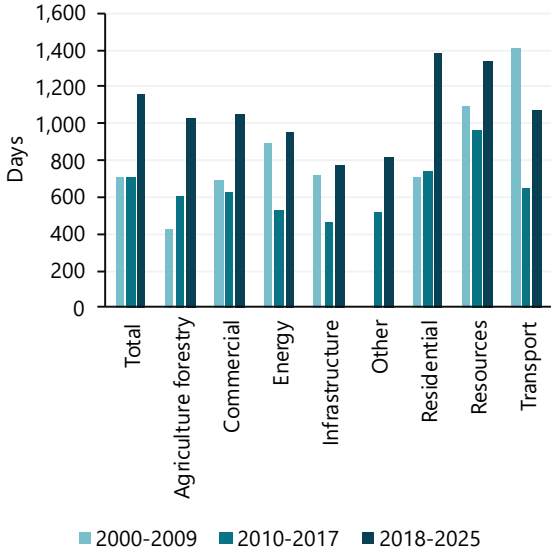


Figure 7.3 **Number of days to reach a final approval decision, Queensland, median**

But approvals are taking around 450 days longer



Source: QPC based on National EPA 2026b.

Assessment and approval processes can impose significant costs

Assessment processes impose a range of costs to stakeholders. These can include:

- compliance costs, including preparing applications, fees and additional project costs from approval conditions
- delay costs, such as the cost of holding assets that are not being used productively
- investment risk deriving from uncertainty over outcomes
- flow-on costs, such as lost activity from developments that do not proceed due to the costs of assessment
- costs to government from administering assessment.

Timeframe and compliance costs can have flow on impacts — affecting economic activity and other socially desired outcomes. Some assessment costs are inevitable to achieve the EPBC Act's intended environmental protection outcomes and mitigation requirements.

The assessment process is complex (Figure 7.1), imposing significant costs on some projects. The costs associated with assessment processes are derived from the legislative requirements and policy guidance that governs the assessment process. Regulator behaviour, proponent capability, and the availability of supporting information and expertise can also impact the costs incurred.

Referrals analysed by the Committee for Economic Development of Australia (CEDA) have up to 8,500 pages of documentation, 32 technical annexes and 4,300 public submissions. According to CEDA the time cost of a single referral review can exceed $250,000 (CEDA 2026a, p. 3). Confidential case studies submitted as part of this Inquiry suggest the additional evidence required for the approval stage can cost at least this much again. For example, depending on project scale, the evidence required during the approval stage can cost millions of dollars.

EPBC Act assessments exist within a broader regulatory assessment and approval environment. Project proponents often require assessment and approval from multiple regulatory agencies and several levels of government. Environmental assessment and approval can be required at the local, state and national level. In some instances, controlled actions may be assessed by Queensland for both national and state matters within a single environmental assessment process (as further discussed in Chapter 8).

Assessment costs can be exacerbated by overlapping or duplicate state (and local) environmental regulations. These obligations generally have distinct requirements, legal considerations, and levels of environmental protection. An approval granted under one system does not automatically guarantee approval by the other. For example, Cement Concentrates & Aggregates Australia (CCAA) (sub 17, pp. 4–5) noted that quarry proponents require approvals under seven different acts[47], before a proposal is referred under the EPBC Act.

Assessment and approval delays can impose large costs on project proponents. In 2009, the Australian Productivity Commission (PC 2009, p. xxv) estimated expediting approvals by one year for oil and gas projects can increase a project's net present value returns by 10 to 20 per cent. Additionally, the Queensland Renewable Energy Council (2025) estimated 'a 12-month delay in financial close on a $400 million project can add more than $20 million in holding and opportunity costs'. [48]

Regulator behaviour can have a material impact on the compliance costs and assessment timeframes of an assessment process. While assessment and approval timeframes can be mandated in legislation, the use of 'stop the clock' provisions can also affect outcomes. Stakeholders noted how regulator information requests (which 'stop the clock') are made and sequenced can be a contributor to delays in decision making:

> *One [UDIA] member's EPBC Act assessment progressed to public notification after six years under assessment. However, following public notification and submissions suggesting that another matter was present on site, the project has stalled again, with the project once again forced to respond to the Department and creating further uncertainty and cost. The process has once again ground to a halt, based on public submissions which cite an unconfirmed citizen observation from four years ago on a site located 30km from the proponent's site. The matter has not been sighted on site during surveys or spotter catcher activities. (UDIA Qld, sub. 40, p. 7)*

Compliance costs can be exacerbated when outcomes are uncertain for proponents, and this uncertainty affects the risk and appetite for investment. Evidence indicates the assessment timeframe of regulators is highly variable. For example, the proportion of assessments made on time increased from 19 per cent in December 2019 to 97 per cent in September 2020 (Samuel 2020, p. 9).

Stakeholders noted the unpredictability of assessment process timeframes:

> *Unlike state and territory planning systems which have statutory timeframes associated with applications, the lack of clarity in how long an EPBC Act application will take to be determined contributes greater risk and uncertainty to delivering development projects – with some applications now in the system for close to seven years. (Stockland, sub. 37, p. 2)*

If assessment processes are ineffective, they can also inadvertently detract from desired environmental outcomes. This can occur where assessment activities deter or delay activity that is beneficial to the environment or reflect a narrow perspective of environmental impacts.

> *Existing Australian environmental laws reflect the preservationist view of environmental law discussed above, viewing any interference with the environment—whether positive or negative—as an action that requires scrutiny and approval. This has led to restoration carried out by the private sector and NGOs being 'opportunistic', often driven by availability of funding and favourable governance conditions. (Bell-James 2026)*

[47] This includes the *Planning Act 2016*, *Environmental Protection Act 1994*, *Water Act 2000*, *Aboriginal Cultural Heritage Act 2003*, *Native Title Act 1993*, *Regional Planning Interests Act 2014* and *Explosives Act 1999*.

[48] These estimates are not exclusive to the EPBC Act, as projects face a range of approvals.

> *Environmental regulation, including the EPBC legislation, increasingly prioritises passive 'preservation' over active management. In many forested landscapes, restrictions on fuel reduction, access, mechanical treatment and active management have coincided with larger and more severe bushfires. Biodiversity conservation cannot be separated from landscape resilience. An unmanaged forest is not necessarily a protected forest. (Australian Environment Foundation, sub. 20, p. 12)*

The Australian Government incurs costs in undertaking assessments under the EPBC Act. These costs are partially recovered by charging fees to proponents. Ahead of the introduction of new assessment pathways, fees charged by the Australian Government include:

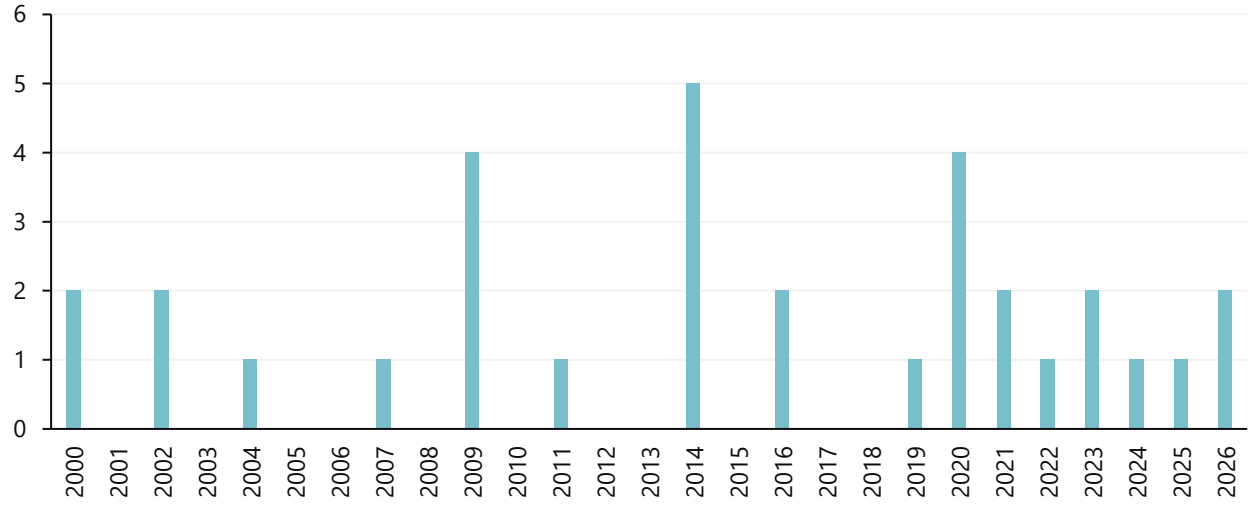
- a referral fee of $6,577
- further fees if assessment is required, starting at $8,964 for Assessment by referral information and $8,010 for Assessment by preliminary documentation
- additional fees where projects are lengthy or complex. These complexity fees are discretionary and can allow the regulator to address cost shifting between proponents, or inequity (DCCEEW 2025f).

Fees can also be waived discretionarily by the Minister if they consider it in the public interest to do so, or if there are exceptional circumstances (*Environment Protection and Biodiversity Conservation Regulations 2025* s. 5.21).

The EPBC Act provides for national interest exemptions in specific circumstances. This power has been used occasionally (Figure 7.4) since the EPBC Act was introduced for purposes such as disaster response or mitigation, to exempt some Commonwealth activities, to allow collection of threatened species for conservation reasons, or to allow for management of specific interactions with threatened species, such as shark control.

More recently, an exemption was provided to Alcoa in January 2026 to allow land clearing for the purpose of maintaining bauxite supply to their Western Australian refinery (Watt 2026c).

Figure 7.4 National interest exemptions, by year



Source: DCCEEW 2026p.

7.2 The 2025 reforms

To improve the operation of assessment and approval processes, the 2025 reforms to the EPBC Act included:

- introduction of a streamlined assessment pathway
- adjustments to the national interest exemption
- restrictions on fossil fuel projects
- changes to the lapsing provisions
- introduction of rulings.

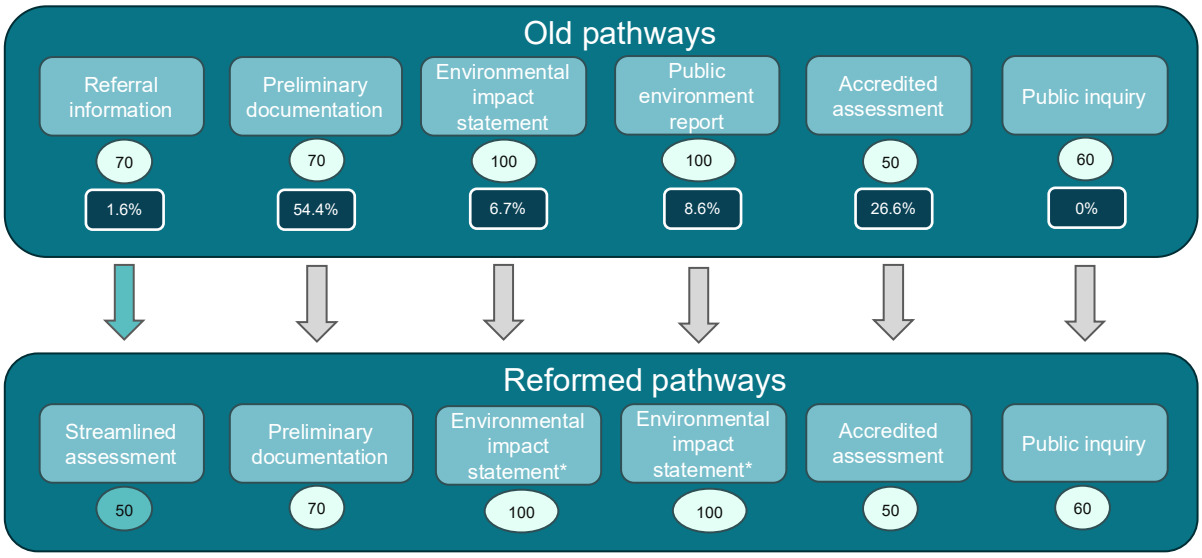
Projects already referred for assessment when the reforms take effect, will continue to be assessed under the existing EPBC Act (DCCEEW 2026aq).

Streamlined assessment pathway

From 1 December 2026, a Streamlined assessment pathway with shorter statutory timeframes will be introduced, replacing the former Referral information pathway (Figure 7.5).[49] The Streamlined assessment pathway will have a statutory approval timeframe of 50 days, down from 70 days for the Referral information pathway. However, historically the Referral information pathway has only accounted for 1.6 per cent of assessments in Queensland.

At the same time the Environmental impact statement and Public environment report pathways (6.7 per cent and 8.6 per cent of assessments, respectively) will consolidate into one Environmental impact statement pathway, with the Public environment report pathway no longer available (DCCEEW 2026o). Projects will continue to have the same 100-day statutory timeframe as under previous arrangements. Changes to assessment pathways should become operational in December 2026.

Figure 7.5 Existing pathways and introduction of reformed pathways



Note: The oval below the respective pathways represents statutory timeframes. These include 20 days for referral. The reported percentages represent the proportion of total assessments under each pathway. Percentages do not sum to 100 because some projects were not able to be classified into a pathway using the published decision notice. * The Environmental impact statement and Public environment report pathways have been merged, with the Public environment report pathway no longer available. Projects that move from the Public environment report to the Environmental impact statement pathway continue to have a 100-day statutory timeframe.

Source: DCCEEW 2026o.

[49] The Samuel Review noted regulator performance had varied significantly over time but did not recommend a Streamlined pathway.

The 2025 reforms also amend reconsiderations and allow proponents to seek written approval from the Minister for "minor and preparatory components of a larger action" to commence, before formal approval is provided for that larger action. The Minister must be satisfied the works are minor and protected matters are repairable. This reform seeks to reduce project delays, while allowing for low environmental harm activities to commence. This might include activities such as geotechnical surveys or minor land clearing. These changes commenced on 1 July 2026.

Once reformed pathways are introduced from 1 December 2026, some fees will change, with the National EPA transitioning to new arrangements to seek improved cost recovery (DCCEEW 2026o, p. 12).

National interest exemption and approval

The 2025 reforms introduced changes to the national interest exemption with the intention of making the process clearer, more transparent and flexible. The EPBC Act establishes legislatively that the Minister can grant a national interest exemption:

- from certain provisions of the Act, including some requirements under Part 13, which legally protect species and ecological communities within Commonwealth land and marine areas
- that includes conditions to reduce environmental harm
- on application or on the Minister's initiative.

The exemption:

- must be time limited and cannot be issued retrospectively or run indefinitely
- can be varied or revoked if circumstances change or conditions are not met
- must meet a minimum level of public notification requirements (DCCEEW 2026u).

Additionally, the introduction of a 'national interest approval' provides a new power for the Minister to approve a project even if it significantly impacts an MNES, fails the net gain test or causes unacceptable impacts.

In these instances, the Minister must be satisfied the approval is in Australia's national interest, having regard to, but not limited to:

- Australia's defence, security or strategic interests
- Australia's obligations under an agreement with other countries.

National interest approvals are intended to provide the Minister discretion to ensure decisions under the EPBC Act appropriately balance the environmental protections provided by the National Environmental Standards (Standards) with Australia's national interest in achieving an activity's intended outcomes (Parliament of Australia 2025b, p. 192).

Importantly, projects approved using the new national interest approval must:

- go through a full environmental assessment, including public consultation
- follow international obligations
- be subject to ongoing compliance and enforcement
- not be a fossil fuel project (discussed further below).

The Minister has responsibility for the national interest exemption and approval decisions. Reasons for determining whether the project is in the national interest must be published.

The national interest exemption reform commenced in February 2026, while the new national interest approval is to become available from 1 December 2026.

Restrictions on fossil fuel projects

Fossil fuel actions are defined as the production or extraction of coal or petroleum.

The 2025 reforms introduced the following exclusions or additional reporting obligations for fossil fuel projects:

- restricted access to the Streamlined assessment pathway[50]
- denial of access to national interest exemptions and approvals
- expanded groundwater assessment requirements to include unconventional gas projects
- denial of access to bioregional planning (discussed in Chapter 10).

Fossil fuel projects (and some other projects) may also need to undertake additional reporting on greenhouse gas emissions (discussed in Chapter 11).

Lapsing

Where a project is determined to not be a controlled action, this decision will now automatically lapse after five years, if the action has not substantially commenced within that time. The Minister is required to notify the proponent six months before the decision lapses. Extensions may be requested, limited to a total of 10 years from the original decision (EPBC Act, ss. 79F, 79G).

These changes aim to ensure assessments and approvals reflect current environmental conditions.

Rulings

The 2025 reforms introduced new powers for the Minister and the Chief Executive Officer (CEO) of the National Environmental Protection Agency (National EPA) to make *rulings*. These rulings allow the Minister or CEO to 'publish their opinions on the way in which provisions of environment law apply' and, in general, require decision makers to 'act consistently' with rulings unless they are 'satisfied it is not appropriate to do so in particular circumstances' (EPBC Act, s. 514YL).

The Minister may make rulings in relation to any 'environment law provision' including the Act, the regulations, the Standards or any other EPBC Act instrument (EPBC, s. 514YM). The National EPA CEO can make rulings in a limited number of circumstances, where relevant to their powers and functions (s. 514YN).

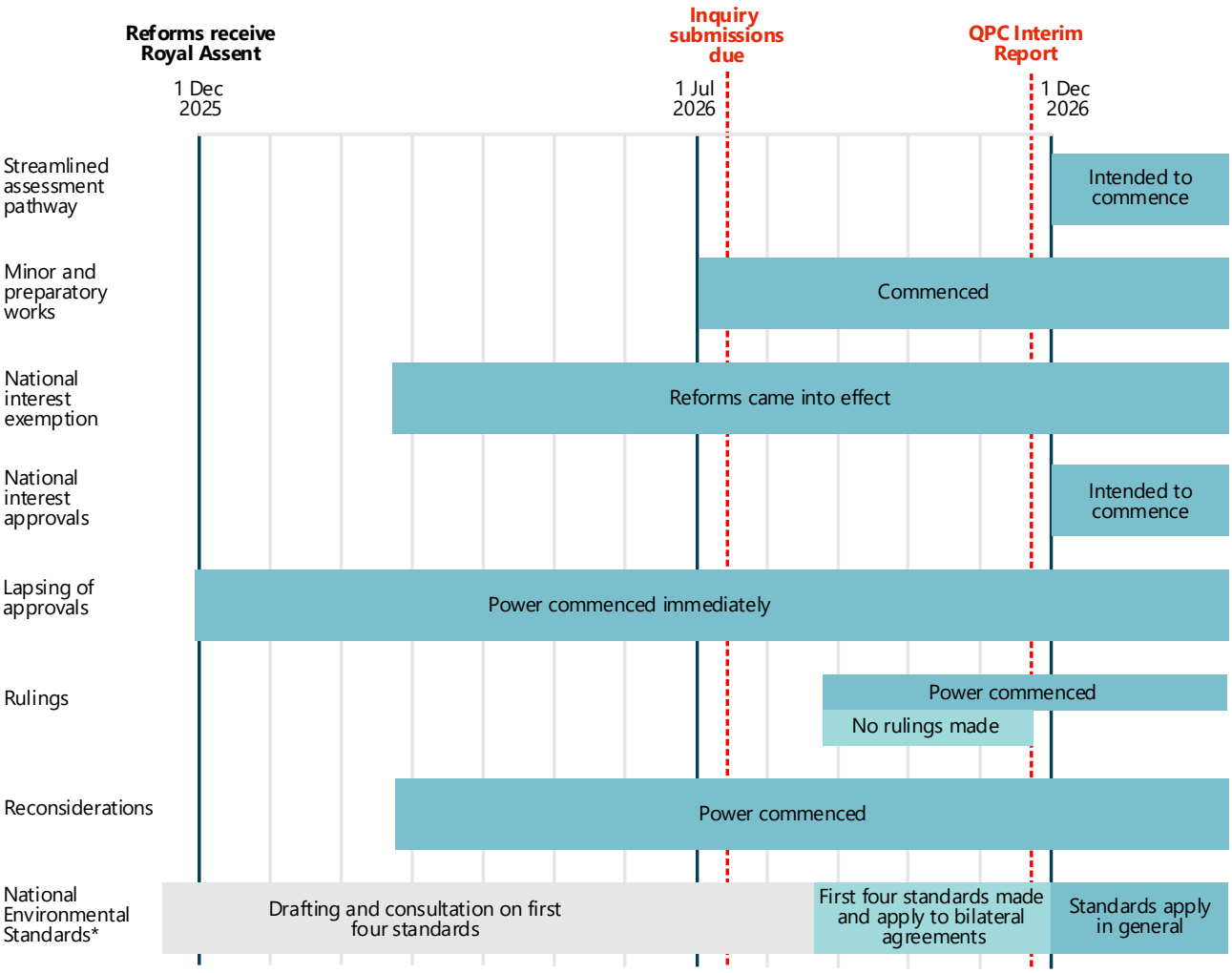
Rulings were introduced to 'assist in increasing transparency, consistency, and certainty' in decision making for both the public and proponents (Parliament of Australia 2025b, p. 513).

7.3 Impact of the reforms

The key reforms noted above are being introduced progressively, as shown in Figure 7.6. How the Streamlined assessment pathway functions and which projects will have access to the pathway and adopt it, will influence the overall net impact of the reforms.

[50] The original Environmental Protection Reform Bill 2025 (Cth) (the Reform Bill) did not include any explicit restrictions for fossil fuel projects.

Figure 7.6 Timeline of reforms



Note: *Future standards are still to be developed, including a National Environmental Standard for First Nations engagement.

Source: DCCEEW 2026aa, 2026y, 2026v, 2026w, 2026x, 2026z, 2026u.

Assessment pathways

Self-assessment

The self-assessment process is unchanged from the 2025 reforms. However, changes to other processes, including vegetation management, likely mean that more projects will need to use self-assessment.

Whilst self-assessment has been a long-standing element of assessment, some stakeholders believe the process does not afford proponents a sufficient level of certainty or legal protection in the event of a compliance action (Seafood Industry Australia, sub. 41, p. 1).

> *Self-assessment is the department's preferred pathway to avoid overwhelming the referral system, but the department's own conservation advices require standards of assessment that can only be met by paid external experts. The practical outcome is that self-assessment is effectively outsourced assessment, and the cost is borne entirely by the landholder without any concession or offset. (Anonymous, sub. 21, p. 10)*

> *For Queensland's wild-catch fishing operators this is a significant admission: spending up to $160,000 on a self-assessment and proceeding in good faith does not deliver the legal protection operators would reasonably expect. The only path to legal certainty is a formal referral — which costs up to $139,000, takes up to 18 months, and still provides no permanent protection if guidance subsequently changes. (Queensland Seafood Industry Association, pers. comm.)*

The capacity of proponents and availability of information materially impacts the costs associated with undertaking a self-assessment. As noted by several stakeholders, capacity varies with the experience and scale of the proponent, with smaller agricultural producers identified as one cohort where the self-assessment process may have a disproportionate impact (Mr Colin Boyce MP, sub. 51, pp. 3–4).

The availability of information and expertise is also a contributor to costs. Stakeholders have identified deficiencies in the tools (for example, mapping) and guidance notes to be used when conducting a self-assessment. Access to specialists, such as ecologists, has also been identified as a constraint impacting timeframes and assessment costs. Stakeholders have pointed to capabilities being unevenly distributed, including ecological modelling, species specific expertise and legal integration of regulations and Standards. Queensland's larger geography and greater regional dispersion of population and activity, may mean there are more capability gaps in some places than in other states. (Regulatory Intelligence Lab, sub. 3, pp. 12, 16, 31, 32)

Compliance costs can be disproportionate for small projects, especially when self-assessments are taken into account. Also, there may be instances where a project ultimately has no significant impact on MNES, but proponents self-assess, out of an abundance of caution.

> *The Enterprise faces quoted assessment and referral costs in the order of $80,000 for an initial self-assessment report from a qualified ecological consultant to confirm if referral is required, and in the order of $150,000 for the ecological consultant to prepare a full referral that would meet the requirements of the Department of Climate Change, Energy, the Environment and Water (DCCEEW). (Anonymous, sub. 21, p. 2)*

These impacts are of particular consequence for agricultural landholders newly captured by the reforms (further discussed in Chapter 4).

Referral and assessment processes

As discussed earlier, the referral and assessment process can be costly. The time taken by the regulator to reach a decision can be material. Uncertainty as to the likelihood of approval and whether conditions will apply impacts stakeholders' confidence to invest.

Stakeholders have suggested potential future benefits may arise because of the new assessment regime:

> *There are multiple expected benefits from the reform effort. These are plausible but not yet observed given the recency of the changes. Streamlined pathways for national project assessments should be more navigable than past assessment categories and processes. (Australian Industry Group, sub. 24, p. 1)*

Nevertheless, the benefits of the specific changes to the assessment process may be relatively small. Timeframes are reduced by 20 days for streamlined projects referred for assessment, relative to an average assessment time of around 1,150 days for a controlled action assessment approval decision. Even where projects benefit from streamlined assessments, they may still need to devote considerable time to information requests (MinterEllison 2025).

DCCEEW estimated that reduced delay costs from faster approvals would provide benefits of between $445 million and $6.9 billion per year (DCCEEW 2025d). This result was driven by assumed savings of 20 (low scenario), 140 (medium) and 288 (high) days for all projects.

However, as acknowledged by DCCEEW, these impacts rely on improved timeframes for both the Referral information pathway and Preliminary documentation pathway (low scenario) or on improvements resulting from other proposed reforms (medium and high scenarios) (DCCEEW 2025d, p. 2).

Ultimately, under the 2025 reforms, the direct impact of the Streamlined assessment pathway is much smaller. The Streamlined assessment pathway involves a reduction in statutory timeframes of 20 days and only for those projects accessing the pathway. Historically, only 1.6 per cent of Queensland and 2.1 per cent of Australian controlled actions have used the corresponding Referral information pathway.

If, going forward, 2.1 per cent of projects receive the full 20-day benefit of the Streamlined assessment pathway, the benefit to Queensland may be around $4.3 million per year.[51] If the benefits also applied to assessments in the Preliminary documentation pathway the benefit to Queensland would be around $109 million.

The impact is relatively small because changes to assessment and approval pathways are modest, focusing mainly on the time taken to make an approval decision, consisting of a 20-day reduction in approval timeframes that only apply to the most straightforward pathway.

The Australian Government has indicated more projects may benefit as other elements of the reforms (such as where they provide supporting information and guidance) could reduce delay costs (DCCEEW 2025d, p. 2). However, stakeholders note this may simply shift the time cost from the assessment period to the pre-assessment period.

Nevertheless, the potential benefits of broader efforts to reduce approval timeframes are large, should such efforts succeed, with DCCEEW having estimated Australia-wide benefits of up to $6.9 billion should delays be reduced through broader initiatives.

These benefits will not be delivered by the Streamlined assessment pathway. Whether these, and larger, benefits will be delivered depends on whether the implementation of broader reforms, along with any efforts to improve regulator performance, results in meaningful reductions in approval timeframes.

The combination of the previous Public environment report pathway with the Environmental impact statement pathway is not expected to have large impacts, as nationally about 5 per cent of assessments previously utilised the Public environment report pathway and statutory approval timeframes are unchanged.

INTERIM FINDING 10 IMPACTS OF REFORMED ASSESSMENT PATHWAYS REMAIN UNCERTAIN

The Commission estimates approval decisions in Queensland were taking over 1,150 days on average ahead of the introduction of a streamlined assessment pathway and that timeframe has increased over time.

Impacts of reformed assessment pathways remain uncertain, as they are yet to be implemented and remain dependent on regulator discretion in undertaking assessments. However, early evidence suggests the impact of the reform will be modest, with the 20-day reduction in the approval timeframe only applying to the most straightforward Streamlined assessment pathway. Historically, less than 2 per cent of Queensland projects have accessed the most straightforward pathway.

Regulator practice and proponent behaviour

As noted in DCCEEW's analysis, significant economic benefits from reform may occur where broader improvements in regulator and proponent efficiency and behaviour are achieved. The scenarios envisaging large improvements in outcomes are assumed to be enabled by improvements in supporting information and guidance provided by other elements of the 2025 reforms (DCCEEW 2025d).

[51] Estimated as DCCEEW's $445 million impact adjusted for the proportion of Queensland projects accessing the Decision on referral information pathway as a share of projects accessing the Decision on referral information or Preliminary documentation pathways (consistent with DCCEEW's low scenario analysis). The analysis assumes Queensland projects are of equivalent value to projects in the rest of Australia and projects that access the streamlined pathway are of equivalent value to the value of projects identified in DCCEEW's analysis (DCCEEW 2025d).

Timeframes can also be influenced by government priorities for certain types of projects. One approach used recently by the Australian Government is the establishment of dedicated 'strike teams', to speed up the assessment process for some types of projects. For example, a housing strike team was recently established to assist with approval assessments. This resulted in projects supplying around 26,000 dwellings being approved; several of which had been waiting for an extended period for a decision (The Senate 2026b, p. 54).

Measures to expedite the assessment of certain projects has been welcomed by some stakeholders.

> *Following the Commonwealth Government's commitment to speed up decisions in 2025, we saw a significant shift from DCCEEW officers in their approach to assessment. This involved a greater focus on meeting agreed timeframes for steps and review, acknowledgement of unreasonable pushback from referrals, greater discretion to make decisions about the impacts of elements of the assessment process, and a willingness to get towards agreed outcomes. (Stockland, sub. 37, p. 3)*

How the regulations are applied and anticipated outcomes may deter projects from being progressed. These projects may never enter EPBC Act assessment, or they may withdraw before completing the process.

Historical data suggests 98 per cent of referrals for Queensland projects resulted in approval (since 2000), broadly similar to the Australian average (National EPA 2026b). It is important that assessment costs are proportionate to the environmental benefits being sought. Where this is not the case, it can leave the community worse-off overall.

Minor and preparatory works

Allowing minor and preparatory works to proceed may in some instances lead to faster project completion and reduce delay costs. It may also assist proponents in gathering information and preparing assessments, as it may allow for activities such as minor land clearing and geotechnical surveys. However, whether benefits are material will depend on what is considered minor or preparatory works and whether this meaningfully addresses project delays. This is in part, subject to ministerial discretion.

Allowing minor and preparatory works, while likely beneficial to proponents, may not deliver material benefits unless such works allow for the substantive progression of a project while waiting for approval. Even where they are material, for financing reasons, a project developer may nevertheless choose to wait to undertake minor works once approval is provided.

Some stakeholders criticised this aspect of the reform, for the potential to undermine the environmental impact assessment process by allowing environmental damage before assessment (Environmental Defenders Office 2025, p. 23).

Notably, stakeholders have not provided significant feedback on this element of the reform to the Commission, whether it be negative or positive, which may suggest it is not seen as having a substantial impact.

Impact on housing

As noted above, while the assessment process is intended to achieve environmental outcomes these can be at the expense of other welfare enhancing activity. This is demonstrated in the context of housing (see Box 7.1).

For example, where housing is built on land that is not already developed, or where it requires some tree clearing, it can interact with MNES — such as in the case of koala habitat in South East Queensland. The EPBC Act can interact with other policies seeking to increase housing supply. This interaction has consequences for housing affordability and flow on impacts to the community and economic activity.

Box 7.1 Case Study: EPBC Act assessment of housing projects

Improving regulation has been identified as a key lever available to governments to address housing supply constraints, with several reviews identifying environmental assessment and approval as a barrier to new supply (QPC 2025, p. 218).

Stakeholders have consistently identified environmental assessment and approval as significant barriers to housing development, particularly where they interact with other regulatory and approval processes.

> *This reflects the current reality that environmental assessment often sits upstream of, alongside, or in tension with planning, servicing and infrastructure approvals. When environmental processes become uncertain or sequential, they introduce holding costs, defer delivery, affect financing windows and can ultimately undermine project feasibility. (Property Council of Australia, sub. 49, p. 4)*

> *The majority of Stockland's exposure to EPBC approvals is in Queensland. We currently have 15 EPBC approvals in place for masterplanned community and land lease community developments encompassing over 50,000 homes across South East Queensland, as well as a further two currently under assessment for 4,800 more homes. (Stockland, sub. 37, p. 2)*

A key issue for residential developers is the long approval timeframes, with stakeholders emphasising that approval timeframes are substantial:

> *In 2025 across 15 sites known to the Institute located in South East Queensland, 106,773 lots were under assessment by Department, applications had been under assessment for over 48 months, with six projects (totalling more than 46,000 lots) under assessment for more than five years. (UDIA Qld, sub. 40, p. 6)*

Commission analysis of case studies provided by the Urban Development Institute of Australia – Queensland (UDIA Qld) suggest that average approval time frames are likely to be greater than 4 years, with holding costs adding around $5,300 to the cost of developing a residential block (QPC, based on UDIA Qld sub. 40 and stakeholder consultation). Stakeholders have also argued that environmental approvals can delay the provision of infrastructure with flow-on effects for housing supply.

> *The Southern Thornlands Priority Development Area provides a useful example. The PDA has already been identified as a major future housing growth area. However, HIA understands that infrastructure required to support future development, including the proposed sewer pump station and associated discharge arrangements, will require EPBC Act approval. (Housing Industry Association, sub. 50, p. 5)*

There is some evidence that approval time frames have increased in the years leading up the EPBC Act reforms. Stockland, for example, suggests average approval times for their projects increased from 19 months prior to 2022, to 37 months thereafter (Stockland, sub. 37, p. 2).

Finally, a lack of alignment between planning systems and the EPBC Act can also reduce the supply of developable land. UDIA Qld the current urban footprint is insufficient to meet projected housing demand.

> *The Institute has identified that the present extent of the urban footprint is insufficient to meet the region's housing demand. While increasing density is encouraged (to more efficiently use land), housing affordability pressures and the market's housing preferences mean that it is inevitable that growth will continue to extend outward into existing cleared, semi cleared, and environmental areas. Recent Institute research indicates 59 percent of the greenfield housing demand up to 2046 is unmet within the present South East Queensland urban footprint. (UDIA Qld, sub. 40, p. 4)*

Fees

Some stakeholders have raised concerns with fees and how they interact with assessment requirements. On a comparative basis, assessment fees for large scale projects may represent a small part of the overall project cost. However, for smaller projects, or less well-resourced proponents, the fixed fees are likely to represent a larger proportion of overall costs and could represent a prohibitive impediment to undertaking activity. This may particularly apply to any small or family agricultural business affected by the narrowing of the continuous use exemption under the 2025 reforms (as further discussed in Chapter 4). Several stakeholders have suggested a differentiated fee structure could address, in part, this concern:

- Wildlife Queensland (sub. 9 att. 1, p. 50) recommended providing 'fee waivers or streamlined pathways for smaller projects (for example, <500 ha) or those in high-conservation-value patches (for example, hollow-bearing landscapes, critical connectivity corridors).'
- Some stakeholders in the agricultural sector also called for more proportionality in the setting of fees. 'That a scaled, proportionate assessment and fee pathway be developed for family agricultural enterprises, recognising that the assessment cost profile designed for corporate resource proponents is not viable on agricultural margins.' (Anonymous, sub. 21, p. 21)

More generally, stakeholders saw opportunities for the reforms to improve assessment, reduce costs and improve environmental outcomes. However they expressed uncertainty concerning overall impacts, particularly due to the effect of other elements of the reforms.

> *Overall, Seqwater is supportive of the Reforms where they provide clearer, more efficient and more certain assessment pathways that facilitate the delivery of critical infrastructure across South East Queensland. However, further detail is required on how the framework will operate in practice, particularly in relation to the assessment and approval of essential public infrastructure projects. (Seqwater, sub. 26, pp. 2–3)*

National interest exemptions

Several stakeholders supported the Minister having discretion to approve certain projects, particularly when it was for essential services.

> *Qldwater supports increased flexibility for approvals and compliance through … the concept of 'national interest proposals' allowing the approval of actions likely to result in an outcome that is in Australia's national interest, even where the action is otherwise inconsistent with requirements under the proposed reformed regime. (Queensland Water Directorate, sub. 30, p. 2)*

Conversely, national interest provisions have been criticised by environmental groups since these projects are not required to meet the tests and environmental thresholds within the reformed EPBC Act (for example, Wildlife Queensland 2025, p. 6).

Stakeholders have raised concerns with the lack of specificity in the definition 'national interest', noting this creates uncertainty.

> *Matters in the 'national interest' under the current EPBC Act include defence or security of the Commonwealth, and other matters the Minister may consider. Under the proposed reforms, the Minister maintains discretion to determine that a proposed action is in the 'national interest'. The term is not defined in the Bill, but it is contemplated that increase in social housing or renewable energy could be in Australia's 'national interest'. (Queensland Water Directorate, sub. 30, p. 4)*

The use of a national interest exemption or approval allows the Minister to make a judgment concerning what is in the best interests of the community. Whether an exemption is in the community's best interest is dependent on each situation.

Restrictions on fossil fuel projects

The restrictions of fossil fuel projects from the Streamlined assessment pathway and national interest tests been criticised by several stakeholders (Australian Environmental Foundation sub, 20, p. 11–12; Mr Colin Boyce MP, sub. 51, p. 4).

> *The blanket exclusion of fossil fuel projects from the fast-track pathway is arbitrary, discriminatory and fundamentally inconsistent with a genuinely risk-based assessment framework. It denies proponents access to streamlined assessment solely because of the sector in which they operate, rather than the actual environmental risks posed by a project. The exclusion appears to be driven by political considerations rather than environmental risk, environmental performance or scientific evidence. (Senex Energy, sub. 56, p. 4)*

Many fossil fuel projects require a detailed assessment to determine the impact on MNES. In these cases, the exclusion from the new Streamlined assessment pathway would not have had a material impact due to the inherent complexity of the proposed project.

However, for some lower risk projects, access to the Streamlined assessment pathway may have been appropriate. In these cases, fossil fuel actions have lost access to the previous Referral information pathway and any benefit that may arise from the 20-day reduction in approval timeframes for streamlined projects. For these lower risk projects, the restriction will increase assessment costs for proponents and the regulator, without ultimately changing how impacts on MNES are assessed.

The retention and expansion of groundwater assessment for fossil fuel projects creates unnecessary duplication of assessment for additional projects. Stakeholders contend there is unlikely to be any additional environmental protection provided by Commonwealth assessment (Senex Energy, sub. 56, p. 3).

Lapsing

Lapsing could impose unnecessary costs for some projects where five or more years may pass between receiving a 'not a controlled action' determination and the project commencing.

Queensland Water (2025) submitted to the Senate Standing Committees on Environment Communications:

> *[G]iven the lengthy broader approval periods for many actions approved under the EPBC Act, 5-years is a relatively short period. For a proposed critical water infrastructure project, various complex approval and assessment processes are required prior to the action commencing. Allowing an NCA decision to lapse after 5-years could be detrimental to essential projects.*

Lapsing of projects may require reassessment, imposing additional compliance costs, delays and uncertainty.

While the definition of 'substantially commenced' is intended to mirror the meaning of established case law[52], stakeholders indicate that applying the definition of the term to specific projects remained unclear, further contributing to uncertainty.

[52] The phrase is intended to have the meaning as defined by the High Court in *Drummoyne Municipal Council v Lebnan* (1974) 131 CLR 350 (Parliament of Australia 2025d, p. 158).

Rulings

As noted in Figure 7.6 this provision commenced in August 2026 and rulings are yet to be issued.

In principle, rulings can provide benefits to proponents, regulators, and the broader community:

- improved certainty could allow proponents to better assess the likely outcomes from the referral and assessment process. If implemented well, this could reduce the costs of preparing applications, reduce delay and administrative costs associated with information requests, and reduce effort invested in proposals that are ultimately not approved
- improved guidance concerning the implementation of regulation could support regulators to apply requirements and approval conditions more quickly and consistently, reducing administrative costs and delay incurred in the regulatory process
- improved consistency in environmental outcomes could support a more coherent approach to decisions across different regions and project types.

Much of the impacts of rulings will depend on the extent to which they can be relied on by proponents, and this credibility is influenced by both the design of the function and its implementation. While implementation is yet to occur, the ability of proponents to rely on rulings may be more limited than for analogous instruments.

In comments made to the Senate Inquiry on the EP Reform Bill, Professor Samuel noted he hoped for a 'compendium of rulings, very similar to … the Australian Taxation Office rulings, that people can refer to and through which they can understand how things might apply' (The Senate 2026a, p. 78).

There is, however, a key distinction between EPBC Act rulings and rulings issued by the Australian Tax Office (ATO) under Division 357 of the *Taxation Administration Act 1953* (Cth):

- an ATO ruling binds the Commissioner of Taxation's future decisions. If the law is subsequently applied by a court in a way that is less favourable to a person acting in accordance with a ruling, the person is protected from any adverse consequences
- an EPBC Act ruling only binds the decisionmaker 'generally' but allows them to not follow a ruling if 'satisfied that it would be inappropriate' to do so. If the decisionmaker departs from a ruling, they must publish reasons for doing so (s. 514YT).

The relatively weaker binding mechanism, and the lack of protection for stakeholders that comply with them in good faith, may limit the value proponents apply to any rulings that are issued.

More generally, some stakeholders have expressed concerns that rulings provide for excessive Ministerial discretion without appropriate safeguards (for example, EDO 2025a, p. 6; Environmental Justice Australia 2025, p. 4). The Law Council of Australia (2025, p. 5), for example, noted that some of the features of rulings 'risk undermining the transparency, consistency and certainty the reforms had intended to achieve' noting the lack of Parliamentary oversight, the absence of a statutory timeframe for consultation, and the ability for decision makers to act inconsistently with rulings 'without guidance on when this might apply'.

7.4 Evaluating the reforms

Streamlined assessment pathway and fees

As discussed earlier, the Australian Government's introduction of the Streamlined assessment pathway is not likely to deliver a significant benefit to most project proponents. As such, it represents a missed opportunity to more fundamentally address compliance costs, delay and uncertainty under EPBC Act assessments.

Given these changes are currently modest, achieving larger reductions in assessment timeframes will require delays to be reduced through other elements of the 2025 reforms. As detailed elsewhere, in this and other chapters, whether large reductions in timeframes will be achievable is dependent on overcoming implementation challenges, along with regulator and proponent behaviour.

The Australian Government Charging Framework encourages departments to recover efficient regulatory costs in full, from the sources of demand. The 2025 reforms seek to improve cost recovery (DCCEEW 2026o, p. 12). This can be appropriate as proponents' actions initiate the need for assessment. The alternative, to use general revenue to pay for assessment costs, is not obviously superior.

However, it is also not clear that all costs are efficient. As noted in Chapter 3, a 'user pays' approach is contingent on the regulation itself being efficient, including in its coverage, application and requirements. This may be particularly relevant under the reforms, if, for example, the introduction of net gain requirements (see Chapter 9) results in proponents being charged for outcomes for which they are not responsible.

National interest exemption and approval

The retention and expansion of national interest powers reflects an underlying challenge within environmental legislation: balancing environmental protection with other objectives sought by the community, including economic development, infrastructure delivery, national security and energy transition goals.

The reforms provide a clearer statutory framework than previously existed. However, they also preserve a high degree of ministerial discretion. Before the reforms, the Minister already possessed broad discretion to determine what constituted the national interest for the purposes of granting an exemption. The reforms retain this flexibility and extend it by creating an additional power to approve projects that may not meet the substantive environmental tests contained elsewhere in the EPBC Act.

This discretion may help address situations where strict application of environmental requirements produces outcomes that are inconsistent with broader community objectives. At the same time, the breadth of the power means there is no prescribed framework for systematically weighing environmental costs against economic, social or strategic benefits. As a result, decisions may depend heavily on the judgement of the Minister or the advice of the department, creating the possibility that projects are prioritised on grounds that are not transparently linked to environmental or economic outcomes.

Ultimately, the practical impact of these reforms will depend on how frequently the Minister chooses to use these powers and the circumstances in which they consider intervention to be justified.

Restrictions on fossil fuel projects

Requiring some fossil fuel actions to pass through more costly assessment processes may have an impact on Australia's contribution to greenhouse gas emissions, where restrictions lead to delays in project development or less fossil fuel actions occurring. However, if the intent of the restrictions are to reduce greenhouse gas emissions, the restrictions represent an inefficient means of doing so.

Australia already operates regulatory schemes to address greenhouse gas emissions, such as the safeguard mechanism. The safeguard mechanism acts to address the emissions of the same kinds of large emissions producing facilities that are likely to require EPBC Act assessment when they are developed.

Accordingly, the main effect of the restrictions is to impose additional costs on economic activity. Whether environmental benefits directly occur as a result of this restriction is uncertain due to the range of policy measures currently seeking to achieve a similar objective.

Nationally, only about one per cent of controlled actions for resources projects are assessed on referral information (National EPA 2026b; QPC analysis). Therefore, the restriction to not allow access to the Streamlined assessment pathway, likely affects a very small proportion of fossil fuel projects. If future reforms make the streamlined pathway more accessible, the impact on fossil fuel projects will increase.

Fossil fuel projects are also subject to more burdensome regulatory requirements through the expanded groundwater assessment requirements. The Samuel Review observed that states already manage water (in Queensland's case through the Office of Groundwater Impact assessment) and recommended the Australian Government limit regulatory activity to cross border water issues only.

> *The operation of the 'water trigger' suffers from insufficient definition of the water resources covered and the scale of the impact on the resources it is seeking to regulate. Further, it targets the activity of part of a specific sector, which results in regulatory inconsistency. Only large coal mining and coal seam gas projects are regulated under the 'water trigger', despite other activities conceivably posing the same or greater risk of irreversible damage. Finally, the current construct of the 'water trigger' is inconsistent with the Commonwealth's agreed role in environmental and water resources management. (Samuel 2020, p. 46)*

> *The Samuel Review recommended narrowing the trigger to matters involving cross-border impacts. The reforms instead preserve a duplicative process that increases approval time and cost. Having a sector-specific water trigger is a procedurally unsound and inconsistent with genuine environmental risk management. (Australian Energy Producers, sub. 28, p. 2)*

The retention and expansion of groundwater assessment requirements for fossil fuel projects imposes additional costs on economic activity. It also creates duplicative processes for both stakeholders and the state government.

INTERIM FINDING 11 ADDITIONAL FOSSIL FUEL RESTRICTIONS ARE INEFFICIENT

The new restrictions on fossil fuel actions impose additional costs without a demonstrable additional direct benefit to protected matters.

Lapsing

Lapsing may disproportionately affect Queensland-based projects. Based on a sample of over 1,000 EPBC Act referrals, of which 572 had project start dates, 6 per cent of projects took longer than five years to begin, and 40 per cent of these projects with a start time over five years were in Queensland (QPC analysis; National EPA 2026b).[53] These projects represented a range of industries, but were more concentrated among residential, water and fossil fuel projects.

A long period between approval and substantial commencement may be associated with large projects. For example, the Rocky Springs Master Planned Community (located South East of Townsville) was approved in 2010, an offset plan was approved in 2017, and the proponent sought changes to conditions in 2025 (National EPA 2026b). The project was expected to provide homes for 35,000 people once completed (Lucas 2008), it has since been rebranded to Elliot Springs, and the project is expected to take 40 years to develop (Lendlease 2023).

The complexity and need for multiple approvals from separate regulatory regimes may be a contributing factor. For example, after environmental approval, further planning and other approvals may be required, which may make it more difficult for urban developments to begin within the 5-year time frame. Uncertainty from a broad range of factors and fluctuating market prices, may mean financial feasibility for projects varies.

The new lapsing provisions may in some instances provide environmental benefits where local environmental conditions significantly change. However, it is not clear this will occur often, or that lapsing provisions strike an appropriate balance with the potential considerable compliance costs, delay and uncertainty that can be involved in undertaking multiple assessments.

As with many other reforms, outcomes will also depend on how lapsing is implemented. Regulator and ministerial discretion may be key factors. In the meantime, the main impact may be to add to investment risk for projects with potentially longer development timeframes.

[53] Based on all 'controlled action' projects since 2000. Data is not available for 'not a controlled action' projects.

INTERIM FINDING 12 HAVING APPROVALS LAPSE AFTER FIVE YEARS COMES AT HIGH COST TO AFFECTED PROJECTS

Lapsing provisions could allow environmental impacts to be more effectively managed where environmental conditions significantly change over time. However, it is not clear how common it is for environmental conditions to significantly change over a five-year period.

The new obligations have the potential to introduce considerable compliance costs, delay and uncertainty for any project that requires re-assessment.

Around 6 per cent of relevant projects may be impacted by the new lapsing provisions. Queensland-based residential, water and fossil fuel projects may be disproportionately affected as these types of projects require multiple approvals from separate regulatory regimes, which can be a contributing factor to projects not progressing within the five year period.

Rulings

Rulings have the potential to provide project proponents and the broader community additional guidance and certainty about the manner in which the Minister and National EPA will apply the EPBC Act, regulations, and Standards. However, as noted by stakeholders, their design tends to undermine the certainty this would otherwise provide.

The absence of a binding mechanism and the lack of legal protection for stakeholders that comply with rulings in good faith may diminish the certainty provided by rulings. There is still likely some benefit to rulings as they may clarify the National EPA's understanding and intentions. However, rulings are unlikely to be as effective as ATO rulings (which are binding) and, as a result, a high level of stakeholder uncertainty is likely to persist. This uncertainty is likely to be particularly pertinent for smaller proponents and small and family businesses due to preferences for instruments that provide legal (and compliance) certainty.

7.5 Opportunities for improvement

The legislation and regulations of the EPBC Act are set by the Commonwealth. Accordingly, the Queensland Government's opportunities to initiate improvements to the reforms are limited.

Assessment pathways

Multiple stakeholders have pointed to the need for greater transparency and accountability for assessment timeframes, and improved data reporting and performance monitoring.

> *The committee recommends that the Australian Government publish approved EPBC housing project case studies, benchmark assessment criteria and clear minimum data standards through a publicly accessible platform to improve transparency, provide guidance and certainty to proponents and enable more efficient and consistent environmental approval processes and outcomes. (The Senate 2026b, p. 55)*

> *Without public timeframes or operational guidance, inefficiency is harder to diagnose and fix. (QREC, sub. 38, p. 17)*

The following information should be available about EPBC Act processing to assist accountability, transparency, and community information:

- *Number of applications currently under assessment, with time spent to date and RFIs– including those under RFI currently with the proponent. Time should include time lapsed in 'stop the clock'*
- *Applications approved and time to approval (broken down by application size) – measured from application date to final approval including time for stop the clock RFIs. (UDIA Qld, sub. 40, p 28)*

Some stakeholders, such as the Australian Environmental Foundation (sub. 20, p. 14) recommended introducing statutory timeframes on assessment. Statutory timeframes are imposed in some other assessment regulatory regimes. For example, Queensland's *Planning Act 2016* imposes statutory timelines for development assessment of 10 business days for initial confirmation, followed by a 35-day assessment and a decision within 35 days.

The key difference between the two systems is that Development Assessment Rules tightly regulates timeframes. Under the EPBC Act the Minister has extensive powers to stop the clock.

However, given EPBC Act amendments have only recently passed, further amendments to impose statutory timeframes are unlikely at this time and the Commission has not further assessed their merit.

Given the difficulty of progressing legislative change, the Australian Government could instead set operational targets and commit to releasing performance data, through ministerial statement or amendment of regulation.

Other elements of the reforms also offer an opportunity to improve assessment outcomes. The making of new bilateral agreements presents an opportunity to remove duplication in state and Commonwealth assessment processes and is covered in Chapter 8. Several stakeholders have raised the use of landscape-scale planning as presenting an opportunity to improve certainty, and reduce the amount of assessment, particularly self-assessment required by proponents. Landscape-scale planning is addressed in Chapter 10.

More generally, the reforms represent a missed opportunity to set better targets and monitor performance to reduce uncertainty and encourage better regulator performance.

Rulings

Rulings could be used to resolve some of the issues raised elsewhere in this report which are highly relevant to Queensland. For example, rulings could be utilised to address uncertainty around assessment processes for land clearing.

The Commission encourages feedback from stakeholders on how rulings could be utilised to deliver desirable environmental outcomes in more efficient ways (see also Information Request 2, in Chapter 4).

8.0
Commonwealth-state coordination

Key points

- In principle, bilateral agreements can reduce regulatory or administrative costs associated with two levels of government regulating environmental matters. However, they can also shift regulatory costs onto states and may risk undermining environmental protections.
  - Almost all stakeholders placed a high value on an assessment agreement and indicated it should be a key Queensland Government priority in relation to the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act).
  - Proponents broadly favoured developing an approval agreement, while environmental groups were concerned an accredited approvals framework could reduce environmental outcomes.
- Queensland's agreement is narrower in scope compared to those in other states, and a smaller share of Queensland's assessments are conducted via accredited process (around a fifth since 2015–16) compared to other states (around 40 per cent over the same period).
- The 2025 reforms introduced new requirements for bilateral agreements. These include that bilaterally accredited processes be consistent with the National Environmental Standards (the Standards) and other relevant tests. However, the overarching concept of bilateral agreements remains unchanged.
- No post-reform bilateral agreements have been signed. Until new agreements are signed and new regulator practices are established, the effects of the reforms to bilateral provisions are uncertain.
  - The 2025 reforms to provisions related to bilateral agreement will likely impose both temporary fiscal costs on the Queensland Government associated with adjusting to the reforms, and ongoing fiscal costs associated with applying additional requirements (such as the Standards).
  - The reforms have likely also introduced additional regulatory uncertainty in the short-term.
- The merits of entering into an assessment or approval agreement largely unchanged by the reforms.
  - The Australian Government is responsible for the EPBC Act and most appropriately bears the fiscal incidence of implementing it. However, broader economic efficiency benefits can justify entering into a bilateral agreement even where the Queensland Government incurs a net fiscal cost.
- There are opportunities to renew and expand the scope of Queensland's assessment agreement.
  - The assessment pathways currently available should be preserved in any future agreement.
  - A future assessment agreement should incorporate a broader range of accredited assessment processes, including site-specific and variation environmental authorities developed under *Environmental Protection Act 1994* (Qld) (EP Act).
- Though approval agreements were present in the original EPBC Act, none have been formed to date.
  - Approval agreements may further reduce regulatory process costs. However, they also represent higher resourcing requirements for state governments (that is, they include monitoring and compliance obligations).
  - To minimise risks and build on established practice, the Queensland and Australian governments should first develop an approval agreement for actions in the most recent assessment agreement.
  - The Queensland Government should develop performance criteria to assess the benefits and costs of the agreement (including fiscal costs). The continuation or expansion of the agreement should be conditional on the agreement demonstrating net benefits to Queensland based on that analysis.
- Beyond statutory assessment or approval agreements, the Queensland and Australian regulatory bodies should identify approaches to minimise costs to proponents in meeting their statutory obligations (for example, through their data and monitoring requirements).

8.1 Background

Australia's system of environmental regulation is developed and administered by Australian, state and local governments. In many cases, the instruments and policies controlled by each level of government have overlapping objectives and regulate the same activities. For example, both the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) and the *Environmental Protection Act 1994* (Qld) (EP Act) seek to protect the environment and promote ecologically sustainable development (EPBC Act, s. 3(1); EP Act, s. 3–4).

Unlike other legal frameworks, the EPBC Act does not supersede state environmental protections. Instead, it is designed to operate *concurrently* with state laws (EPBC Act, s. 10). This original intention to promote 'cooperative federalism' was noted by some stakeholders (for example, Office of the Special Commissioner for Regional and Rural Queensland, sub. 67, pp. 4–5) and is evinced in the explanatory memorandum to the original EPBC Bill:

> *The scheme established by [the EPBC Act] is intended to complement State and Territory environment laws and, through bilateral agreements and other means, provide for the integration of Commonwealth and State regimes. (Parliament of Australia 1998, p. 20)*

Bilateral agreements — agreements between the Australian Government and a government of a state or self-governing territory (hereafter state) — are a key mechanism by which the Queensland Government can interact with the EPBC Act. The EPBC Act provides for two types of agreement, each of which aim to support the integration or concurrent operation of state and federal processes:

- 'Assessment agreements' provide that a state assessment process can be used by the Australian Government to determine whether to approve an action without requiring additional assessment under the EPBC Act (EPBC Act, s. 47).[54]
- 'Approval agreements' provide that a state process to be used to assess and approve an action such that it does not require further Australian Government assessment or approval under the EPBC Act (EPBC Act, s. 46).

Where state environmental regimes and the EPBC Act overlap, bilateral agreements have the benefit of minimising unnecessary regulatory or administrative imposts while achieving the same environmental outcomes sought by both laws. This can be done by:

- avoiding administration and process costs for both proponents[55] and regulators
- supporting timely and efficient processes, such as by allowing state and EPBC Act requirements to be assessed concurrently (as opposed to sequentially)
- promoting a collaborative and consistent approach to environmental protection, including in relation to regulator practice
- improving communications between parties, which creates greater certainty for proponents
- providing certainty for proponents and regulators about the demarcation of state and Australian government assessment, approval, enforcement and monitoring responsibilities (see, for example, EPBC Act, s. 45(2); Minerals Council of Australia, sub. 10, p. 2; CCAA, sub. 17, p. 5; Australian Climate and Biodiversity Foundation, sub. 23, p. 2; Australian Industry Group, sub. 24, pp. 1–2; Seqwater, sub. 26, p. 7; Association of Mining and Exploration Companies, sub. 29, p. 3; Queensland Resources Council, sub. 33, p. 5–7; Samuel 2020, p. 100).

[54] In addition to assessment agreements, the Australian Environment Minister's general power to determine an assessment approach allows for the ad hoc accreditation of a state assessment process (EPBC Act s. 87(4)). This has historically been used where an action intended to be covered by a bilateral agreement is not operational at the time, such as during the development of a bilateral agreement (Samuel 2020, p. 97) or when a change to the state process renders an existing agreement ineffective.

[55] 'Proponent' is used in this chapter as a general term for an entity intending to undertake an activity regulated by the EPBC Act.

However, bilateral agreements can also create risks, shift cost, and undermine state regulatory autonomy:

- The administration of the EPBC Act by state regulators imposes additional administrative costs on state governments, including by shifting the incidence of costs otherwise borne by the Australian Government (Regulatory Intelligence Lab, sub. 3, p. 18).
- Any requirement that a state law or process be consistent with the requirements of the EPBC Act to be accredited may limit state policy autonomy, including by requiring formal alignment of the state instrument itself, or by encouraging regulator practices that change state assessments in general (even those not conducted under a bilateral agreement).

Relative to assessment agreements, approval agreements likely present greater opportunities to improve regulatory or administrative efficiency. However, as noted by some stakeholders an approval agreement may result in reduced or inconsistent environmental outcomes, especially if the assessment and subsequent approval is implemented by a state that is less capable, applies weaker requirements, or does not prioritise environmental outcomes as highly as the Australian Government (see, for example, Wildlife Queensland, sub. 9, p. 3; Koala Action Inc., sub. 12, p. 3; Australian Climate and Biodiversity Foundation, sub. 23, p. 2; Environmental Defenders Office, sub. 59, p. 12–13).

At the time of the 2025 reforms, assessment agreements were in place for all states except the Australian Capital Territory (ACT), but no approval agreements have ever been made.

The Queensland assessment agreement

Queensland first signed an assessment bilateral agreement in 2004 (Jones 2004, p. 13). The most recent agreement, signed November 2025, includes accredited assessments for resource projects and 'coordinated projects' declared by the Coordinator-General (Box 8.1).

Of projects in Queensland that have been assessed using an accredited arrangement or bilateral agreement, two projects are recorded as having received a 'not approved' decision under the EPBC Act[56]:

- The Traveston Crossing Dam – approved by the Queensland Government (OCG 2009, pp. 203–228) but was not approved by the Australian Government (Department of the Environment, Water, Heritage and the Arts 2009).[57]
- The Central Queensland Coal Project – not approved due to conclusions in the Queensland assessment report that the project would have unacceptable risks to matters of national environmental significance (MNES) (Plibersek 2023, paras 7–10). In other words, the Queensland and Australian government assessments were consistent.

The low number of projects not approved under an accredited arrangement does not in-and-of-itself indicate these arrangements do not adequately protect MNES. In many cases, proponents who anticipate that a project is unlikely to proceed — either because it will not be approved or approved with conditions that would render it unviable — will withdraw before a decision is made. Over the life of the EPBC Act, around 60 per cent of Queensland projects assessed under accredited arrangements have been approved (where assessments are completed), while around 40 per cent were withdrawn or lapsed (QPC based on National EPA 2026b).

[56] Based on analysis of decision notices recorded in the EPBC Act Public Portal (National EPA 2026b).

[57] This example was also referred to in the Samuel Review (Samuel 2020, p. 101).

Box 8.1 Queensland's most recent assessment agreement

The most recent assessment agreement, agreed on 17 November 2025, accredits state assessment processes for three classes of action:

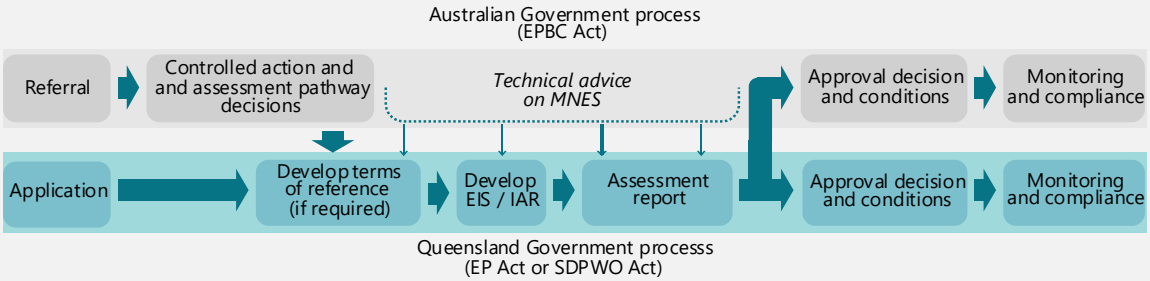
- 'coordinated projects' assessed under the *State Development and Public Works Organisation Act 1971* (Qld) (SDPWO Act) by Environmental Impact Statement (EIS) or an Impact Assessment Report (IAR)
- actions assessed using an EIS process under Chapter 3 of the *Environmental Protection 1994* (Qld) (EP Act) which applies to mining, gas, and greenhouse gas storage projects
- actions assessed under an accredited assessment process in a previous iteration of the bilateral agreement (Queensland Government & Australian Government 2025, pp. 19–25).

Assessments under the SDPWO Act and EP Act are undertaken by the Office of the Coordinator-General (OCG) and the Department of Environment, Tourism, Science and Innovation (DETSI), respectively.

The agreement also refers to an inoperable EIS process under the repealed *Sustainable Planning Act 2009* (Qld).

In practice, the agreement operates by incorporating an assessment of EPBC Act relevant matters into the relevant EIS or IAR by incorporating those matters into the terms of reference for the process, and by containing a distinct chapter on those matters. The EIS or IAR is then used as the assessment report by the Australian regulator to determine whether to grant approval or what conditions are attached (Figure 8.1).

Figure 8.1 The bilateral assessment processes



Source: QPC based on DETSI 2026a, p. 2.

The agreement does not affect assessments of projects under Queensland laws that would not otherwise be regulated by the EPBC Act. Similarly, the most recent agreement preserves the option for proponents to undertake separate processes, although stakeholders indicated this option is rarely utilised in practice.

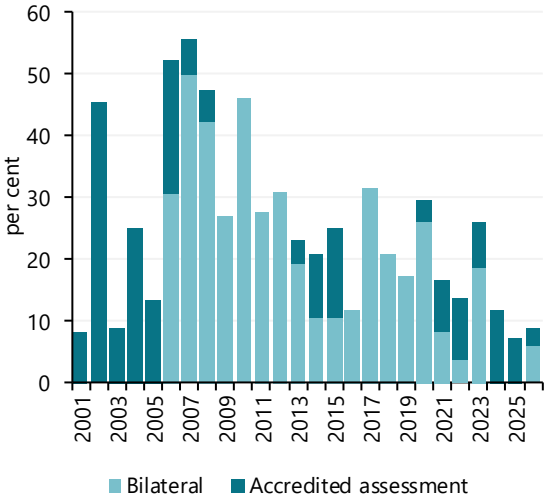
The current bilateral agreement also specifies several functions in relation to monitoring, enforcement, compliance and administration. These include that the Queensland and Australian governments agree to:

- cooperate in monitoring compliance with conditions attached to approvals
- inform one another in relation to any action to prosecute a person for a breach of those conditions
- develop arrangements to support administrative efficiency
- exchange information for the purposes of assessment where permissible
- ensure, where appropriate, that affected Indigenous people have adequate opportunity to comment on proposal (Queensland Government & Australian Government 2025, pp. 11–15).

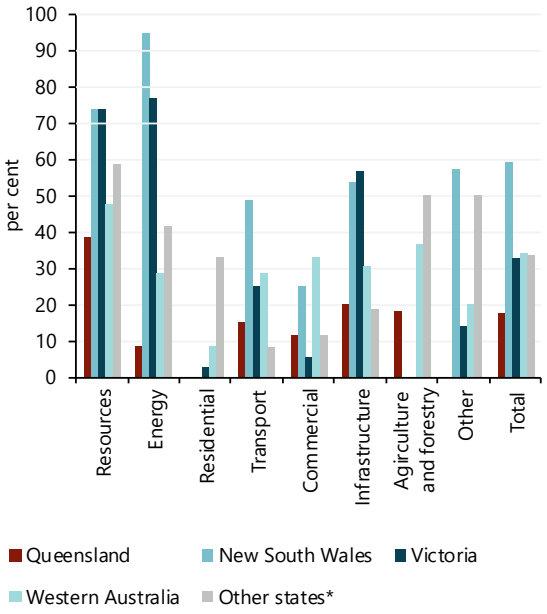
Compared to other Australian jurisdictions, especially New South Wales, the assessment agreement applies to a narrower set of activities (see, for comparison, Australian Government & New South Wales Government 2020; Australian Government & Victorian Government 2014). Comparatively fewer Queensland proposals are assessed under an accredited process compared to the other jurisdictions (Figure 8.2), which may be due to the narrower scope. Since 2015–16, around a fifth of all Queensland assessments have been conducted under an accredited process compared with around 40 per cent in other Australian jurisdictions (QPC based on National EPA 2026b).[58]

Figure 8.2 Shares of assessments conducted under bilateral agreements and accredited arrangements

Share of assessments decisions for Queensland projects by financial year



Share of assessments in each industry and state, 2015–16 to 2025–26



Note: *'Other states' include South Australia, Tasmania, the Northern Territory and ACT. Excludes accredited assessments under EPBC Act, s. 161. Shares of assessments are based on the EPBC Act assessment decision notices by jurisdiction, year, and industry type. Years are financial ending.

Source: QPC based on National EPA 2026b.

INTERIM FINDING 13 QUEENSLAND'S ASSESSMENT AGREEMENT IS RELATIVELY NARROW

Queensland's bilateral assessment agreement is narrower in scope than those in other states, and relatively fewer assessments are conducted through accredited processes.

[58] As a share of assessments of activities in Australia's states or self-governing territories, not including those conducted for projects overseas or in Commonwealth Marine areas.

8.2 The 2025 reforms

The 2025 reforms introduced or amended several provisions within the EPBC Act that relate to bilateral agreements. These changes include that:

- any assessment and approval agreements must be consistent with the National Environmental Standards (Standards)
- additional requirements apply to the formation of approval agreements, including that they must apply the 'unacceptable impacts' and 'net gain' tests where relevant
- the Australian Minister for the Environment must seek and have regard to the advice of the CEO of the National Environment Protection Agency (EPA) in relation to making, continuing, suspending or terminating agreements
- functions are assigned to the National EPA to monitor and enforcement agreement outcomes
- an accredited state process that changes (for example, due to a change in state legislation) can remain accredited in an existing bilateral agreement if the Australian Minister for the Environment is satisfied of certain matters (including the above requirements) (EPBC Act, ss. 46–48D).

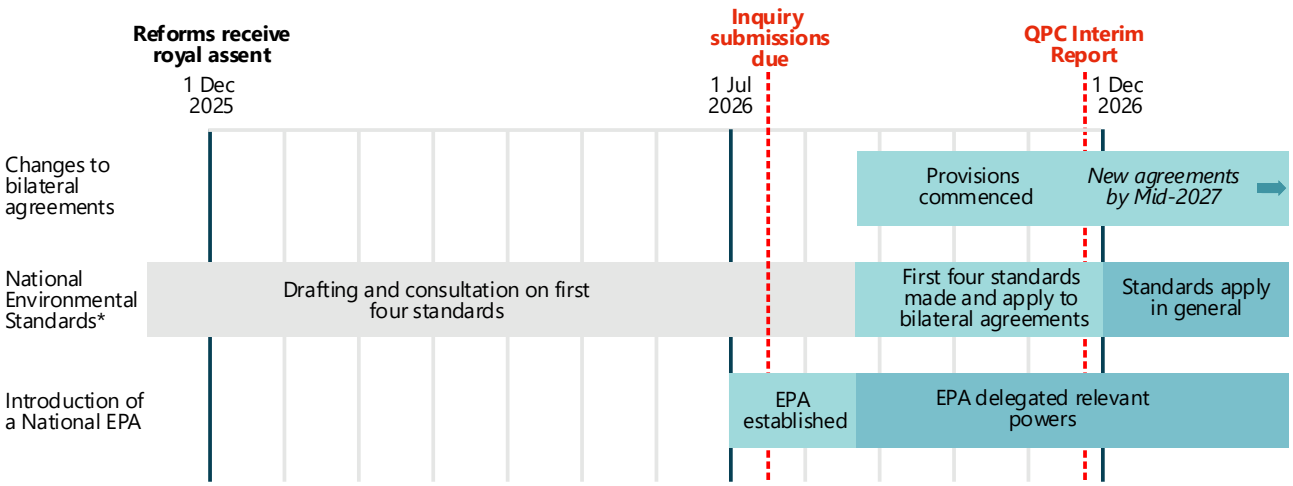
While these changes reflect broader structural changes to the EPBC Act or its administration, they do not alter the underlying concept or rationale for assessment or approval agreements.

Lastly, while not a component of the legislative changes themselves, the Australian Government identified new and expanded bilateral agreements with all states as being closely related the reforms, and committed $45 million (over four years) to progressing those agreements in April 2026 (Watt & Albanese 2026).

8.3 Impact of the reforms

Key reforms related to bilateral agreements commenced on 24 August 2026.[59] Changes to bilateral agreements also interact with other key elements of the reforms, including the introduction of the Standards (Figure 8.3).

Figure 8.3 Timeline of reforms most relevant to bilateral agreement



Note: *Future standards are still to be developed, including a National Environmental Standard for First Nations engagement.

Source: QPC based on DCCEEW 2026j; EPBC Act; Environment Protection Reform Act 2025 (Cth).

[59] These reforms were contained in items 116–118, 118A, and 119–133 of the *Environment Protection Reform Act 2026* (Cth) which were incorporated into the EPBC Act as part of compilation C70 of the EPBC Act.

As noted in Figure 8.3 above, no post-reform bilateral agreements have yet been formed, though Australian and state environment Ministers agreed to enter into new or updated bilateral assessment agreements by 'mid-2027' (DCCEEW 2026j).[60]

The changes to the bilateral agreements are integrated with other key elements of the 2025 reforms (particularly the Standards), and their impacts heavily depend on regulator practice at both the state and Australian Government level. For example, how the new National EPA interacts with state regulators, and how it provides advice to the Australian Minister for the Environment will significant influence how the agreements operate. Even once bilateral agreements have commenced, they tend to focus on large scale projects with multi-year assessment processes meaning the impacts of the reforms may not be identifiable for several years.

Fiscal implications

Establishing and administrating bilateral agreements impose resourcing obligations on state governments. No public information is available that explicitly identifies the additional cost of undertaking accredited assessments by the Queensland Government or avoided by the Australian Government. Based on available information (Box 8.2), it appears the direct recurrent avoidable cost of accredited assessments, including those under the assessment agreement, is *conservatively* estimated to be around $1 million per year.[61] This cost is partly offset by fees charged by the Office of the Coordinator General (OCG).

Box 8.2 Current government charges in accredited arrangements

The direct annual cost to the Queensland Government of MNES-related assessment activities undertaken under the EP Act is estimated to be around $1.1 million, of which around two thirds relate to joint State and Commonwealth assessment activities, and the remaining one third relates to Commonwealth-specific requirements.

The Queensland Government does not charge additional fees to proponents for accredited assessments under the EP Act. In contrast, the OCG charges an additional $79,533 for an EIS process with an EPBC Act assessment, and an additional $23,797 for an IAR under the SDPWO Act. These additional charges provide for at least partial cost recovery from proponents.

These costs are in addition to those levied by the Australian Government. The Australian Government currently charges an additional $6,577 as a referral fee and $18,146 in assessment fees.

Source: QPC based on DETSI, pers. comm.; National EPA 2026c; OCG 2026.

As a result of the reforms, the existing accredited arrangement will need to be reviewed and updated to ensure it complies with post-reform requirements, including the Standards. In undertaking this review, the Queensland Government agencies will need to determine what change to existing supporting materials and processes will also be needed. This process of reviewing and updating the agreement will create transitional fiscal costs for the Queensland Government.

Stakeholders further noted that increased resourcing within DETSI and OCG will be necessary to implement the new requirements under the reforms. Until the reforms are fully operationalised within agreements and there has been time to observe regulator behaviour (that is, of the National EPA), the overall incremental costs on Queensland Government agencies as regulators will remain unclear.

[60] A draft assessment agreement for New South Wales was published for public consultation on 22 October 2026 (DCCEEW 2026ac).

[61] Based on an estimated gross cost per assessment multiplied by the number of assessments, without adjusting for cost recovery.

Regulatory certainty

In the short term, reforms to the provisions of the EPBC Act governing bilateral agreements have contributed to regulatory uncertainty.

- Existing agreements will need to be remade to accommodate the new requirements. This creates additional uncertainty for proponents that had intended to utilise existing pathways.
- Bilateral agreements must now incorporate other elements of the 2025 reforms (for example, the Standards). How state regulators will apply those new requirements, and how the National EPA will engage with both state regulators and proponents in relation to accredited assessments remain unclear.

Policy autonomy

The most recent assessment agreement effectively operates as an 'overlay' to the existing state process — where consideration of MNES is relevant, an additional chapter is added to the relevant assessment report (Queensland Government & Australian Government 2025, pp. 10–11). A potential benefit of that approach is that it preserves Queensland's regulatory autonomy to the greatest extent practicable within Australia's federal system:

- Where an activity requires assessment under the EPBC Act, such an assessment will be required regardless of whether an accredited approach is available.
- Where an activity does *not* require EPBC Act assessment, the Queensland Government retains full regulatory autonomy as the EPBC Act has no bearing on state laws or policies generally.

The 2025 reforms do not directly impact the availability of this approach in future.

8.4 Evaluating the reforms

As noted above, there is ongoing uncertainty concerning how post-reform EPBC Act requirements (for example, the Standards) will affect the practical operation of bilateral assessments.

Fiscal implications

Despite cost-shifting between the Australian Government and a state, the use of an accredited process may achieve significant efficiency gains for proponents.

For all state and territory governments, there is a potential tension between acting in support of the public interest (via the government's fiscal position) and an efficient regulatory process. Whether any funding is available (upfront or ongoing) from the Australian Government, in acknowledgement that the EPBC Act is an Australian Government legislative instrument, is important to this assessment. The provision of funding from the Australian Government is also appropriate as the protection of MNES benefits Australians as a whole, not just residents of Queensland.

The reforms are likely to increase the fiscal cost of a bilateral agreement on the Queensland Government.

Note that this only considers fiscal costs to the Queensland Government as a regulator. Queensland Government agencies and Government-owned corporations are also proponents (for example, in relation to transport and energy projects) and landholders. The Government is therefore affected by the other reforms similarly to other proponents and landholders, as discussed elsewhere in this report, and the fiscal impacts of those changes are likely to be larger than those related to undertaking accredited arrangements.

Regulatory certainty

The Samuel Review recommended a performance monitoring and compliance mechanism to ensure that accredited arrangements are working as intended. The review noted 'there will be times when accredited arrangements are not performing well or fail', but 'this shouldn't result in automatic revocation of accreditation' (Samuel 2020, p. 122). Samuel recommended an approach which, inter alia, included:

- transparent pathways to escalate concerns about outcomes of the accredited arrangements from senior officer-level discussion to intervention by the Australian Minister for the Environment
- an 'unfettered right to make decisions' retained by the Australian Minister for the Environment
- a systematic approach to independent and transparent auditing and reporting of outcomes from the agreement
- application of the EPBC Act where an accredited arrangement fails, including intervention by the Australian Minister for the Environment to enforce compliance (Samuel 2020, pp. 122–123).

While this approach was not incorporated into 2025 reforms, the level of certainty the state government and proponents can have regarding their outcomes is key to the effectiveness of bilateral agreements. If there is a material chance an accredited assessment will be disagreed with by an Australian Government decision maker, or that an accredited approval will be amended or overturned, those accredited processes will typically not be utilised by proponents.

As noted by the Queensland Resources Council:

> *It remains unclear whether accreditation will deliver genuine reliance on State processes or only partial cooperation while the Commonwealth continues to retain duplicate decision-making steps. If accreditation does not remove substantive duplication, its practical value to proponents will be limited. (Queensland Resources Council, sub. 33, p. 6)*

Whether bilateral agreements will deliver improved certainty is dependent on specific implementation. However, they should be focused on areas in which Queensland and Australian regulators are likely to reach concordant conclusions. If not, the administrative costs to government of establishing and maintaining those arrangements may outweigh any efficiency benefits.[62]

INTERIM FINDING 14 BILATERAL AGREEMENTS CAN PROVIDE NET BENEFITS TO QUEENSLAND

Assessment agreements are highly valued by a wide range of stakeholders. They represent an important mechanism to minimise regulatory costs without compromising environmental objectives under Queensland laws and the EPBC Act.

Approval agreements represent an opportunity to further reduce regulatory process costs. However, they are untested and some stakeholders believe these agreements may increase risks of adverse environmental outcomes.

Bilateral agreements between the Australian and Queensland Governments create risks and costs, but can deliver greater offsetting benefits to the Queensland community if implemented appropriately:

- The Australian Government is responsible for the EPBC Act and, in principle, should be responsible for the cost of its administration.
- Accredited arrangements for classes of action, where Queensland and Australian regulators reach concordant conclusions in relation to EPBC Act matters can reduce regulatory and administration costs without introducing uncertainty.

[62] This was recognised by the Samuel Review, which noted that the Australian Minister for the Environment should only intervene either early in the process (for example, in developing the terms of reference for an EIS) or when necessary to avoid a breach of the agreement, a breach of the Standards, or serious environmental harm (Samuel 2020, p. 134).

8.5 Opportunities for improvement

Renewing the existing agreement

Queensland's current assessment agreement will need to be renewed to reflect the requirements introduced as part of the 2025 reforms.[63]

Regulatory efficiency and certainty

In consultation, stakeholders supported the preservation of the current bilateral assessment pathways (for example, see Australia Prawn Farmers Association, sub. 15, p. 7; Environmental Defenders Office, sub. 59, p. 11), including as an 'interim measure' pending an assessment of the merits of a broader bilateral agreement (for example, Property Council of Australia, sub. 49, p. 8). Stakeholders also identified the need to re-establish those processes in an updated bilateral agreement as a priority issue for the Queensland Government, noting the improved regulatory efficiency achieved by bilateral agreements relative to distinct processes.

Bilateral agreements provide the largest benefits when applied to classes of activity where Queensland and Australian regulators almost always develop the same conclusions concerning EPBC Act matters. As noted above, there has been a high level of alignment between both levels of government for actions within the scope of Queensland's most recent agreement. While ad hoc accreditation (under EPBC Act s. 87) may function as a temporary 'stop gap', renewal of the current bilateral agreement to preserve the existing pathways under the EP Act and the SDPWO Act would provide greater certainty to proponents, affected stakeholders, and regulators.

Policy autonomy

Some stakeholders supported greater alignment of Queensland's environmental laws and policies with the EPBC Act (Wildlife Preservation Society of Queensland – Upper Dawson Branch, sub. 45, p. 10; UDIA Qld, sub. 40, p. 24; Australian Climate and Biodiversity Foundation, sub. 23, p. 2). For example:

> *To facilitate a new bilateral agreement, the State should review and amend its environmental assessment processes to align with the Commonwealth's assessment regime, including consistency National Environmental Standards … (Property Council of Australia, sub. 49, p. 8)*

The integration of EPBC Act relevant processes and considerations more broadly may reduce the costs of assessment and approval where EPBC Act matters arise. However, such an integration also reduces Queensland's broader regulatory autonomy and may require it to apply regulatory requirements even where they impose net costs on the Queensland community. While a consideration of Queensland's environmental processes is beyond the scope of this Inquiry, stakeholder feedback suggests that such integration would tend to increase regulatory costs for activities not otherwise captured by the EPBC Act whether or not they deliver an environmental benefit.

As such, an approach in which EPBC Act processes and considerations act as an overlay to a state government process where relevant — but do not affect the state environmental assessment process otherwise — is considered preferable.

[63] The *Environmental Protection (Efficiency and Streamlining) and Other Legislation Amendment Act 2026* (Qld), passed after the reforms, also has the effect of requiring the assessment agreement to be updated.

INTERIM RECOMMENDATION 3 RENEW THE PREVIOUS ASSESSMENT AGREEMENT

In negotiating a new bilateral agreement, the Queensland Government should develop an initial 'no regrets' approach that:

- preserves existing assessment pathways in the current bilateral agreement under the *Environmental Protection Act 1994* (Qld) and the *State Development and Public Works Organisation Act 1971* (Qld)
- retains an 'overlay' approach, in which EPBC Act considerations and assessments are only applied to activities regulated by the EPBC Act and broader changes are not made to Queensland Government frameworks.

Expanding the assessment agreement

Many stakeholders were supportive of opportunities to expand the coverage of the bilateral agreement (for example, Queensland Renewable Energy Council (QREC), sub. 38, p. 17). The Property Council of Australia (sub. 49, p. 8) noted that:

> *The strongest practical form of bilateral accreditation should be pursued as a matter of priority, enabling assessment and approval where possible to occur once through recognised State pathways.*

There are a range of existing state level processes that incorporate an environmental assessment as part of their considerations in addition to those already accredited. As with the existing assessment agreement, such processes could be integrated by applying an 'overlay' of EPBC Act relevant matters where the same activity requires EPBC Act assessment and the proponent of the activity elects to undertake a single assessment process.

Processes specifically identified by stakeholders as potential inclusions in a future assessment agreement included:

- the grant of a site-specific environmental authority (EA), a variation EA, or an amendment to an existing EA issued under the EP Act where an EIS is not required (for example, an intensification of activity on an existing site)
- the making or amending of a Ministerial Infrastructure Designation (MID) under Part 5 of the *Planning Act 2016* (Planning Act). In practice, however, there appears to be little-to-no overlap between the list of MIDs published by the Queensland Government (DSDIP 2021) and referrals under the EPBC Act (National EPA 2026b). If so, this suggests that there may be little efficiency gain achieved by accrediting this process
- social impact assessments under the Planning Act and regulation (Planning Act, s. 106T; Planning Regulation 2017, Part 5B). The Queensland Renewable Energy Council (QREC) noted that renewable projects experience sequential and duplicative Queensland and Australian Government assessments which increase timeframes and reduce commerciality (QREC, sub. 38, pp. 8, 10–12, 14, 17).

These processes are not exhaustive. Other stakeholders, for example, identified the general development assessment process under the Planning Act — or other planning regulation, such as the *Regional Planning Interests Act 2014* (Qld) — as being potentially amenable to accreditation. More generally, as with the EA process under the EP Act, there may be other opportunities to accredit 'lower impact' state-based assessment processes aligned with the less onerous assessment processes in the EPBC Act (such as assessment on preliminary documentation). This would enable greater proportionality between the risks of the assessed activity and the requirements of the assessment itself.

When considering potential Queensland processes that could be incorporated into an expanded assessment agreement, it should be identified that the Queensland process:

- contains a material assessment of environmental outcomes even if other outcomes (for example, social and economic outcomes) are also assessed
- applies to activities commonly regulated by the EPBC Act, such that there would be material improvements in administrative efficiency that would more than offset the costs of developing the accredited assessment process
- can be 'overlayed' with an EPBC Act assessment where relevant without changing the process applied to activities which are not controlled actions under the EPBC Act.

To ensure that any further expansion of the agreement is meritorious and provides net benefits to the Queensland community, the Commission is seeking additional information on options to expand the Queensland assessment bilateral, including specific processes, benefits, risks, costs or feasibility constraints.

Fiscal implications

While there are likely to be significant benefits to proponents, an expansion to the scope of the assessment agreement will impose significant costs on the state government in both developing the agreement and in implementing it. While the exact ongoing costs will depend on the scope of the agreement, indicative fiscal costs are likely to be around $1–3 million in additional assessment costs per year.[64]

Regulatory efficiency and certainty

Stakeholders referred to two examples of previous Queensland Government decisions under planning regulation as being inconsistent with subsequent decisions under the EPBC Act:

- The Toondah Harbour Priority Development Area (PDA) included parts of the Moreton Bay Ramsar Wetlands. A proposed housing development in the PDA did not proceed, however, being withdrawn once the Australian Minister for the Environment proposed not approving the action under the EPBC Act (Redlands2030 Inc., sub. 46, pp. 1–2).[65]
- The Wooroora Station Wind Farm (formerly Chalumbin Wind Farm) project was granted development approval by the Queensland Government (Attexo Group 2024) but did not proceed after not obtaining Australian Government approval under the EPBC Act (Parkinson 2024).

In practice, actions may not proceed in a manner which is inconsistent with either the EPBC Act *or* state regulation regardless of whether the action is captured by an assessment agreement. By consolidating assessment processes, an expanded bilateral has the potential to make regulatory determinations more quickly and at a lower cost compared with separate processes. This also improves regulatory certainty and reduces investment by proponents in projects that are ultimately untenable.

Policy autonomy

As with previous bilateral assessment agreements, any expanded bilateral agreement should only apply to actions already regulated by the EPBC Act. This provides the greatest opportunity to realise the potential benefits of an agreement without comprising Queensland's regulatory autonomy or changing outcomes for proponents not captured by the EPBC Act itself.

[64] Based on indicative costs of current assessment above. Lower range reflects an expansion to the Australian average, and the upper bound to the New South Wales level.

[65] Though no final approval decision was made, the proposal was withdrawn by the proponent after the Australian Minister for the Environment proposed to not approve the action.

INTERIM RECOMMENDATION 4 DEVELOP OPTIONS TO EXPAND THE SCOPE OF QUEENSLAND'S ASSESSMENT AGREEMENT

The Queensland Government should consider options to expand the coverage of a future bilateral assessment agreement. This could include an audit of state-level assessment processes that may be amenable to EPBC Act accreditation.

In the first instance, the Government should consider extending the coverage of the bilateral agreement to processes related to the granting and amendment of site specific and variation environmental authorities under the *Environmental Protection Act 1994* (Qld).

INFORMATION REQUEST 5 THE FOCUS OF FUTURE ASSESSMENT AGREEMENTS

The Commission is seeking additional information from stakeholders on:

- Queensland Government assessment processes for which accreditation would deliver material efficiency benefits to proponents
- views on the benefits, costs, risks, feasibility, or other relevant factors associated with accrediting those assessment processes
- the framework to be applied in determining which processes the Queensland Government should seek to accredit
- what framework could be used to prioritise accreditation proposals.

Forming an approval agreement

The risks, benefits and potential for resource shifting are anticipated to be higher for an approval agreement, compared to an assessment agreement.

As no approval agreement between a state and the Australian Government has ever been made, there is inherent uncertainty concerning how an approval agreement one would operate in practice. There are, however, ongoing developments occurring in relation to approval agreements in other jurisdictions which may inform the recommendations contained in the Commission's Final Report to government (Box 8.3).

Box 8.3 Development of approval agreements in NSW and Western Australia

Two jurisdictions have signed memoranda of understanding (MOU) with the Australian Government to develop approval agreements:

- NSW – the MOU provides for a 'pilot approval bilateral agreement' to be developed by February 2027 that would apply to specified actions approved under the NSW planning system
- Western Australia – the MOU expresses a general commitment to explore a possible approval bilateral agreement.

Source: Australian Government & New South Wales Government 2026; Australian Government & Government of Western Australia 2026.

Stakeholders held mixed views on whether an approval agreement should be pursued:

- most stakeholders representing proponents expressed strong in-principle support for approval agreements due to assumed improvements in regulatory processes
- many environmental and community group stakeholders oppose approval agreements due to concerns a single approver would result in reduced environmental outcomes.

Fiscal implications

The fiscal cost of an approval agreement to the Queensland Government is likely to be significantly higher than an assessment agreement applying to the same classes of action. This is because the Queensland Government would likely take responsibility for monitoring and enforcing:

- conditions attached to the consolidated approval (under both the EPBC Act and the Queensland requirements)
- actions within the classes that significantly impact protected matters but have not received EPBC Act approval.

The extent to which these costs are 'incremental' is unclear and will depend on the extent to which the Queensland Government is already monitoring and regulating actions within the prescribed classes. For actions within the most recent assessment agreement — resources and coordinated projects — the Queensland Government is already monitoring or aware of relevant activities and is already enforcing related environmental conditions. In practice, the division of monitoring and enforcement costs is a matter to be dealt with in the agreement. Once the scope of these actions is known the specific fiscal incidence can be identified.

Ideally, there would be a net administrative saving across both levels of government with one 'accredited' regulator applying both state law and the EPBC Act. In that case, the cost savings across the Australian and Queensland Governments should be shared in a manner that reflects a division of costs based on each jurisdiction's requirements and provides both governments with an incentive to regulate cost-effectively.

Design features for an approval agreement

On balance, the potential long-term benefits of approval agreements, if implemented well, are likely to outweigh the short-term transitional costs and risks. However, the following design features should be adopted to minimise these risks:

- The initial scope of an approval agreement should be limited to the EIS and IAR processes under the EP Act and the SDPWO Act (as per the current assessment agreement). This would ensure the initial implementation of an accredited approval process builds on existing institutional knowledge within Queensland agencies, the existing awareness of these processes with the Australian Government, and the history of intergovernmental engagement of these projects.
- The Queensland Government should develop performance criteria to determine whether the approval agreement is, in practice, delivering net benefits to the Queensland community. This should include:
  - measuring the benefits realised through reduced regulatory costs to proponents and potential administrative cost reductions
  - weighing those benefits against costs for the Queensland community including any increased fiscal burden.
- The Australian Government should retain some form of 'oversight' as it is ultimately accountable for the EPBC Act. This role would ensure it remains accountable for 'protected matters' as defined by its own legislation and may mitigate stakeholder concerns about environmental outcomes. However, as noted above, the success of any bilateral process is dependent on the degree to which proponents are able to rely on accredited processes, and so any approval agreement should be confined to classes of action in which the Australian Government only feels it necessary to exercise this 'oversight' in exceptional circumstances.
- The scope of the agreement should be such that EPBC Act requirements implemented by the Queensland Government only apply to activities that would have been regulated by the EPBC Act regardless of whether an approval agreement exists.

Only if a net benefit criterion can be satisfied should an approval agreement be expanded or developed. If it cannot be satisfied, changes to the agreement should be considered or the accreditation should be terminated (depending on the negotiating positions of the parties).

In addition to those principles, it is expected that the Queensland Government will have regard to the design and operation of any approval agreements developed in other jurisdictions.

INTERIM RECOMMENDATION 5 DEVELOP AN APPROVAL AGREEMENT SUPPORTED BY PERFORMANCE CRITERIA

As an initial step, the Queensland Government should engage with the Australian Government to develop an approval bilateral that applies assessment processes accredited under the most recent bilateral agreement.

Noting approval agreements are untested, the Queensland Government should consider a risk-averse approach by:

- measuring the benefits realised through reduced regulatory costs to proponents and potential administrative cost reductions
- weighing those benefits against costs to the Queensland community including any increased fiscal burden
- only maintaining or expanding the agreement if clear net benefits from the above are identified.

The Queensland Government should also ensure that any agreement only applies to activities already regulated by the EPBC Act.

Broader intergovernmental coordination

While bilateral agreements are the central formal mechanism by which the Queensland and Australian governments can coordinate, there may be broader opportunities to reduce administrative or regulatory costs across a range of data collection, monitoring, and compliance activity.

Officials in both Queensland and Australian Government agencies frequently engage — at the officer, executive, and Ministerial level — to identify and pursue such opportunities. Following the introduction of the reforms and the National EPA, there is likely to be additional impetus to do so.

Some concerns related by stakeholders included:

- substantially similar but practically different data requirements in assessment and approval processes (for example, Australian Prawn Farmers Association, sub. 15, p. 7; CCAA, sub. 17, p. 6)
- duplicative or overlapping requests for information (QREC, sub. 38, p. 17)
- additional reporting and compliance requirements under distinct approval conditions that add costs without improving environmental outcomes (Waste Recycling Industry Association of Queensland, sub. 47, p. 3).

Stakeholders indicated that much of the environmental information published by Australian Government agencies is derived from open datasets published by the states. There may be opportunities to better facilitate the exchange of information in the public interest, though some sensitive data (for example, information related to species targeted by poaching) may require more formal coordination.

INTERIM RECOMMENDATION 6 CONTINUE GENERAL INTERGOVERNMENTAL COORDINATION

Alongside and in addition to any bilateral agreements, the Queensland Government should continue to work with the Australian Government to coordinate their approaches to data and monitoring to minimise overall administration and compliance costs.

INFORMATION REQUEST 6 GENERAL INTERGOVERNMENTAL COORDINATION

The Commission is seeking further information on specific opportunities that exist to enhance cooperation and coordination between the Queensland and Australian governments beyond a bilateral agreement.

9.0
Offsets and restoration contributions

Key points

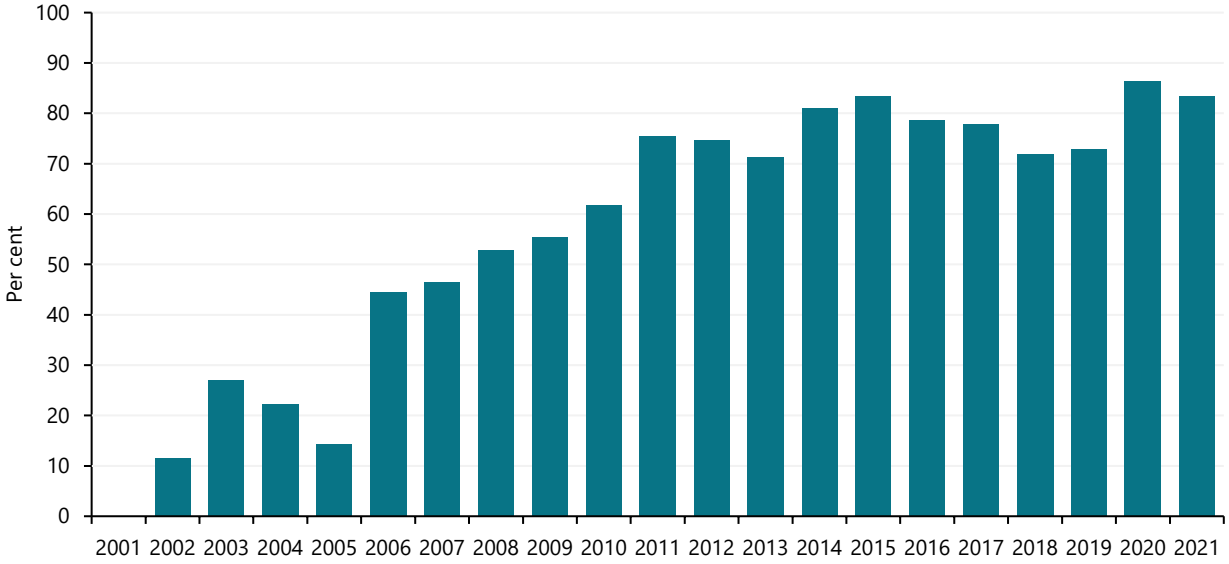
- Environmental offsets are a critical component of environmental regulation, enabling development to proceed while compensating for unavoidable impacts on protected environmental values. From 2011–2021, almost 80 per cent of Queensland projects approved under the EPBC Act required an offset.
- Evidence suggests offsetting imposes substantial costs on development. Commission analysis shows:
  - pre-reform offsetting requirements could add up to $24,000 per dwelling for greenfield residential developments in Queensland, with average costs of approximately $4,300 per dwelling
  - for major infrastructure, mining and energy projects, offset costs can be substantial, typically ranging from around 2 to 43 per cent of total project capital costs in the reviewed case studies.
- Despite these costs, the 2020 Samuel Review found the previous offsets framework was not delivering effective environmental outcomes, identifying poor compliance, inadequate monitoring, weak governance and the use of offsets as a default approval mechanism rather than a last resort.
- The 2025 EPBC Act reforms establish:
  - a legislated offsets framework, replacing a largely policy-based approach and introducing legally enforceable National Environmental Standards
  - stricter conditions for offsetting, including increased application of avoidance and mitigation measures, a requirement for offsets to achieve net gain and narrower like-for-like requirements
  - new offset delivery mechanisms including advanced offsets, market instruments and a restoration contributions scheme.
- Conservation Planning Documents (including bioregional plans) are intended to support more strategic, landscape-scale conservation outcomes and provide greater flexibility than traditional site-by-site offsetting.
- While the reform architecture is broadly consistent with international evidence on effective offset design, key guidance, methodologies, calculators and implementation arrangements remain under-developed, creating uncertainty and transitional risks for proponents and offset providers.
- Other key elements of the reform, such as settings to support market operation and conservation planning documents are yet to be developed.
- While the restoration contribution scheme is to be established by 1 December 2026, it seems unlikely that proponents will widely use this option, at least initially:
  - initial consultation material suggests restoration contribution charges could be significantly higher than existing offset costs, potentially adding around $40,000 per dwelling for some greenfield housing and increasing offset costs by several hundred per cent for some non-residential projects
  - coverage of the scheme is initially to be limited to only a few matters.
- In the absence of practical guidance material and effective complementary instruments, the reforms are unlikely to reduce offset costs or approval timeframes. There is also a significant risk offsetting costs are substantially higher than pre-reform levels, with adverse impacts on economic activity.
- Priority implementation actions include interim guidance on net gain and baseline assessments, clear application of the mitigation hierarchy, accelerated identification and development of key conservation planning documents, and transitional arrangements to reduce uncertainty.
- Long-term success will depend on better harmonisation of the national and Queensland offset frameworks, support for advanced offset markets, strategic bioregional planning and reform of Queensland's financial contribution scheme, including potential accreditation to deliver offsets under the EPBC Act.

9.1 Background

Environmental offsets are a critical component of environmental regulation in Australia, enabling development where impacts on protected environmental matters can be compensated for.

Offsets have been widely used in Australia. Between 2011 and 2021, around 78 per cent of projects approved in Queensland under the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) included an offset condition. They are also a key element in the environmental protection frameworks for states and territories, including under Queensland legislation.

Figure 9.1 Proportion of approvals with offset conditions since the commencement of the EPBC Act, by year approved, Queensland



Note: Although approvals data are available after 2021, information on offsetting requirements are not readily available.

Source: QPC based on National EPA 2026b.

The key mechanisms for offset delivery, as well evidence on the effectiveness of offsets, are discussed below.

Offset delivery mechanisms

There are three key mechanisms for delivering offsets:

- direct delivery, where proponents establish and manage offsets themselves
- market mechanisms, including offset banking that allows offsets to be delivered in advance of impacts and more formal credit markets
- financial contribution schemes, where proponents pay a government or third-party entity to deliver offsets.

The key attributes of these mechanisms are set out in Table 9.1.

Table 9.1 Offset delivery mechanisms

Delivery mechanism	Potential benefits	Potential limitations
Direct offsets delivered by the proponent.	Allows direct offsetting of impacts, with regulator able to set conditions of offsetting.	Offsets are expensive to deliver and difficult to regulate. Can result in temporal losses. Typically results in isolated or fragmented offsets.
Market mechanisms (including biodiversity banking), with offsets provided by a third party, and purchased by the proponent.	Allows the creation of advanced offsets, avoiding temporal losses. Can allow more strategic use of offsets through landscape approaches. The use of markets can result in more efficient offset delivery and lower cost offsets.	Depending on the design, markets can be too thin to operate effectively. Less direct offsetting of impacts. Can be difficult to establish integrity of credits for offsetting purposes. Requires stable regulation.
Financial contribution schemes, with offsets delivered by government or a government-endorsed entity.	Easiest mechanism for developers, with lowest transaction costs. Contribution schemes can allow fund managers to strategically use funds to maximise ecological outcomes.	Less direct offsetting of impacts. Often underpriced, resulting in development activity in high biodiversity locations, underspent offset funds, and socially sub-optimal biodiversity outcomes. Can also undermine other offset delivery mechanisms.

Source: Calvet et al. 2015; Davis 2024; Hawkins et al. 2025; Needham et al. 2019; OECD 2025c; Wunder et al. 2025

Evidence on offset effectiveness

Environmental offsets are intended to compensate for residual environmental impacts while allowing development to proceed. Their effectiveness can be assessed by whether they achieve environmental objectives and whether they do so efficiently.

Evidence from existing Australian offset schemes suggests environmental outcomes have been mixed.

Several studies have found offsets frequently failed to deliver the intended conservation outcomes. For example:

- a review of the Western Australia (WA) offset scheme found that at most 39 per cent of assessed offsets could be considered effective (May et al. 2017)
- a 2024 study found that up to 86 per cent of biodiversity offsets purchased under Victoria's scheme did not fully compensate for vegetation loss due to overestimation of averted loss benefits (O'Brien & Gordon 2024)
- studies in New South Wales (NSW), Queensland and nationally also identified overstated environmental gains, unrealistic assumptions and compliance issues (DCCEEW 2024a; Gibbons et al. 2017; Tran & Maron 2024)
- similar concerns were identified by the Australian National Audit Office (2020), which found significant weaknesses in approval, monitoring and compliance arrangements for national environmental offsets.

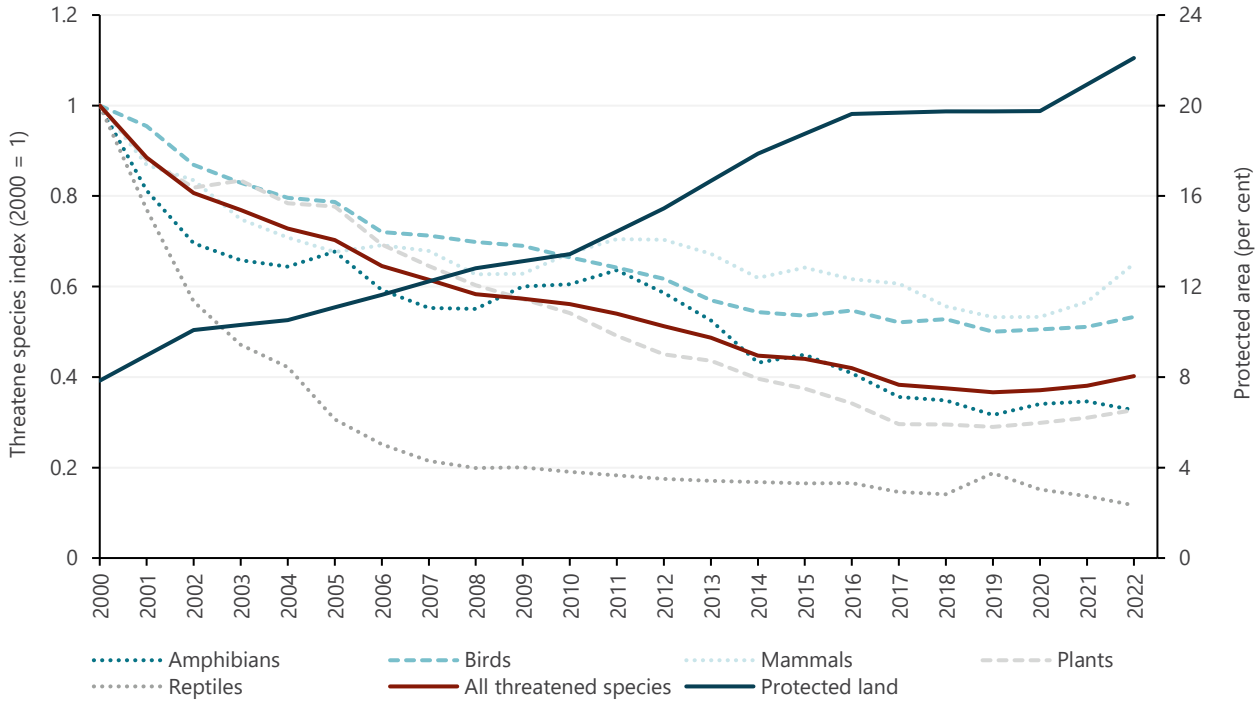
Importantly, much of this evidence points to shortcomings in governance, implementation and offset accounting rather than an inherent inability of offsets to generate environmental benefits. In many cases, poor outcomes were linked to unrealistic assumptions, weak monitoring and compliance arrangements, and delays in delivery.

These challenges appear particularly significant for government-administered offset funds. As noted by the Australian Marine Conservation Society (sub. 36, p. 5):

> *The idea of aggregating funds to deliver high impact offsets is intuitively attractive. In practice, however, all major offset funds in Australia (Pilbara fund, Queensland Financial Settlements Fund, NSW Biodiversity Conservation Trust (BCT), Reef Trust) are failing to acquit their accumulated offset obligations.*

Offsets should also be assessed relative to alternative conservation mechanisms. Maron et al (2025), for example argue that offsets may be at least as effective as many other conservation interventions. For example, despite substantial growth in protected areas, biodiversity outcomes have been mixed (Figure 9.2), suggesting outcomes depend heavily on effective long-term threat management, rather than protection alone (Hernandez et al. 2021; Watson et al. 2025; Kearney et al. 2020; Legge et al. 2023).

Figure 9.2 Protected land area and biodiversity outcomes, Australia



Note: The Threatened Species Index represents the average change in population size of threatened species relative to a reference year of 2000 (when the index equals 1). The threatened species categories included are: vulnerable, endangered and critically endangered. Individual years for protected land area has been interpolated.

Source: Collaborative Australian Protected Areas Database and the Threatened Species Index 2025.

Offsets may also generate benefits that are difficult to measure. These include benefits for non-target species and behavioural responses from proponents. For example, habitat protection targeted at koalas may also benefit other species occupying the same habitat. Likewise, offset requirements can influence investment decisions, creating incentives to avoid environmentally sensitive areas and reduce environmental impacts before development occurs (zu Ermgassen et al. 2020; Hanley & Simpson 2025; OECD 2025c).

As Maron et al (2025) note, offsetting remains one of the few conservation mechanisms that has well established guidelines and transparent, quantitative outcome requirements. This is confirmed by the Commission's review of recent offset conditions (see Appendix C.5), which shows they generally have evidence-based long-term requirements aimed at addressing key threats to biodiversity.

Offsets can impose substantial costs

Offsets are intended to facilitate development where residual impacts can be compensated. However, they can involve significant costs, including site identification, transaction, acquisition, establishment and ongoing management expenses (see Box 9.1), which need to be absorbed into the cost of projects and are either passed on to consumers as higher prices, absorbed by the proponent as lower profit, or where costs make projects unviable, result in project cancellation.

Stakeholders highlighted the complexity and cost of securing offsets:

> *The offsets for dam and weir development are typically large, complex and expensive as they include installation of fishways, water quality offsets, management of aquatic species and restoration of inundated riparian habitats in Great Barrier Reef catchments. …. Ultimately, this leads to a risk of Sunwater not being able to provide safe, reliable and sustainable water to Queenslanders. (Sunwater Limited, sub. 6, p. 5)*

> *Securing an offset site is a multi-year process involving significant landholder engagement and negotiations, and a state government approval process without legislated timeframes. (Senex Energy, sub. 56, p. 7)*

Box 9.1 Costs of establishing and maintaining environmental offsets

Although comprehensive cost data are scarce, offset projects typically involve several categories of expenditure:

- Search costs – identifying suitable offset sites, including ecological surveys and other information gathering exercises.
- Transaction costs – negotiation, approval, compliance, monitoring and enforcement activities associated with offset agreements.
- Acquisition costs – securing offset land through purchase, leasing or forgone land-use opportunities.
- Establishment costs – implementing the offset, including fencing, revegetation and initial pest management.
- Management cost – ongoing maintenance, weed and pest control, monitoring and reporting.
- Induced costs – indirect impacts arising from offset implementation, such as increased pest or weed pressures where management is inadequate.

While there are few robust estimates of these costs, search and transaction costs have been estimated to cost between 20 to 50 per cent of the total cost of environmental programs.

Source: Adapted from Iftekhar et al. 2019a.

While there is limited information on offsetting costs, evidence suggests these are high.

For example, based on a sample of Queensland residential developments (Table 9.2), the Commission estimated that offset requirements[66] can add up to $24,000 to the cost of a new home in a greenfield residential development, with average costs from the case studies considered adding around $4,300.

[66] It is not possible to separate out offsetting for national and state matters from the data provided. That is, the estimates include pre-form offsetting costs for both national and state matters.

Table 9.2 Estimated offset costs for selected Queensland greenfield residential projects, 2026

	lowest cost	highest cost	average
No. lots	*	*	5,118
Offset acquisition cost	*	*	$ 11,751,158
Estimated management costs	*	*	$ 4,937,379
Estimated holding costs due to offset	*	*	$ 5,413,243
Total offset costs	*	*	$ 22,101,781
Cost per dwelling	$ 800	$ 24,000	$ 4,319

* Estimates have been redacted to provide stakeholder confidentiality. Final costs have been rounded.
Note: Offset acquisition costs are sourced from the Urban Development Institute of Australia – Queensland (UDIA Qld), management costs are based on stakeholder consultation, and holding costs due to offsetting are assumed to equate to 20% of total holding costs (sourced from the UDIA Qld) and average offset approval/project approval times from the EPBC Act project and offset portals. More detail is provided in Appendix C.4.

Source: UDIA Qld sub. 40, stakeholder consultation and QPC estimates

Although similar data was not available for non-residential projects in Queensland, the Commission was able to estimate offset costs for several NSW projects that had been through an EPBC Act approval. Based on the sample examined, offset costs for non-residential projects varied widely. In some instances offset costs can account for 0.1 per cent or less of total capital costs, while for other projects, offset costs can range from around 2 per cent to 43 per cent of total capital costs. More detail is provided in Appendix C.4.

While it was not possible to estimate costs, the Commission's analysis of recent Queensland approvals (see Appendix C.5) found that offset requirements were typically complex, required offset areas substantially larger than the development footprint, and depended on long-term ecological management to achieve conservation outcomes. Further, outcomes to be achieved often exceeded the impacts from development.

While high costs do not necessarily indicate inefficiency, multiple reviews of national, NSW and Queensland schemes have identified persistent problems with offset supply, market operation, regulatory complexity and approval delays (for example see ANAO 2020, Queensland Government 2020, Parliament of NSW 2022, Samuel 2020). Stakeholders also identified access to suitable offset sites as a significant constraint. For example, the Property Council of Australia (sub. 49, p. 4), described offsets as a major approval bottleneck where offset opportunities are limited.

Flexibility can improve efficiency

Evidence suggests that offset costs are strongly influenced by how prescriptive offset requirements are. Strict requirements relating to habitat type, species or geographic location can reduce supply and increase costs (Hanley & Simpson 2025; Needham et al. 2019).

While ecological rigour is important, increasing specificity can reduce efficiency and limit flexibility in achieving environmental outcomes (Calvet et al. 2015). This can increase the unit cost of offsetting and limit environmental benefits. Several studies suggest that greater flexibility, when applied appropriately, can reduce costs while improving environmental outcomes. For example:

- Sonter et al. (2014) found that improved biodiversity outcomes can be achieved by prioritising the protection of highly threatened habitats rather than requiring strict like-for-like offsets or geographic proximity. They argue that regional planning can reduce habitat fragmentation and direct offset effort to the greatest benefit.
- Habib et al (2013) found that flexibility in offsetting, when considered in the context of regional conservation plans, can provide better outcomes than offsetting in isolation.
- Shumway et al. (2022) found that flexibility in offset location can improve outcomes for migratory species by protecting critical habitats, including stopover sites and habitat corridors. However, these benefits depend on a strong evidence base and robust governance arrangements.
- Offsetting incidental seabird catch from the Australian long-line fishery through predator eradication on breeding islands was found to be at least 10 times more cost-effective than fishery area closures (Pascoe et al. 2011).

However, realising these benefits depends on regulatory capability and access to reliable environmental information, both of which have been absent in Australian offset schemes. Reviews of Australian offset schemes have consistently found shortcomings in these areas. For example, the ANAO (2020) found that 79 per cent of approvals contained conditions that were either inconsistent with procedural guidance or affected by errors. The Samuel Review (Samuel 2020) found:

> *There is no consistent approach to understanding the links between activities and shorter-term outcomes, or to testing the logic and assumptions about whether activities will ultimately lead to the intended outcomes … the resources that are dedicated to monitoring are likely to be inefficient, and there is no clear pathway to learn lessons, adapt and improve. (p. 178)*

> *There is no clear, authoritative source of data and information on Australia's environment. There are many disparate sources of information but these are hard to navigate and not always reliable. This adds cost for business and governments, as they collect and re-collect the information they need. (p. 155)*

Combined, these limitations have likely contributed to the strong reliance on project-specific offsetting and the challenges experienced in delivering effective and efficient offset outcomes.

Interim finding 15 Offsets can provide benefits but are expensive and difficult to get right

Project proponents often require offsets to meet EPBC Act obligations. While the evidence suggests they can be an effective mechanism for delivering environmental outcomes, they have not always delivered cost-effective environmental protection due to issues with design, implementation and governance.

Offsets are typically expensive and time consuming to set up. Commission estimates show that pre-reform:

- offsetting requirements could add up to $24,000 to the costs of a dwelling in greenfield residential developments, with average costs around $4,300 per dwelling
- for major infrastructure, mining and energy projects, offset costs can be substantial, typically ranging from around 2 per cent to 43 per cent of total project capital costs
- for projects with smaller environmental impacts, direct offset costs may be modest, however, delays associated with offset approvals have often imposed significant costs.

Despite high costs, state and national offset schemes have often failed to deliver promised environmental outcomes.

What works

The evidence[67] suggests effective environmental offsetting is supported by the following principles:

- **Clear, evidence-based rules** that provide certainty for proponents, support consistent decision-making and focus on achieving measurable environmental outcomes rather than prescriptive processes.
- **Offsets as a last resort,** used only to compensate for significant, residual impacts after reasonable efforts to avoid and minimise impacts have been exhausted. Offsets are generally unsuitable where species or ecosystems face an imminent risk of extinction.
- **Credible governance mechanisms**, including efficient monitoring and enforcement by regulators that hold proponents accountable while avoiding unnecessary or overly prescriptive compliance requirements.
- **Assessment against a credible baseline**, ensuring that impacts and offset outcomes are evaluated relative to likely environmental outcomes in the absence of the project.
- **Flexibility in offset delivery**, supported by robust scientific evidence and governance arrangements that allow resources to be directed to the most effective conservation actions.
- **Strong governance, monitoring and enforcement,** including transparent accountability arrangements that maintain confidence in environmental outcomes while avoiding unnecessary compliance costs.
- **Long-term policy certainty,** enabling landholders and investors to establish advanced offsets and conservation projects with confidence that approved arrangements will retain their value over time.
- **Access to credible and authoritative information,** including conservation planning documents and regional conservation strategies that reduce transaction costs, improve decision-making and support strategic conservation investment.

When these principles are followed:

- **Market mechanisms** can deliver offsets at lower cost than prescriptive regulatory approaches, but need clear, transparent and stable trading rules and may not be suitable for delivering offsets for all environmental matters.
- **Compensation funds** can pool resources and support more strategic and efficient offset delivery but need a high level of in-house expertise and safeguards to prevent the accumulation of liabilities they cannot deliver.

Overall, the evidence suggests that effective offsets depend less on the choice of delivery mechanism and more on the quality of governance, information, planning and implementation that supports it.

The Samuel Review

Despite the high reliance on offsetting, the Samuel Review (Samuel 2020) found the national offsets scheme was not working as intended with:

- offsets often being used as a default with proponents not attempting to mitigate or avoid impacts first
- many offsets being poorly designed or implemented, with offsets often not being secured or delivered properly
- insufficient monitoring, compliance and enforcement of offset conditions, with little transparency around the location, quality or quantity of approved offsets.

The Samuel Review recommended higher standards be introduced, including that offset requirements be legislated, that standards only allow offsetting when other options are not available, and tighter rules be introduced for the way offsets are developed, managed and regulated. The Samuel Review also recommended that more work be done to make offsets available to proponents, including by encouraging advanced offsetting.

[67] Sourced from: Davis 2024; zu Ermgassen et al. 2020, 2026; Gordon et al. 2015; Hawkins et al. 2025; Kearney et al. 2023; Legge et al. 2023; Maron et al. 2025; Needham et al. 2019; Simmonds et al. 2022; Wunder et al. 2025.

9.2 The 2025 reforms

Reforms to the EPBC Act establish a legislated framework for environmental offsets. While offsets were permitted before the reforms, their use was governed by policy rather than legislation.

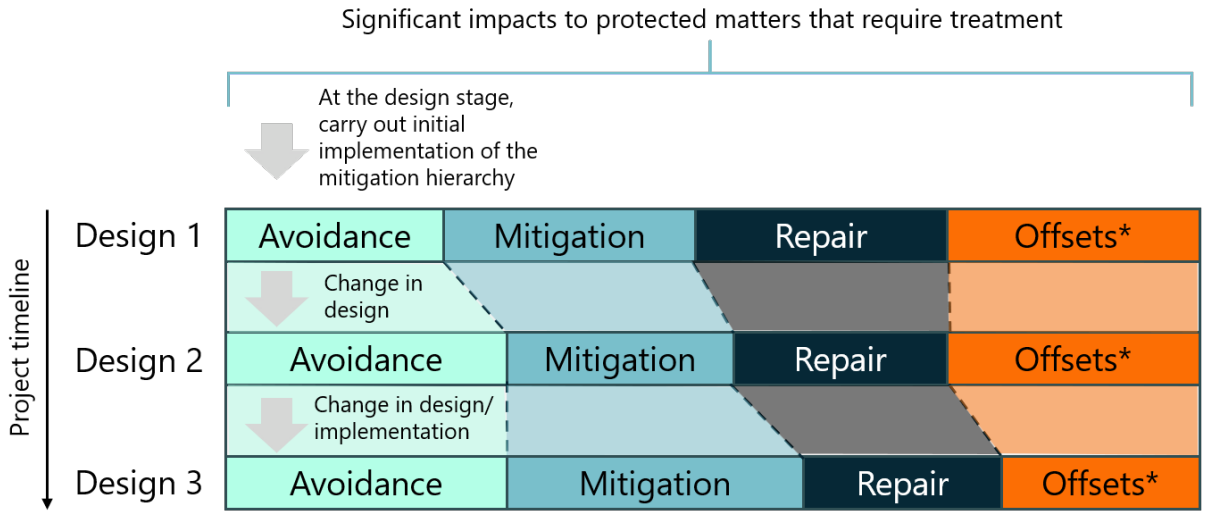
The reforms largely respond to the Samuel Review's (Samuel 2020) recommendations for clearer, outcome-focused rules through the introduction of legally enforceable National Environmental Standards (the Standards), and streamlined approval processes.

The new offset framework is primarily implemented through the National Environmental Standards for *Matters of National Environmental Significance* (MNES Standard) and *Environmental Offsets* (Offsets Standard). These Standards came into effect on 19 August 2025 following several months of public consultation.

The **MNES Standard** sets out the circumstances in which offsets may be used. It provides that:

- Offsets cannot be used for unacceptable impacts[68], including impacts that seriously impair the viability of listed threatened species or ecological communities and/or cause serious damage to critical habitats. That is, compensatory measures (like offsets) cannot be used to make an unacceptable impact acceptable.
- Significant impacts on protected matters may only be offset as a last resort (this is set out in a mitigation hierarchy, see Figure 9.3). The Standard requires proponents to apply the mitigation hierarchy by first avoiding impacts where possible, then mitigating impacts, and finally repairing impacts where feasible. Offsets may only be used to compensate for residual impacts after it has been demonstrated that impacts have been avoided, mitigated, or repaired to the extent possible and feasible. The MNES Standard allows for exceptions where a project is determined to be in the national interest.

Figure 9.3 Mitigation hierarchy – example of iterative design of an action



* Offset to net gain

Source: National Environmental Standard for Matters of National Environmental Significance.

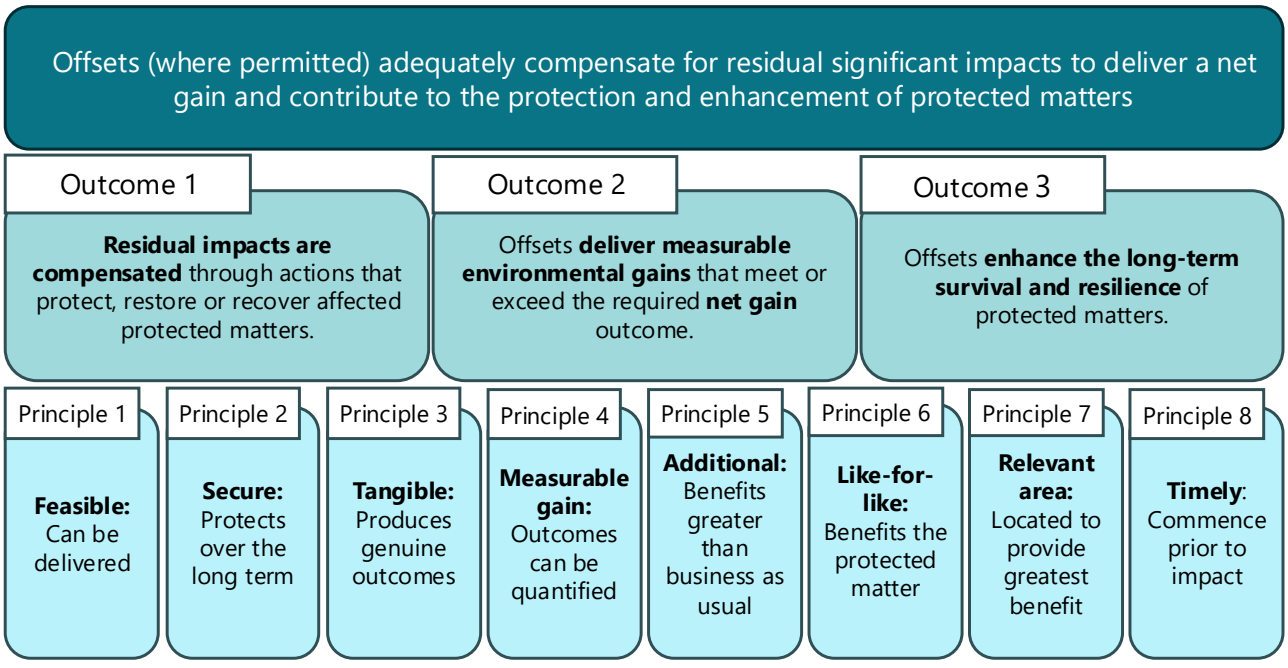
[68] Unacceptable impacts are set out in the EPBC Act and are also discussed in Chapter 5.

The **Offsets Standard** establishes requirements for the design and delivery of offsets. It provides that offsets must:

- Provide certainty for environmental protections, including that they:
  - provide a feasible option for the preservation of the protected matter (for example, it provides adequate protection for an endangered species)
  - are sufficiently secure over the long term, with legal mechanisms such as covenants generally preferred, although non-legal mechanisms may be considered where legal mechanisms are unavailable
  - directly offset environmental harms, except where direct offsetting is not feasible and indirect offsetting, like research, is supported by evidence.
- Deliver measurable improvements for the protected matter, including that:
  - offsets are additional, meaning that the environmental protection would not have occurred in the absence of the offsetting action
  - offsets provide a net gain, meaning that offsets should deliver outcomes that exceed the damage done by the proposed activity, relative to a baseline scenario.
- Be relevant to the protected matter, including by:
  - providing like-for-like outcomes, for example by protecting or restoring similar habitat types
  - providing a clear ecological relationship to the protected matter
  - having commenced prior to the proposed activity, for example, by commencing regeneration work on a similar site before development activity commences.

The key elements of the proposed Offsets Standard are provided in Figure 9.4.

Figure 9.4 Key elements of the Offsets Standard



Source: National Environmental Standard (Environmental Offsets) 2026.

The reforms also introduce additional offset delivery options, allowing proponents to:

- deliver an offset themselves through direct delivery, advanced delivery or by purchasing credits through the existing Nature Repair Market
- make a restoration contribution payment (Box 9.2), allowing the government to deliver offsets on their behalf. Restoration contributions cannot be used where a ministerial declaration, made through a protection statement[69], explicitly excludes their use
- use a combination of direct offset delivery and restoration contributions.

Box 9.2 Restoration contributions

A **Restoration Contributions Holder** will manage funds received through restoration contributions, with the aim of pooling resources and funding restoration activities strategically. A Restoration Contributions Holder was appointed in August 2026, supported by an advisory committee.

The **Restoration Contributions System** will initially be a subset of threatened species and/or threatened ecological communities, although the regulations prescribing this scope are yet to be made. The scope of the system is intended to be expanded over time and will be informed by the Restoration Contributions Advisory Committee and the Threatened Species Scientific Committee.

Contribution charges will be prescribed by regulation, although the relevant regulations have not yet been made.

The scheme is scheduled to commence on 1 December 2026.

Source: DCCEEW 2026ag

Conservation Planning Documents (see Box 9.3), including bioregional plans, are a key element of the reforms and are intended to simplify offsetting for proponents. As recognised in the Offsets Standard, these documents can be used to demonstrate compliance with offset requirements and support more flexible offset arrangements. For example, they may permit departures from strict like-for-like requirements, including the use of indirect offsets, where this is supported by evidence and provided for in the relevant conservation planning document.

Bioregional plans are the most comprehensive form of Conservation Planning Document and are intended to support a more coordinated approach to offsetting. While further detail is needed on how the framework will operate in practice, the reforms appear to envisage development precincts or zones where offset requirements are identified in advance of development. This could enable proponents to satisfy offset obligations through a prescribed contribution or other pre-established mechanism, reducing approval complexity and administrative costs. Bioregional plans are discussed in more detail in Chapter 10.

At the time of writing, much of the guidance material, including conservation planning documents, estimation tools, such as the offset and contribution charges calculator, and regulations needed to support the reforms are either rudimentary or are yet to be developed.

Box 9.3 Conservation Planning Documents

Under the Offsets Standard, a Conservation Planning Document is defined as meaning any of a recovery plan, a threat abatement plan, a protection statement, an approved conservation advice, a designated environmental instrument, a bioregional guidance plan, a bioregional plan, a ruling, or a relevant State or Territory conservation document (however described).

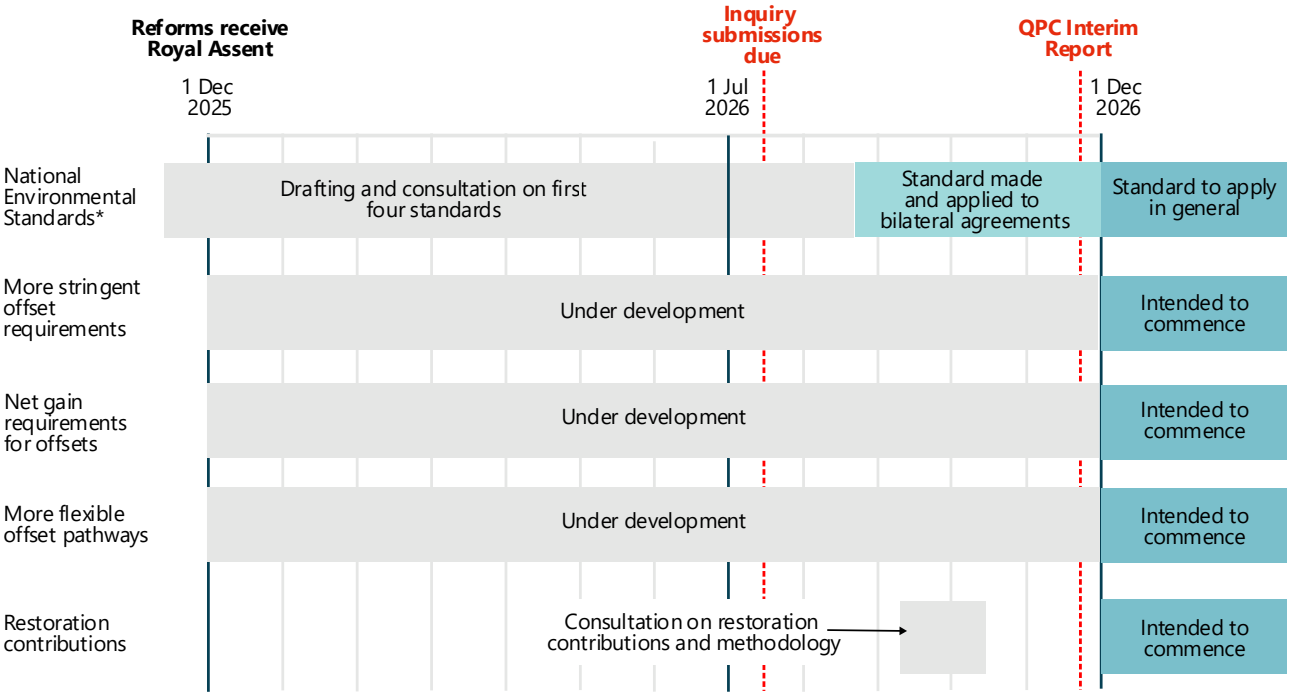
[69] Under the EPBC Act, the Minister can issue protection statements that explain what needs to be protected so a species can survive or recover. Five threatened species have been selected for pilot protection statements.

9.3 Impact of the reforms

The 2025 EPBC Act reforms to offsetting are likely to impact projects (either positively or negatively) where they result in changes to direct offsetting costs, or the time it takes to get approval and establish an offset.

The reforms provide options that could, in theory, reduce direct offsetting costs. However, although the Offsets Standard was finalised on 19 August 2026 (Figure 9.5), much of the supporting regulation, policy documents and guidance documentation is yet to be publicly released.

Figure 9.5 Implementation timeline of offsetting reforms



Note: *Future standards are still to be developed, including a National Environmental Standard for First Nations engagement.

Source: QPC based on EPBC Act; EPBC Amendment (2026 Measures No. 1) Regulations 2026; EP Reform Act; DCCEEW 2026aa, 2026y, 2026v, 2026w, 2026x, 2026z, 2026ah, 2026l.

Further, it is not clear to what extent the reforms will provide a significant departure from the status quo.[70] Several stakeholders told the Commission that they expected the 2025 reforms will largely reflect current regulator practice, noting that offset conditions had become more stringent in the years leading up to the reforms.

At the time of drafting, the only quantitative indicator of impacts comes from the Australian Government's consultation paper on contribution charges (DCCEEW 2026h). The case studies provided in this consultation paper imply compensation charges are likely to be higher than the pre-reform cost of offsetting.

As shown in Table 9.3, the case studies provided by DCCEEW imply that contributions charges for impacts on koalas for residential projects could equate to almost $510,000 per ha for impact sites, and almost $100,000 per ha for offset sites.[71]

While it is not possible to make direct comparisons because every impact is unique, these costs appear to be materially higher than the pre-reform offset costs estimated in Section 9.1.

[70] For example, while the new National Environmental Protection Agency has an offsets policy, this appears to be the same policy that was in place prior to the 2025 EPBC Act reforms.

[71] The impact site is where the development occurs, and for example, may reflect the area being cleared.

For example, based on industry data[72] on house to hectare ratios and DCCEEW's draft contribution fees, the Commission estimates that a site requiring a full offset would incur contribution charges equivalent to $39,800 per dwelling. In comparison, the highest pre-reform cost of offsetting in the case studies considered, was around $24,000 per dwelling and provided offsets for several matters of significance.[73]

Table 9.3 Example contribution charges

	Case study 1: residential development, with offsets for koala species	Case study 2: mining development with offsets for cockatoo species
Impact area (ha)	6	29
Implied offset area (ha)	31	266
Contribution charge ($)	$ 3,055,643	$ 19,536,479
Cost per ha, impact site ($)	$ 509,274	$ 673,672
Cost per ha, offset site ($)	$ 98,569	$ 73,445

Source: DCCEEW discussion paper on calculating contribution charges.

Similar results were observed when the case study contribution charges were applied to non-residential projects. For most projects, the estimated contribution charges were at least double the pre-reform offsetting cost.

These estimates illustrate that contribution charges, if in line with DCCEEW's consultation paper, are likely to be significantly higher than the pre-reform cost of offsetting. While there are inherent challenges in comparing site-specific requirements, it is likely the estimated contribution charges are a lower bound.[74]

Nevertheless, this represents an early indication of only one aspect of the reforms. As discussed in the next section, impacts will depend on how the reforms are implemented, and whether and how quickly the supporting elements of the reforms that are needed to enable more efficient offsetting are enacted. Impacts are also interdependent with other aspects of the reforms, such as landscape-scale planning, and will be influenced by regulator and proponent behaviour.

9.4 Evaluating the reforms

While impacts are yet to arise, this section evaluates those elements of the reforms most likely to affect the cost and effectiveness of offsetting arrangements under the EPBC Act[75] and draws on the evidence on effectiveness and 'what works' in Section 9.1.

As the reforms are still being implemented it is challenging to provide a definitive evaluation of the reforms. Nevertheless, key issues are identified below, including key stakeholder concerns around reform implementation.

[72] See UDIA Qld, sub. 40 and UDIA 2024, p. 12.

[73] These offset costs also include offsets for koalas as well as other matters.

[74] These are likely to be lower bound because the DCCEEW case studies only offset one or two mattes of significance, while typical offset requirements often involve ten or more matters (see Appendices C.5 and C.6 for detail).

[75] As noted earlier this chapter has not made any assessment of the scope of matters covered by the offset framework. That is, assessing which matters should be protected under the EPBC Act, and those impacts which are unacceptable (i.e. not offsetable) is beyond the scope of this chapter. Chapter 5 provides an assessment of the standards.

Implementation issues

Stakeholders have noted the general lack of information provided so far on how the revised offset framework will operate has limited their ability to determine the full impact of the reforms. As a result, they have expressed concerns about how the reforms will operate in practice once they come into operation:

> *While the legislative architecture has now been established, many of the detailed implementation tools—including the final National Environmental Standards, Protection Statements, guidance material and administrative practices—are still being developed. Importantly, many of these new statutory concepts have not yet been interpreted by the courts or tested through practical regulatory decision-making. (CCAA, sub. 17, p. 8)*

> *The Standard requires urgent fisheries-specific co-development before it is finalised. (Qld Seafood Industry, pers. comm.)*

> *The emerging Commonwealth framework appears likely to require more formalised standards, stronger documentation, additional disclosure and enhanced oversight and enforcement. The establishment of the National Environmental Protection Agency, together with strengthened compliance powers and new standards architecture, reflects a more structured and interventionist model. Those features may be appropriate in principle, but they carry a real risk of increasing complexity unless paired with clear guidance, practical transitional arrangements and genuine interoperability with State systems. (Property Council of Australia, sub. 49, p. 6)*

> *The reforms introduce legally binding National Environmental Standards, new concepts such as unacceptable impacts and net gain, stronger compliance and enforcement tools, and staged implementation through standards, guidance and supporting rules. As a result, proponents must plan projects in an environment where the framework is still evolving. (QRC, sub. 33, p. 3)*

While there is broad support for many aspects of the reform, stakeholders have raised concerns about how these will be implemented:

> *Seqwater broadly supports the Offsets Standard, noting it is not yet finalised, but notes there is a level of uncertainty on how it will operate in relation to the Queensland Offset Framework and the accreditation of a Queensland assessment processes. (Seqwater, sub. 26, p. 5)*

> *The concept of required net gain must be defined in an actionable and assessable way. If net gain is not clearly defined through regulation, an offsets calculator or another objective method, its application may fall largely to Ministerial discretion. This would weaken certainty for proponents, communities, regulators and investors. (Wildlife Queensland, sub. 9, p. 2)*

> *The proposed Environmental Offsets Standard is not yet sufficiently clear or practical for implementation in agricultural landscapes. There is a need to clearly define how key concepts will work in-practice so that landholders and proponents alike understand their obligations and have confidence to engage with the proposed framework. (National Farmers' Federation, sub. 57, p. 10)*

Application of the mitigation hierarchy

The MNES Standard codifies expectations that offsets are only allowable once reasonable efforts have been made to avoid, mitigate and repair impacts to protected matters.

While codifying expectations can help provide certainty to project proponents, excessive rigidity in the application of the hierarchy may be inefficient from an economic perspective. For example, where the mitigation hierarchy is applied too rigidly, it may prevent some developments from proceeding even when their environmental impacts can be effectively avoided, repaired or fully compensated through offsets. In these circumstances, environmental outcomes may be no better than would otherwise be achieved, while investment is lower than it otherwise would be.

However, there are key challenges in applying the mitigation hierarchy in practice:

- There can be insufficient evidence or guidance to support effective decision making. In some cases, it may be appropriate to apply precautionary principles, particularly for species or habitats that are particularly vulnerable to extinction. However, a lack of authoritative evidence can also make it difficult to achieve consistent and effective regulatory decision-making. As noted by Stockland (sub. 37, p. 3), proponents require:

  > *detailed guidance on how the mitigation hierarchy will be applied so that proponents can confidently identify sufficient avoidance in their proposals to meet the NES requirements.*

- Information asymmetries can make it challenging for regulators to assess information provided by project proponents. This can increase the likelihood of regulatory capture (and poor environmental outcomes) or of decision-makers adopting excessively risk-averse interpretations of the mitigation hierarchy, unnecessarily limiting investment.

The MNES Standard requires proponents to consider measures to avoid, mitigate and repair impacts before offsets are approved and the regulator to approve offsets where reasonable and practical measures to avoid impacts on protected matters have been undertaken.

The MNES Standard provides some definition of what 'reasonable and practical' means and provides some examples to guide regulatory decision-making. For example, the explanatory statement for the MNES Standard states that:

> *What is a reasonably practicable measure will depend on the specific circumstances of the proposed action or class of actions. For instance, if there are two sites on which the proposal could be taken and, all other things being equal, one would result in significant impacts being avoided and the other would not, it will generally be reasonably practicable to locate the proposal on the site that will avoid significant impacts. Similarly, if an action involving 25 wind turbines would not significantly impact a protected matter, but 26 turbines would, it may well be reasonably practicable to design the action to limit to 25 wind turbines.*
>
> *The fact that taking a measure to avoid significant impacts on protected matters would cost more than not doing so will not, in itself, generally mean it is not reasonably practicable to take that measure. However, if the cost of avoiding a significant impact (that is not an unacceptable impact) is sufficiently high that it could potentially jeopardise the action being taken, avoiding the significant impact may not be considered reasonably practicable. (Parliament of Australia 2026d, p. 17)*

The inclusion of a 'reasonably practicable' test, together with explicit recognition that avoidance measures need not be pursued where the associated costs could jeopardise the proposed development, suggests that the Standard is intended to provide proponents with a degree of flexibility in meeting its requirements. That is, where measures lower in the hierarchy are likely to jeopardise project viability, proponents may be able to move to higher levels of the hierarchy. For example, where a proponent can demonstrate that it would not be viable to avoid, mitigate or repair impacts, those impacts may instead be addressed through offsets.

The effectiveness of this flexibility will ultimately depend on how regulators assess claims regarding project viability, and the evidence proponents are required to provide in support of those claims. Clear and consistent guidance will therefore be important to ensure that the mitigation hierarchy is applied in a way that balances environmental outcomes with investment and development objectives. As noted by several stakeholders, it will not always be practical for proponents to avoid or mitigate impacts:

> *The Institute notes that in urban development with sites generally smaller, opportunities to 'avoid' and 'mitigate' are limited, and so a suitable, practical, and pragmatic offsets framework is of critical importance to the property industry's purpose: the continued supply of housing for the community. (UDIA Qld, sub. 40, p. 13)*

There are several steps the regulator could take to help ensure it administers the mitigation hierarchy in a way that provides certainty and ensures that decisions are made in line with the intent outlined in the Standard. These include the provision of:

- case studies and guidance material to assist proponents in assessing their obligations prior to finalising investment decisions
- guidance material on the evidentiary standard required from proponents
- standardised methodologies to support consistent demonstration of compliance with the mitigation hierarchy
- independent scientific advice or expert assessment processes to assist regulators in evaluating complex ecological claims
- guidance material to help ensure consistency in regulatory decision-making.

Security requirements

The Offsets Standard requires the party proposing an offset activity to demonstrate that the offset site is securely protected. This requirement is consistent with offsetting best practice and reflects the need to secure environmental gains against those lost on development sites.

The Offsets Standard states that, in general, the protection mechanism for an offset site should be legal in nature, but it does not prescribe a specific mechanism. Rather, it relies on proponents to provide evidence that the protection mechanism will deliver permanence.

The Offsets Standard provides for exceptions to this general rule where:

- legal mechanisms are not available or feasible
- there is a low risk that this would prevent or compromise the offset from being delivered over the required timeframe
- the alternative protection mechanism identifies protection, conservation, restoration or recovery of the affected protected matter as a management objective.

These alternative mechanisms include voluntary property registration through formal government programs, stewardship agreements and long-term management contracts.

The Offsets Standard also establishes requirements for offset durability (that is, how long an offset must be managed). These requirements reflect both the likely impact on the protected matter and the time required to achieve durability (that is, the point at which the offset no longer requires active management to sustain protection of the protected matter).

While these requirements are necessary for effective offset delivery, the Offsets Standard allows proponents to utilise conservation management plans, including bioregional plans, to demonstrate compliance. As such, the ability to rely on conservation management plans, including existing bioregional plans, may reduce compliance costs where proponents can use existing information and management frameworks to demonstrate compliance.

Additionality, measurable improvement and net gain requirements

The Offsets Standard requires that any benefits delivered by offsets need to provide a measurable improvement to a protected matter when considered against a baseline assessment of both the impact and offset sites. Further, the Offsets Standard requires that offsets deliver benefits that exceed the impacts of the development and achieve a specified net gain.

While the Offsets Standard provides clear provisions around the need to achieve additionality, it does not prescribe how baselines should be established, rather, sets out the evidence required to support decision-making.

Although the outcome-focused approach is generally consistent with good regulatory practice, establishing robust baselines is likely to be costly and technically challenging for proponents. In many cases, this would require extensive ecological surveys and modelling. Moreover, given the complexity of ecological systems and the factors influencing environmental outcomes, regulators may face difficulties in independently assessing baseline estimates submitted by proponents.

As noted by stakeholders:

> *While it appears straightforward in principle, establishing an agreed baseline will be complex and more challenging in practice than anticipated. (Queensland Water Directorate, sub. 30, p. 4)*

> *A key issue is that the baseline is described as not only as the condition of the environment at the time of approval, but also by reference to the expected future condition of the environment without intervention. This requires assumptions about how environmental values may change over time and introduces a significant level of modelling, forecasting and expert judgement into the assessment process. (Housing Industry Association Ltd, sub. 50, p. 9)*

Similarly, for the net gain requirement, the EPBC Act and Offsets Standard provides little guidance on the extent to which a net gain needs to be achieved.[76]

Combined with the challenges of establishing and assessing baselines, this creates a risk of uncertainty and subjectivity in decision-making. This may increase the likelihood of delays, inconsistent decisions, strategic behaviour and poorer outcomes for both environmental protection and investment. These concerns are reflected in stakeholder submissions:

> *Moving to a net gain framework will increase complexity, with Queensland already having been grappling with these challenges. While the target remains practical, scalable marine offset delivery models, QPA consider it is likely that this will be an extended process with limited potential to be realised by Dec 25 EPBC accreditation targets. (Queensland Ports Association, sub. 14, p. 4)*

> *There is insufficient detail on how feasibility or net gain is to be calculated or sufficient certainty of what a proponent must deliver to satisfy this. Seqwater considers that greater clarity would be beneficial and especially on how this would work on the ground. (Seqwater, sub. 26, p. 5)*

> *[T]he shift in the legislative test from "no net loss" to "net gain" will set a higher assessment bar with little clarity at this stage about how this outcome will be measured. (Stockland, sub. 37, p. 2)*

There are several options for improving regulator decision-making, providing greater certainty for proponents and for reducing the costs associated with constructing baseline assessments.

First, the regulator could develop default settings for establishing baseline assessments. This would increase certainty for proponents and promote consistency in regulatory decision-making. Such guidance could also identify circumstances in which default assumptions may be varied, including where the regulator or a proponent can demonstrate that they are not appropriate.

Conservation planning documents, including bioregional plans, may provide an efficient mechanism for establishing evidence-based baselines. By assessing outcomes for protected matters across broader geographic areas, these tools can pool information-gathering efforts and reduce the need for proponents to develop baseline assessments on a project-by-project basis.

Second, to improve certainty and consistency, the concept of net gain will need to be more clearly defined than is currently provided in legislation, regulation or policy. An important consideration when defining net gain is the relationship between offsets and broader biodiversity policy objectives.

[76] The Offsets Standards states only that compliance will be determined where; if the regulations prescribe the net gain for the matter, that is at least equal to the prescribed gain, or otherwise, that the Minister is satisfied is appropriate.

While offsets can play an important role in reducing or compensating biodiversity impacts associated with development, they are not a substitute for broader environmental policy. By their nature, they are only intended to offset the impacts attributable to a project.

Offsets are poor policy tools for achieving broader environmental objectives because they result in costs being disproportionately borne by selected stakeholders, with implications for investment, housing affordability and economic efficiency. As noted by the Housing Industry Association (sub. 50, p. 10):

> *A more fundamental concern for HIA is that the concept of an environmental net gain means new homebuyers are required to pay not only for the impacts of their home, but also for improvements to the broader environment. HIA notes that it is unreasonable to force purchasers of new homes to fund the government's wider aspirations for environmental restoration and enhancement during a housing affordability crisis.*

Like-for-like requirements

The concept of equivalency is inherent in the like-for-like requirements of most offset schemes, with good practice offsets aiming to achieve ecological equivalence to what has been lost (OECD 2025c). While there is debate in the literature on how like-for-like requirements should be applied, the key principle is that the protected matter impacted by a development should also benefit from the offset action (Maron 2026). In market-based schemes, this requires the advanced offsets (including any credit metrics) to be correlated with the desired environmental outcome (zu Ermgassen et al. 2026).

As noted earlier, there is a trade-off between the specificity of offset requirements and the cost of offsetting. Stricter like-for-like requirements generally increase offset costs and, while this can be costly for proponents, it can also limit the achievement of environmental objectives where they prevent resources being directed to the most effective conservation actions (Box 9.4).

Box 9.4 Why excessively rigid requirements can limit environmental outcomes

While some level of prescription is necessary to ensure offsets address the impacts of development, excessively rigid requirements can reduce environmental outcomes by limiting the ability to direct resources towards the most effective conservation actions.

Evidence suggests that highly prescriptive offset requirements can increase the unit cost of environmental outcomes by restricting the range of eligible offset sites and conservation actions available to proponents (Calvet et al. 2015; Hanley & Simpson 2025).

For example, strict like-for-like requirements relating to species, habitat type or geographic location may require investment in high-cost offset actions even where alternative conservation measures, such as habitat connectivity, predator control or landscape-scale restoration, would provide greater environmental benefits for the same expenditure. Similarly, project-by-project offsetting may generate fewer environmental benefits per dollar spent than coordinated conservation actions undertaken at a regional scale (Hanley & Simpson 2025; Little & Grafton 2015; Sonter et al. 2014).

Where offset requirements increase the cost of achieving environmental outcomes, a given level of offset expenditure will deliver fewer environmental benefits. In these circumstances, greater prescription may improve ecological equivalence but reduce the overall environmental return from offset investment.

In practice, the resources available for offsetting are not unconstrained. Project proponents face financial limits and must balance offset costs against project viability, while regulators have finite resources to assess, monitor and enforce offset obligations. Community willingness to bear the costs of environmental protection is also not unlimited, particularly where those costs affect housing affordability, infrastructure investment or economic activity. As a result, offset frameworks that fail to maximise the environmental benefit achieved from each dollar spent may ultimately reduce the total quantity of conservation activity that can be supported, resulting in poorer environmental outcomes overall.

The Offsets Standard sets out the requirements for like-for-like in offsetting, requiring proponents to demonstrate that the proposed offsetting activity will deliver a like-for-like result for the affected protected matter.

The Offsets Standard adopts a narrow definition of like-for-like, stating that a like-for-like result is one that protects, conserves, restores or recovers the same kind of environmental feature, attribute or habitat of the affected protected matter that will or may be damaged. This means the offset activity must be directed not only at the same protected matter, but also at the same *attribute* of that matter.

Where applied strictly, this requirement is likely to increase costs for project proponents and may, where it results in the inefficient allocation of offset funding, limit opportunities to achieve improved environmental outcomes.

The Offsets Standard does, however, allow for a more outcome focused like-for-like requirement to be adopted where:

- the offset activity will deliver a greater benefit for the protected matter than if a strict like-for-like result (as defined in the Standard) was delivered
- the offset activity is consistent with priorities for protecting, conserving or restoring the protected matter as set out in a conservation planning document (such as a bioregional plan).

In effect, where conservation planning documents demonstrate that a better outcome can be achieved through an alternative approach, the strict like-for-like requirements may be relaxed. This creates opportunities to reduce offset costs and improve environmental outcomes. However, the conservation planning documents needed to support this pathway have yet to be developed.

The Offsets Standard also requires offsets to be located geographically close to the impact site where reasonably practical. This requirement may be relaxed where proximity is not practical, for example because no suitable offset sites are available near the impact site, provided the offset activity is likely to deliver an equivalent or greater benefit to the protected matter.

Similarly, where offsets involve restoration activities undertaken in accordance with a bioregional plan, there is no requirement to consider geographical proximity. This recognises that bioregional plans are landscape-scale approaches that identify strategically located sites capable of delivering benefits to protected matters. However, this reform, again depends on the implementation of mechanisms that currently do not exist.

Advanced offsetting

The 2025 EPBC Act reforms provide greater support for advanced offsetting, including through explicit recognition of advanced offsets in the Offsets Standard as well as acceptance of biodiversity credits issued through the Nature Repair Market.

The reforms allow proponents to register offsets in advance of an application for approval of an action, providing it meets the conditions of the Offsets Standard. That is, it must be directed at the protected matter and compensate for damages to achieve the required net gain.

While this is a positive development, there remains considerable uncertainty about how advanced offsetting will operate in practice, including:

- How registration of advanced offsets will work given:
  - uncertainty regarding the residual impacts that may be permitted following application of the mitigation hierarchy
  - the extent of net gain that may be required
  - what assurances, if any, the regulator could provide that a registered offset will be accepted prior to a full assessment being undertaken.
- Whether the reforms are intended to allow offsets to be developed and registered in anticipation of future demand, and how such arrangements would operate in practice.
- Whether offsets developed or registered in advance may be affected by future legislative, policy or operational changes.

Conservation planning documents (see Box 9.3) may provide a key mechanism for enabling greater advanced offsetting. For example, the Offsets Standard allows bioregional planning to identify future development areas and offset opportunities. Such planning could provide greater certainty for both proponents and offset developers. However, these planning frameworks have not yet been developed.

Similarly, biodiversity certificates issued through the Nature Repair Market have the potential to support advanced offsetting. However, to date, there are currently only four projects listed on the market's register, no certificates have been issued, and the use of Nature Repair Market certificates for offsetting purposes remains uncertain. Unlike the New South Wales Biodiversity Offset Scheme, which issues credits for separate protected matters, the Nature Repair Market only issues a single biodiversity certificate. As a result, it is not yet clear how proponents could use these certificates to demonstrate equivalence with specific protected matters affected by development. Unresolved capital gains tax issues associated with the development of biodiversity credits may further reduce incentives for market participation (Clayton Utz 2026).

Given the significant upfront costs associated with developing offsets, greater regulatory and market certainty will be required to provide offset developers with sufficient confidence to invest in advanced offset projects. Without further policy guidance and supporting market arrangements, uptake of advanced offsetting is likely to remain limited despite the opportunities created by the reforms.

> *For pastoral landholders, offsets and environmental markets may create opportunities for conservation, biodiversity restoration and natural capital investment. However, these opportunities depend on regulatory clarity. If landholders are uncertain whether future land management, carbon, biodiversity or restoration activities may create additional compliance exposure, investment in these markets may be discouraged. (Consolidated Pastoral Company, sub. 32, p. 4)*

The reforms also allow state-based schemes to be used for offsetting purposes. This could include, for example, the use of advanced offsets developed under Queensland legislation. However, such offsets would still need to meet the requirements of the Offsets Standard. As such, it is likely that some form of accreditation or recognition process may be required before developers would be confident that offsets established under state schemes would be recognised and accepted under national environmental laws.

Restoration contributions

The 2025 EPBC Act reforms allow project proponents to pay a Restoration Contributions Holder to provide an offset in lieu of finding an offset themselves. As discussed earlier, a Restoration Contributions Holder can aggregate offset payments and direct funds toward larger, more strategic environmental outcomes, potentially lowering the unit cost of offsetting. However, experience with similar compensation and restoration funds suggests that achieving these outcomes in practice can be challenging (Hawkins et al. 2025).

A key challenge has been accurately determining the cost of offset delivery. For example, Iftekhar et al. (2019a) found that further work is needed to understand the costs of offsetting biodiversity losses, particularly the significant transaction costs involved. This information gap is likely to have contributed to the under-pricing observed in many regulated compensation schemes, including the Queensland offsets scheme.

While the Australian Government established the Restoration Contributions Holder in August 2026, there is limited public information regarding its operation or how known operational challenges will be addressed.[77] Furthermore, the regulation prescribing restoration contribution fees and the coverage of the scheme is still being developed.

Stakeholders were generally supportive of the concept of restoration contributions, despite the limited public information available on how the mechanism will operate and the fees that will apply.

> *… the industry sees real value in the ability to discharge offset obligations through financial means. It reduces the time and expense involved in locating and negotiating the purchase of suitable sites and would also negate ongoing maintenance burdens. However, the industry will assess the viability of this option once the cost is known. (UDIA Qld, sub. 40, p. 18)*

Similarly, stakeholders noted that restoration contributions could enable more strategic environmental investment:

> *This is an opportunity to ensure restoration and compensation contributions are directed toward strategic, catchment-scale priorities that deliver measurable net gain for the affected protected matter, rather than being scattered across isolated offset sites. (NRM Regions Queensland, sub. 42, p. 13)*

However, several stakeholders also expressed concerns about the implementation of the scheme:

> *HIA is also concerned by commentary suggesting restoration contributions may be deliberately priced at a level intended to encourage proponents to pursue direct offsets instead. If this approach is adopted, it risks undermining one of the key benefits of the reform. (HIA, sub. 50, p. 8)*

> *Once again this creates a significant risk that payments could be used to justify impacts on matters of national environmental significance without any assurance that offsets will be delivered to genuinely compensate for impacts or that environmental outcomes will be achieved. (Australian Marine Conservation Society, sub. 36, p. 6)*

[77] The exposure draft of regulations covering actions by the Restoration Contributions Holder implies that, in many instances, its actions are intended to be guided by bioregional plans. While this should help the contributions holder to coordinate offsetting activities, and deliver more cost-effective offsetting, the bioregional plans required to enable this do not exist, and it is unclear when these will be developed or how they will be funded.

> *Offset funds should not operate as a general environmental grants pool or substitute for core government conservation responsibilities. They should be directed to genuine, additional, measurable and accountable outcomes that are clearly linked to mitigating the impacts for which the funds were collected, with transparent criteria for habitat outcomes, threatened species recovery, long-term protection, monitoring and regional delivery. (Wildlife Queensland, sub. 9, p. 4)*

Further, as discussed in Section 9.3, if the case studies provided by DCCEEW are illustrative of final charges, it is likely restoration contributions will only be used in very selected cases. That is, it may only be worth paying a contribution charge if a proponent could avoid significant delay costs, and where the cost of offsetting is only a small component of project costs. With contribution charges initially only available for a small number of matters, it is unlikely that this option will be viable for most development unless the scope is expanded and fees are significantly lower than implied by the DCCEEW consultation paper on contribution charges. This is likely to limit uptake and may prevent the Restoration Contributions Holder from achieving benefits from scale and scope.

Overall, restoration contributions have the potential to improve the strategic delivery of offsets and reduce transaction costs for proponents. However, international experience suggests that outcomes will depend heavily on pricing, governance and accountability arrangements and early material from the Australian Government suggests they could come at high cost. Until the contribution methodology and operational framework is known, and bioregional plans are developed, there remains considerable uncertainty regarding whether the scheme will deliver cost-effective, genuine environmental outcomes.

Duplication and inconsistent obligations

Under the EPBC Act, offsets are intended to compensate for significant residual impacts on protected matters, including Ramsar wetlands, world heritage areas and listed threatened species and ecological communities (DCCEEW 2026ar). State schemes have similar objectives but apply to matters of state significance. For Queensland, these matters include regulated vegetation, protected areas, wetlands and protected species and habitat.

The overlap between state and national matters of significance can create challenges for proponents where offset obligations arise under both jurisdictions. While environmental assessments may be streamlined through bilateral agreements, these arrangements do not extend to offset requirements.

Stakeholders told the Commission that this can result in duplicated obligations, increased administrative burden and higher offsetting costs:

> *Without this coordination, there is a risk that proponents will continue to navigate inconsistent settings, duplicated obligations and misaligned delivery frameworks, undermining both efficiency and environmental outcomes. This is particularly evident where the same species – including the koala – is protected under both regimes in different contexts, but subject to entirely different assessment and offset regimes. (Property Council of Australia, sub. 49, p. 8)*

Similarly, stakeholders argued that differences between national and Queensland offset frameworks can increase both offset and compliance costs:

> *The Commonwealth's net gain requirement and Queensland's no net loss requirement produce different offset ratios, different land needs, and different management obligations. In the absence of equivalence guidance or accreditation pathways, proponents must secure two offset packages for the same impact. In North West Queensland, offset land costs $1,500–$3,000/ha, meaning duplicated obligations can add millions to project costs …*
>
> *Commonwealth and State systems require separate monitoring schedules, separate data formats, and separate compliance submissions. This increases annual compliance costs by 20–40%, particularly for projects with long-term offset obligations (20–40 years). (Association for Mining and Exploration Companies, sub. 29, p. 4)*

The 2025 EPBC Act reforms may create opportunities for greater alignment between state and national offset schemes. For example, the Offsets Standard allows offsets generated under state schemes to be used as offsets for Matters of National Environmental Significance, provided they meet the requirements of the Standard. Similarly, contributions paid into state offset funds may potentially be used to satisfy national offset requirements where they are consistent with the national framework.

Greater alignment between Queensland's offset scheme and the national framework could reduce duplication, lower compliance costs and support the development of advanced offsets. As discussed in the previous section, this could help improve market confidence and encourage investment in offset supply. However, achieving this outcome is likely to require some form of accreditation, recognition or equivalency assessment to demonstrate that Queensland's offset arrangements satisfy the requirements of the Offsets Standard.

Stakeholders have also raised concerns with local government offset requirements. According to the UDIA Qld (sub. 44, p. 14), local government environmental offset regimes are inadequately regulated, lacking transparency and can create an additional layer of complexity:

> *The local government local matters of environmental significance are inadequately regulated resulting in inconsistent trigger environmental matters between local governments and critically the environmental matters often overlap and duplicate state and commonwealth environmental matters.*

If such overlaps occur, proponents may be required to navigate local, state and national environmental requirements simultaneously, potentially increasing regulatory complexity and the risk of duplicated offset obligations.

INTERIM FINDING 16 ASSESSMENT OF REFORMS TO OFFSETTING ARRANGEMENTS

Effective implementation of offsets reforms will depend on standardised methodologies, clear guidance, and robust evidence, which has not yet been developed. Restoration contributions can improve the strategic delivery of offsets, but their effectiveness depends on pricing, governance, and accountability arrangements.

There is also misalignment between Australian and Queensland offset requirements that can lead to duplicate obligations, increased compliance costs and barriers to using existing state-developed offsets for national environmental matters.

Overall assessment

As discussed, while the reforms provide options that could, in theory, reduce direct offsetting costs, the mechanisms to enable this do not exist. For example:

- while the reforms allow more flexible (and possibly more cost-effective) offsetting, the conservation planning documents needed to enable this are yet to be developed
- market-generated credits could allow more cost-effective offsetting and significantly reduce search costs; however, the Nature Repair Market is yet to generate credits, and market rules are yet to be established
- while the reforms offer opportunities for advanced offsetting, further guidance on how advanced offsetting will be recognised is needed.

There is also significant duplication, inconsistency and overlap between the national and state offset frameworks that appear to make offsetting more expensive for proponents, and there are no plans to better align schemes.

In the absence of these complementary actions, it is unlikely that the 2025 reforms would achieve any reduction in direct offsetting costs.

However, there is a possibility that stricter application of offset regulation by the national regulator, such as a more rigid interpretation of the mitigation hierarchy, would result in higher offsetting costs for proponents. Further, while it is impossible to assess the magnitude until regulations are written, the move to a net gain requirement will increase offsetting requirements compared to pre-reform requirements to offset to no net loss.

Several proponents have suggested that offsets are likely to become more expensive once the reforms come into effect.

Given the high level of uncertainty around the implementation of the reforms, the Commission is unable to make a more detailed assessment of how the reforms are likely to affect the direct costs of offsetting. That is, until other elements of the reforms are implemented, the EPBC Act changes are likely to increase the direct costs of offsetting in Queensland; however, currently, it is not possible to assess the magnitude of the likely increase.

The other key reform relating to offsetting is the introduction of an option for proponents to make a compensation payment, rather than delivering an offset themselves. As discussed above, early indications of this element of the reform suggest compensation charges are likely to be significantly higher than the pre-reform cost of offsetting.

INTERIM FINDING 17 REFORMS TO OFFSETTING ARE LIKELY TO BE COSTLY WITH FEW IMMEDIATE BENEFITS

While the new offsets regime is due to commence on 1 December 2026, much of the architecture to support the new framework, has not been developed or published. As a result, there are likely to be significant transitional costs, including those arising from investor uncertainty, until these issues are resolved.

In the absence of complementary instruments such as conservation plans (including comprehensive bioregional plans), market instruments and effective regulations governing advanced offsetting, the reforms are unlikely to provide benefits to project proponents. Further, higher standards, particularly those relating to net gain, may significantly increase offsetting costs in Queensland.

While the option of using contribution charges could reduce delays for proponents, initial pricing advice from DCCEEW suggests contribution fees are likely to be significantly higher than current offsetting costs and only be available for a small number of matters. This is likely to limit uptake and prevent the contributions holder from achieving sufficient scale to enable landscape-scale approaches.

9.5 Opportunities for improvement

Transitional arrangements

Implementation of the offset reforms will inevitably involve transitional challenges; however, this is likely to be exacerbated by the fact that, many key supporting elements of the reforms are yet to be developed.

Despite this, many elements of the new framework appear to have already been partially introduced through policy settings and regulatory practice (see Appendix C.5), with stakeholders noting expectations regarding offsetting have become progressively more stringent in the years leading up to the reforms.

Nevertheless, the Australian Government could take several immediate practical measures to minimise transitional issues. These measures would provide greater certainty to stakeholders during the transition period, without introducing significant risk of unintended consequences. They include:

- Fast-tracking guidance material on the application of mitigation hierarchy, so that proponents can quickly and reliably assess their offsetting requirements in advance of approval.
- Establishing interim net gain requirements at modest levels. For example, a requirement only marginally above no net loss, until evidence-based regulations and guidance can be developed for individual protected matters. This could be developed through further analysis and stakeholder consultation and could be implemented under the existing EPBC Act and Offsets Standard through policy or regulation.
- Providing simple default baseline assumptions for proponents until detailed guidance and evidence-based reference materials are available. These assumptions should reflect observed national and state biodiversity trends and recognise that ecological condition may change over time in the absence of active management, both at impact sites and offset sites.

Targeted transitional measures, such as the above, could reduce implementation risks and improve certainty for proponents and offset providers, without disrupting momentum toward full implementation of the offset reforms.

It is likely that some interim guidance will be required to support the development of advanced offsets until more thorough guidance material is finalised, market settings have been developed, and any accreditation requirements have been completed.

Improving certainty and consistency in offset decision-making

Stakeholders have expressed significant concerns about uncertainty associated with the reformed offset framework. However, these concerns are not limited to the reforms themselves. Several stakeholders suggested that uncertainty and inconsistency in regulatory decision-making were already present under the previous arrangements, making it difficult for proponents to accurately assess offset obligations and associated project costs.

Stakeholders reported that offset requirements can vary significantly between assessments, with differing interpretations of policy requirements, inconsistent application of technical methodologies, and changing regulatory expectations over time:

> *Proponents (and their experts) are unable to ascertain offsets obligations with any level of certainty because the Department will not acknowledge suitable reference projects, including other projects with similar matters and similar impacts, to determine the final obligation. This illustrates the highly subjective nature of the offset calculation and shifting 'sentiment' involved with assessments by the Department. Changes to methodologies, calculations, or information required are not supported by guidance material or practice notes, leaving applications to engage in an iterative and expensive process of continual RFI. (UDIA Qld, sub. 40, p. 15)*

This uncertainty has contributed to broader concerns about regulatory stability and confidence in the administration of the framework:

> *That is not a regulatory compliance problem. It is a regulatory confidence problem. And it is one that no compliance framework, no NES guidance document, and no bilateral accreditation arrangement will resolve if operators do not believe that the framework, once established, will remain stable long enough to plan around. (Qld Seafood Industry, pers. comm.)*

Due to the high costs associated with offsets, the long timeframes required to establish and manage them, and their interaction with investment decisions, greater consistency in regulatory decision-making will be critical.

Proponents need sufficient certainty to estimate obligations, make investment decisions and manage future offset requirements. Consistency over time will also be essential to support advanced offsetting, which relies on confidence that offsets developed in advance will be recognised and retain their value.

As noted earlier, significant uncertainty remains regarding the application of key concepts within the reforms, particularly net gain requirements and baseline assessment methodologies. While transitional arrangements will help manage implementation risks, longer-term settings should be developed in a timely manner. These settings should be evidence-based, transparent and sufficiently stable to support investment and long-term planning.

Policy settings should ensure that offset requirements remain focused on compensating for project impacts, with broader biodiversity objectives pursued through other dedicated conservation management programs. That is, offsets should not be used for delivering broader community objectives to increase biodiversity or other environmental gains. Maintaining this distinction will help ensure that offset obligations remain proportionate, predictable and aligned with their intended purpose.

Greater certainty and consistency in offset decision-making can also be achieved through improved access to evidence and data. Requiring individual proponents to assemble detailed ecological evidence for every protected matter is unlikely to be efficient as it imposes substantial costs on proponents, duplicates effort across projects and creates challenges for regulators seeking to assess complex scientific evidence on a project-by-project basis. Without a more coordinated approach, transaction costs are likely to remain high and regulator decision-making may continue to vary between assessments without delivering commensurate environmental benefits.

There is an opportunity to improve the coordination and accessibility of evidence that can be relied upon by both proponents and regulators. The Offsets Standard identifies conservation planning documents, including bioregional plans, as a mechanism for coordinating this information. These could include evidence-based baseline assessments and other information that can support consistent offset assessments across projects.

However, there is currently limited clarity regarding responsibility for developing these plans, the priorities for their preparation, and how they will be funded.

To move forward, an assessment could be undertaken, in consultation with stakeholders, to identify and prioritise the development of conservation planning documents for protected matters that are most likely to require offsetting over the next decade. Clear responsibilities, funding arrangements, and delivery pathways would need to be established to facilitate the development of these plans.

Towards a streamlined offset framework

There is significant overlap, duplication and inconsistency between Queensland and national offset frameworks. As a result, many stakeholders support a more streamlined and integrated approach to offsetting that reduces duplication while maintaining environmental outcomes.

Stakeholders consistently argued that greater alignment between Queensland and national offset requirements will be critical if the 2025 EPBC Act reforms are to reduce, rather than increase, regulatory burden. While the two schemes operate under different legislation and address different matters, stakeholders identified opportunities to align principles, processes and assessment methodologies, reducing duplication and improving transparency.

> *Alignment between Queensland and Commonwealth offset frameworks will be critical to ensuring these reforms reduce, rather than exacerbate, regulatory burden. … Without this coordination, there is a risk that proponents will continue to navigate inconsistent settings, duplicated obligations and misaligned delivery frameworks, undermining both efficiency and environmental outcomes. This is particularly evident where the same species – including the koala – is protected under both regimes in different contexts, but subject to entirely different assessment and offset regimes. (Property Council of Australia, sub. 49, pp. 7–8)*

> *Offsets are a valuable opportunity for Commonwealth–State accreditation, particularly where aligned frameworks could support more strategic environmental outcomes, reduce duplication and provide clearer pathways for restoration, net gain and landscape-scale investment. Without this alignment, offsets risk remaining a source of uncertainty, delay and cumulative project burden rather than a mechanism for delivering coherent environmental benefit. (QREC, sub. 38, p. 14)*

> *Improvements to and alignment of Commonwealth, State, and local offset frameworks is needed. Streamlining the offsets framework across the board can provide a viable and functioning offsets framework and provide certainty for the industry to deliver much needed new housing at pace and deliver benefits for biodiversity. (UDIA Qld, sub. 40, p. 14)*

Some stakeholders called specifically for Queensland's current review of its offsets framework to be used as an opportunity to better align state arrangements with the 2025 EPBC Act reforms. For example, Stockland (sub. 37, p. 3) would like the Queensland Government to:

> *Use the review of the Queensland Offsets Policy to align, as best as possible, Queensland offsets policy with the new EPBC offsets regime to achieve common targets, calculations, and protection arrangements, while retaining a priority for achieving best practice regulatory settings.*

Stakeholders also identified offset calculators as a practical area where alignment could reduce costs and administrative burden.

> *Clearly, aligned if not identical calculators will enable projects to be developed more rapidly at less cost than if the jurisdictions use different and inconsistent calculators. This also would enable mutual recognition of the jurisdictions' offset schemes and remove the risk of projects paying twice to manage one environmental risk – an outcome experienced by CS Energy in relation to one of its projects. (CS Energy Limited, sub. 16, p. 3)*

Stakeholder evidence suggests there would be significant benefits from improving alignment between Queensland and national offset frameworks. These benefits could include reduced duplication, lower compliance costs, improved certainty for proponents, enhanced opportunities for advanced offsetting, and greater scope for strategic environmental investment. The 2025 EPBC Act reforms also provide a potential pathway for state-based offsets and contribution schemes to contribute toward national offset obligations, creating opportunities for increased integration between the two systems.

Given that improving alignment between the Queensland and national offset frameworks is the only way to reduce compliance costs, the Commission's preliminary view is that there are likely to be significant benefits to improving alignment between the Queensland and national offset schemes.

Queensland's offset contribution fund is currently under review, reflecting ongoing challenges in acquitting the substantial funds held within the scheme. In addition, several stakeholders raised concerns regarding the capacity required to implement significant reforms to the State's offset framework. These issues suggest that a staged approach to alignment may be more practical than immediate large-scale reform.

At a minimum, the Queensland Government should ensure that any reforms to the Queensland offset scheme do not impede future accreditation or recognition that would allow proponents to make a single financial contribution for matters of state and national significance.

Enabling more efficient and strategic offsetting

As noted earlier, there are two significant opportunities to enable more efficient offsetting:

- greater use of advanced offsetting
- more flexible offsetting through landscape-scale approaches.

The 2025 EPBC Act reforms, including the Offsets Standard provides a framework for advanced offsetting. However, many of the enabling components, market settings and conditions necessary to support investment in advanced offsets have not yet been implemented. As a result, without further action, the reforms are unlikely to result in a significant increase in advanced offsetting.

Stakeholders told the Commission there is strong interest in advanced offsetting from both project proponents and landholders. However, the substantial upfront costs, long lead times and regulatory uncertainty associated with offset development continue to constrain investment. In particular, proponents and offset developers have limited confidence that offsets established under current arrangements will be recognised under future regulatory settings.

> *Greater certainty around the recognition of advanced offsets would enable Seqwater to plan and invest in offset delivery ahead of future projects, potentially increasing the provision of direct offsets and reducing reliance on financial offsets. (Seqwater sub. 26, p. 4)*

The Offsets Standard provides a potential mechanism for increasing certainty through Conservation Planning Documents, particularly bioregional plans (see Box 9.3). These plans could provide greater certainty regarding future development areas, potential offset locations and priority conservation actions. However, as noted previously, these plans have not yet been developed.

NRM Regions Queensland (sub. 42, p. 20), highlighted the potential for such planning to improve the efficiency and strategic delivery of offsets:

> *These mechanisms could become a major funding source for catchment-scale restoration if contributions are directed toward strategic NRM priorities and delivery partners, rather than being scattered across isolated offset sites.*

Stakeholders also highlighted the benefits of more flexible, outcomes-based approaches to offsetting that allow resources to be directed towards the most effective conservation outcomes.

> *[T]here is a strong preference for a more flexible, outcomes-based approach that prioritises the effective deployment of offset contributions and the delivery of measurable environmental benefits. This includes enabling greater use of aggregated funds, pipeline-based delivery models, and a broader range of offset pathways beyond traditional land-based mechanisms where appropriate. (Property Council of Australia, sub. 49, p. 6)*

Stakeholders broadly supported greater use of strategic planning to improve certainty and facilitate more efficient offset delivery. For example, Stockland (sub. 37, p. 4) noted the potential benefits of allowing staged and sequenced offset delivery for large master-planned communities that may be developed over several decades. Similarly, the UDIA Qld highlighted the role that strategic planning could play in improving housing supply outcomes:

> *Housing supply will be greatly assisted by clarified biodiversity corridors that can create certainty on where urban activity and housing may occur and identify where restoration/ offset activities should occur. Current processes create conflict, result in assessment delays and ultimately increase the cost of housing delivery. (UDIA Qld, sub. 40, p. 5)*

The UDIA Qld also suggested that governments could play a more active role in facilitating advanced offsets and delivering strategic conservation outcomes:

> *The State government could otherwise strategically target key land parcels for purchase / compensation for the purposes of creating offset outcomes in locations that provide maximum benefit to the species at risk. (UDIA Qld, sub. 40, p. 16)*

The Queensland Ports Association (sub. 14, p. 5) similarly emphasised the importance of government investment in the scientific foundations required to support strategic planning and efficient offset markets:

> *[I]t is unreasonable to expect proponents to align with management plans, strategic directions or scientific frameworks that have not yet been developed. Clear government-led planning and guidance are essential to achieving consistent, efficient and scientifically robust outcomes.*

At present, however, there remains considerable uncertainty regarding the role of strategic and bioregional planning. While several pilot plans are currently underway (see Chapter 10), the Commission understands that these pilots primarily provide strategic planning guidance. If bioregional plans are to effectively support advanced offsetting, they will also need to identify priority offset opportunities, suitable future offset locations and evidence-based conservation actions capable of delivering efficient and effective environmental outcomes through offsetting.

Developing strategic or bioregional plans that consider offsetting, including evidence-based conservation actions, is likely to be an expensive exercise, and some consideration needs to be given to whether this expense is justified, relative to the benefits it is likely to provide. Chapter 10, which covers bioregional planning, considers these matters.

Offset contribution funds may also enable more efficient offset delivery by reducing transaction costs for proponents and allowing funds from multiple projects to be pooled and directed toward larger, strategically coordinated conservation activities.

As such, there may be benefit in enabling Queensland's contribution fund to contribute to the delivery of national offset obligations in the future. A recognised or accredited contribution fund could support more strategic investment, reduce duplication between state and national government requirements, and assist in developing landscape-scale conservation initiatives.

However, like many other state-based schemes, the Queensland offset contribution scheme has also experienced significant operational issues, as acknowledged by the State Government (Queensland Government 2026a). These operational issues should be addressed before accreditation is considered. In undertaking any reforms to the scheme, however, the Queensland Government should seek to maintain future opportunities for alignment with the national framework. Where practical, reforms should be designed to support consistency with the EPBC Act and the Offsets Standard, and consideration should be given to any additional changes that may be required to enable future accreditation or recognition under the national offset framework.

Market mechanisms may also encourage advanced offsetting and help reduce offset costs. However, to function effectively these mechanisms require clear and well-structured rules that provide:

- fungibility, allowing a common unit or currency to be traded
- credits that represent real, measurable and durable environmental benefits
- clearly defined trading and equivalence arrangements.

Market mechanisms have also been shown to perform well where they allow environmental outcomes to be combined with other benefits, such as carbon sequestration, flood mitigation and reductions in nutrient runoff (Hanley & Simpson 2025). However, this requires clear rules regarding the circumstances in which environmental credits can be stacked or bundled with other market instruments.

As discussed previously, the 2025 EPBC Act reforms allow offsets to be delivered through credits generated under the Nature Repair Market. However, this market is not yet sufficiently developed to support offset delivery at scale. At the time of writing, no credits are available and there are no rules for how Nature Repair Market certificates will be recognised and used for offsetting purposes.

To support the operation of the Nature Repair Market for offset delivery, clear rules will need to be established to govern the use of biodiversity certificates, including how they demonstrate equivalence, satisfy offset obligations, and allow the stacking or bundling of biodiversity outcomes with other environmental benefits, such as carbon sequestration, catchment restoration and flood mitigation.

Queensland already has an advanced offsets framework that allows landholders to register advanced offsets and a process to verify the presence and condition of matters of state environmental significance. This existing framework may provide a useful foundation for the development of advanced offset markets under the reformed EPBC Act. There may therefore be value in pursuing recognition or accreditation arrangements that would allow appropriately verified Queensland offsets to be used for Matters of National Environmental Significance.

Interim recommendation 7 Better transitional arrangements for new offset requirements

The Australian Government is progressively developing arrangements for the new offset requirements. Several options could be undertaken to improve certainty for offset providers and project proponents during the transition:

- Prioritise the release of guidance on the application of the mitigation hierarchy to improve certainty regarding residual impacts and offset obligations.
- Adopt interim net gain requirements at very low levels and develop evidence-based methodologies and protected matter-specific guidance through consultation with stakeholders.
- Establish default baseline assumptions and assessment parameters to support consistent decision-making while more detailed technical guidance is prepared.
- Consult with state governments, industry and environmental stakeholders on the sequencing and commencement of reform elements that rely on undeveloped frameworks, policy or guidance material.

Pausing new offset requirements until these minimum requirements have been addressed could be considered.

Interim recommendation 8 Opportunities to reform Queensland's offset scheme

The Queensland Government should consider options to enable the recognition of state-scheme offsets for matters of national environmental significance, with the aim of reducing duplication, improving regulatory certainty and supporting a more efficient environmental offsets framework.

In reforming the Queensland scheme, the Queensland Government should:

- ensure reforms do not impede future accreditation or recognition that would allow proponents to make a single financial contribution for matters of state and national significance
- work with the Australian Government to facilitate recognition of Queensland advanced offsets under the EPBC Act framework.

Interim recommendation 9 Offset considerations in bioregional planning

The Queensland Government should ensure that any bioregional plans it develops include appropriate consideration for whether they support more effective and efficient use of offsets. This could include the provision of evidence that allows proponents to use more flexible offsetting approaches that enable effective threat management for threatened species and ecosystems, departures from strict geographical requirements, improved landscape-scale management and indirect offsetting where this is appropriate.

Where practical, accredited bioregional plans should appropriately consider future offset needs and provide sufficient certainty to encourage advanced offsetting.

10.0
Landscape-scale planning

Key points

- Landscape-scale planning approaches aim to address two key problems associated with using regulatory tools for protection and conservation under the EPBC Act:
  - high reliance on project-by-project assessment in areas that are expected to experience multiple development pressures
  - information gaps regarding the cumulative impacts of development on a region, to ensure that the incremental impact of an individual project does not exceed a region's threshold for acceptable environmental impacts.
- Reforms to landscape-scale planning processes have the potential to more efficiently address the costs of complying with the EPBC Act where they:
  - allow for more effective and efficient protection of environmental and biodiversity values by cumulatively assessing the impacts of development and strategically identifying suitable land for offsets, rather than relying on project-by-project assessment
  - reduce investment risk by addressing information gaps and providing certainty to developers concerning their EPBC Act obligations for specific tracts of land
  - reduce regulatory burden and delay costs by undertaking coordinated assessment ahead of development
  - reduce duplication by undertaking assessments and collecting data once for multiple land users
  - improve current planning processes by incorporating EPBC Act requirements.
- However, these benefits will only be realised if landscape-scale planning tools are developed and used by stakeholders.
- There are costs associated with landscape-scale planning, including:
  - the costs of developing and reviewing landscape-scale plans
  - the potential for poor net economic outcomes where land is restricted from being utilised for its highest and best use.
- Whether new and expanded landscape-scale planning tools will provide net benefits depends on the extent to which they are implemented and whether the benefits derived by stakeholders exceed the cost of developing and maintaining the plans. These benefits and costs will vary on a case-by-case basis.
- As the Queensland Government is a key partner in the development of landscape-scale planning tools in Queensland, there are a range of opportunities it could consider that may enhance environmental protection activities and productivity. Specifically, Queensland could consider:
  - establishing a decision-making framework for the implementation of landscape-scale plans that addresses when, where and how they should be applied, ensuring they deliver net benefits and are appropriately evaluated to inform ongoing development over time
  - adopting staged progression towards implementing regulatory zonings in bioregional plans, using a risk-based approach
  - considering opportunities for landscape-scale planning tools to support the implementation of other EPBC Act reforms, such as offsetting requirements
  - reducing duplication between state and national environmental approval processes
  - minimising the conflict between national, state, and local planning frameworks.

10.1 Background

The *Environment Protection and Biodiversity Conservation 1999 Act* (Cth) (EPBC Act) includes provisions for landscape-scale planning pathways to facilitate the consideration of planning, assessment, and approvals over a designated area. The two main provisions are bioregional planning and strategic assessments.

Bioregional plans (introduced in 2005) are a landscape-scale approach to EPBC Act assessments and approvals that guide how cumulative impacts to the environment should be managed in an area of economic importance. They provide guidance on:

- areas where development impacts should be avoided
- how cumulative impacts should be managed
- opportunities for protection and restoration activities.

Bioregional plans are developed in partnership between the Australian Government and a state or territory government.

Strategic assessments (available since the EPBC Act took effect in 2000) are another method of obtaining upfront approval for a class of actions under the EPBC Act.[78] They aim to enable a big-picture approach to protecting matters of national environmental significance (MNES) and allow approval of a class of actions across a defined area, by clearly identifying:

- where development is allowed (and what areas are protected from development and activities)
- what kind of development is allowed
- the conditions that apply to the development, such as the requirement for environmental offsets or protection of certain areas.

Strategic assessments are a collaboration between the Australian Government and a strategic assessment partner. This partner could be a state or territory, but it may also be a local government, an Aboriginal Land Council, or an industry partner from sectors such as mining or urban development.

Strategic assessments can provide a more streamlined approval approach where they allow coordinated, upfront assessment of multiple projects.

There has been limited use of bioregional plans and strategic assessment provisions under the EPBC Act (Samuel 2020, p. 127). While bioregional plans have been developed for four Australian marine regions (DCCEEW 2021c), there has been limited development of bioregional plans for terrestrial areas (Samuel 2020, p. 127).

In Queensland, only two strategic assessments have been attempted and only one completed (Box 10.1). It is not uncommon for strategic assessments to be attempted but not finalised, as there is no legal obligation to continue with the process once it is underway. Various factors may affect strategic assessment uptake and finalisation, such as the upfront time, effort and cost involved in developing a strategic assessment, uncertainty whether project-by-project assessments might be faster and simpler, and (historically) the lack of flexibility in a project once it is approved (CEDA 2026b).

In other states, strategic assessments have been used for a range of projects, to:

- enable the development of larger project packages (for example, future urban development and some of the supporting infrastructure or the establishment of a mine and supporting infrastructure)
- reduce barriers to future actions and development, often across a broader geographical area rather than a single, predetermined development site (for example, streamlining assessments for future bushfire management activities or offshore oil and gas projects) (DCCEEW 2026ao).

[78] Specifically, under section 146 of the not yet commenced EPBC Act, as amended by the *Environment Protection Reform Act 2025* (Cth). These reforms will commence on proclamation or on 1 December 2026 (whichever comes first).

Box 10.1 Strategic assessments in Queensland

In Queensland, two strategic assessments have been attempted, only one of which was completed.

Great Barrier Reef strategic assessment

This was jointly developed by the Great Barrier Reef Marine Park Authority (GBRMPA) (the Australian Government) and the Queensland Government.

This strategic assessment was undertaken following a request by the World Heritage Committee for the Australian Government to complete a strategic assessment of the Great Barrier Reef World Heritage Area (DCCEEW 2024b).

The strategic assessment was carried out in two components:

- a marine component (led by GBRMPA)
- a coastal zone component (led by the Queensland Government).

The final strategic assessment programs of the Queensland Government and GBRMPA were endorsed in 2014.

Mount Peter Master Planned Area strategic assessment

In 2010, the Australian Government, Queensland Government, and Cairns Regional Council agreed to carry out the Mount Peter Master Planned Area strategic assessment. This was a master-planned area 15 kilometres south of Cairns that was expected to be the top regional growth area for Far North Queensland.

This strategic assessment was never finalised (DCCEEW 2023).

The Samuel Review found that one of the shortcomings of the EPBC Act, in the absence of landscape planning tools, is the inability to effectively assess the cumulative impacts of development, as project-based assessments and approvals may not adequately account for the impacts of concurrent or anticipated developments. While an individual project may have a minimal or acceptable impact on the environment, the combined impact of multiple projects can exceed an acceptable impact threshold and result in significant, long-term damage (Samuel 2020, p. 127).

While existing guidelines recommend that project-by-project assessments consider the cumulative impact of development, the practice of cumulative impact assessment in Australia is lacking and often viewed as a box ticking exercise rather than a meaningful planning tool (CRC for Transformations in Mining Economies 2026, p. 11). One of the biggest barriers to cumulative impact assessment is the lack of data sharing among stakeholders (CRC for Transformations in Mining Economies 2026, p. 7).

There are some attempts around Australia to bridge these barriers, however, there is no consistent requirement for sharing all environmental data collected for EPBC Act purposes.[79]

The Samuel Review recommended the development of a suite of regional planning tools to account for cumulative impacts that are consistent with National Environmental Standards (the Standards). This recommendation included the development of ecologically sustainable development plans that are made by or accredited by the Australian Government and form the basis of development decisions (Samuel 2020, pp. 134–135).

The Samuel Review also recommended the Australian Government establish a dedicated program to develop and implement regional plans in areas identified as biodiversity hotspots that are also experiencing development pressures (Samuel 2020, p. 134).

[79] One of the most substantive tools seeking to collate regional environmental information and support cumulative impact assessment is Western Australia's Shared Environmental Analytics Facility, which collates information on various development regions to understand the impact of new development pressures (Western Australian Biodiversity Science Institute 2026).

10.2 The 2025 reforms

The 2025 reforms introduced new provisions for bioregional planning processes and made changes to existing strategic assessment processes.

Bioregional planning

Under the reforms, there are now two types of bioregional plans.

- Bioregional guidance plans — these plans provide detailed information that may enable assessments to be streamlined. However, they have no regulatory function to replace project-level assessment and approval.
- Bioregional plans (hereafter regulatory bioregional plans) — these plans will have a regulatory function that can replace project-level assessments, if the conditions of the plan are met. Regulatory bioregional plans will identify:
  - development zones: areas where suitable projects can proceed by registering as an action under the bioregional plan, negating the need for project-level approval if the action complies with the conditions of the bioregional plan
  - conservation zones: areas of high ecological importance in which some developments are not allowed
  - bioregional restoration measures: these are measures required to mitigate, repair, or compensate for likely damage to nationally protected matters (for example, offsets).

Development zones under a regulatory bioregional plan must specify a 'priority class of actions' that can be undertaken in the development zone, provided the conditions of the bioregional plan are met. This priority class of actions cannot include any fossil fuel actions (Part 12A, Division 1, Subdivision B). All priority actions that are approved to be undertaken in development zones must be registered by the Australian Minister for the Environment (the Minister), at the request of the proponent (Part 12A, Division 5). In most cases, proponents of registered actions will also need to pay a cost recovery fee for bioregional plan development (DCCEEW 2026f).

Bioregional plans will need to comply with other elements of the 2025 EPBC Act reforms, including the Standards, net gain requirement and unacceptable impact criteria. Bioregional plans made under the pre-reform EPBC Act (which are guidance plans under the reforms) will continue but they can be updated to reflect these new requirements (DCCEEW 2026f).

Three bioregional guidance planning pilot projects commenced in Queensland prior to the 2025 reforms, following the Samuel Review (Queensland Government 2026b). These include the:

- Southeastern Queensland and Brigalow Belt South bioregional guidance plan
  - based in Southeast Queensland
  - focusing on urban development and potential future growth areas
- Brigalow Belt North bioregional guidance plan
  - based in the Collinsville area in North Queensland
  - focusing on wind farm development
- Gulf Plains bioregional guidance plan
  - based in the Julia Creek and Richmond area in Northwest Queensland
  - focusing on critical minerals mining.

The latter two bioregional guidance plan drafts were released for feedback in mid-2026, and are intended to be delivered for Queensland and Australian Government approval in 2027 (Queensland Government 2026b). The Queensland Government has stated the findings of the *Southeastern Queensland and Brigalow Belt South bioregional guidance plan* will be considered as one of several inputs into the SEQ Regional Plan review rather than a standalone plan at this time (Queensland Government 2026b).

Strategic assessments

The 2025 EPBC Act reforms introduce several changes that aim to make strategic assessments more flexible and efficient. The key changes include:

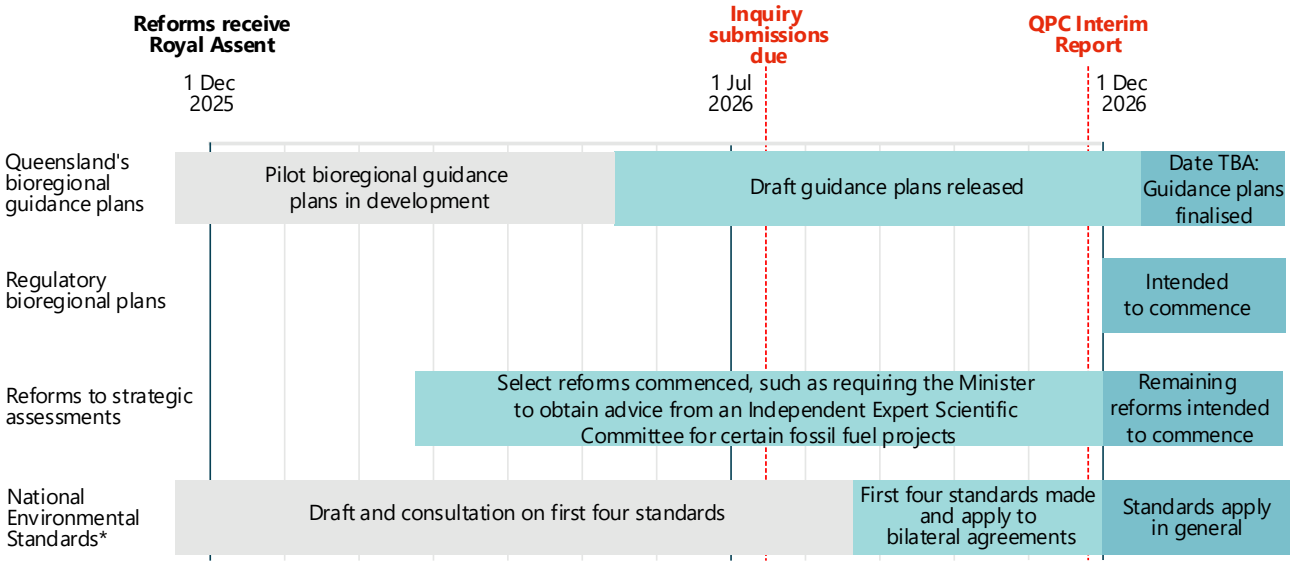
- the introduction of a new process to allow for 'minor' variations to a policy, plan, or program
  - the Minister must be satisfied that the proposed variation is minor before it can proceed
  - there is no requirement to conduct public consultation for a minor variation
- the removal of the requirement to prepare terms of reference for a strategic assessment report and undertake public consultation on those terms of reference (although this can still occur on a voluntary basis) (DCCEEW 2025c, p. 9)
- the introduction of a new mechanism to register persons responsible for taking actions in accordance with a policy, plan or program
- the introduction of the ability to transfer responsibility for the adoption or implementation of the policy, plan or program from one person to another
- a requirement for the Minister to obtain advice from the Independent Expert Scientific Committee on Unconventional Gas Development and Large Coal Mining Development for most unconventional gas development or coal mining developments
- the introduction of an option for allowing the surrender of a strategic assessment approval.

Strategic assessments will also be required to be compliant with other elements of the 2025 EPBC Act reforms, including the Standards, net gain requirement and unacceptable impact criteria.

10.3 Impact of the reforms

The reforms to landscape-scale planning will primarily commence on 1 December 2026 or upon proclamation, whichever occurs earlier (Figure 10.1). The impacts of these reforms will depend entirely on their uptake, including both the development of landscape-planning tools and their use by stakeholders. As participation is not mandatory, there will be no impact where these tools are not developed or adopted.

Figure 10.1 Implementation timeline of landscape-scale planning reforms



Note: *Future standards are still to be developed, including a National Environmental Standard for First Nations engagement.

Source: QPC based on the EPBC Act; Environment Protection Reform Act 2025 (Cth); Minister for the Environment and Water 2026; Queensland Government 2026b

The reforms may increase the uptake of landscape-scale planning by:

- expanding the number of landscape-scale planning tools available
- enhancing the attractiveness of existing tools
- providing funding support, as part of the broader reform package, for pilot projects to test landscape-scale planning approaches.

Responsibility for developing and testing these tools lies primarily with state governments and industry, with support provided by the Department of Climate Change, Energy, the Environment and Water (DCCEEW).

Where landscape-scale planning tools are adopted, the reforms may give rise to a range of positive and negative outcomes, which are explored below.

Economic and environmental benefits

The reforms to landscape-scale planning received generally positive feedback from stakeholders. Several potential benefits were identified, particularly in relation to bioregional planning, which received the most feedback from stakeholders. These benefits include:

- improved identification and management of cumulative impacts of development (CCAA, sub. 17, p. 13; Australian Climate and Biodiversity Foundation, sub. 23, p. 8)
- improved understanding of regional environmental values (CCAA, sub. 17, p. 13)
- an enhanced ability to achieve a net gain environmental outcome (Australian Climate and Biodiversity Foundation, sub. 23, p. 8)
- more streamlined, and therefore faster, EPBC Act approvals (CCAA, sub. 17, p. 13; Australian Climate and Biodiversity Foundation, sub. 23, p. 8), which also results in reduced holding and opportunity costs
- reduced duplication of processes, such as data collection and reporting, required to support environmental assessments (CCAA, sub. 17, p. 13; Australian Industry Group, sub. 24, p. 1; QREC, sub. 38, p. 12)
- greater investment certainty (CCAA, sub. 17, p. 13; Australian Climate and Biodiversity Foundation, sub. 23, p. 8; Australian Industry Group, sub. 24, p. 1)
- improved development planning (CCAA, sub. 17, p. 13), including the ability to identify 'no go' zones up front (Australian Climate and Biodiversity Foundation, sub. 23, p. 8), which avoids sunk costs on projects unlikely to receive EPBC Act approval.

Some of the impacts that may arise from these benefits are outlined below, including enhanced environmental outcomes and improved productivity for users of these planning tools.

Landscape-scale approaches may improve environmental outcomes

Landscape-scale planning may deliver improved environmental outcomes relative to a counterfactual where all project impacts are assessed individually. Much of this benefit is expected to come from cumulative impact assessment (see Section 10.1), as these plans can consider the incremental impact of current, concurrent and future developments. This can reduce the risk that the cumulative impact of projects exceeds acceptable environmental thresholds.

Landscape-scale approaches may also generate environmental improvements through improved coordination of restoration and offsetting activities.

As noted in Chapter 9, bioregional plans are considered the most comprehensive form of conservation planning document, and are intended to support environmental recovery, threat abatement, and environmental protection.

Bioregional plans may also improve the coordination of offset delivery and facilitate the development of advanced offsets. Collectively, these factors are likely to reduce the environmental degradation associated with development. Further detail on offsets is provided in Chapter 9.

Strategic assessments have the potential to deliver many of the same environmental benefits as bioregional plans, including the benefits associated with cumulative impact assessment and coordinated offset delivery. However, the impact of the 2025 reforms to strategic assessment processes, which largely relate to improvements in process efficiency, on environmental outcomes is less clear.

Some stakeholders raised concerns that the new Ministerial powers to allow minor variations and the removal of the requirement to consult on a draft terms of reference could create environmental risks (Conservation Council ACT Region 2025, p. 7; Environmental Justice Australia 2025, p. 4; Wilderness Society 2025, p. 2; Wildlife Queensland 2025, p. 6). However, the likelihood of these environmental risks being realised appears low. As noted by DCCEEW:

> *For a variation to be minor, there must be no greater impacts to protected matters, and no reduction in compensation measures. … These controls will ensure that environmental protections are not eroded post approval.*
>
> *Any more-than-minor changes, including any increase in impacts or any reduction in compensation, could not be approved through a minor variation. Such changes could only go ahead subject to full environmental assessment under a new strategic assessment agreement, including public consultation. (DCCEEW 2025c, p. 10)*

Bioregional planning has potential to improve productivity and reduce burden

If implemented effectively, bioregional planning, both guidance plans, and possibly to a greater extent, regulatory bioregional plans, could generate substantive regulatory and project-related savings for prospective proponents. These plans may reduce duplication in data collection, improve proponents' ability to identify suitable development sites (thereby reducing any sunk costs associated with poor site selection), and help to streamline project assessment and approval processes.

While the benefits of bioregional plans are yet to be demonstrated in practice, given no plans have been finalised and accredited under the EPBC Act, there is anecdotal evidence of potential savings, though the magnitude is likely to vary based on the project. For example:

- the Queensland Renewable Energy Council (2025) estimated that 'a 12-month delay in financial close on a $400 million project can add more than $20 million in holding and opportunity costs'
- the Productivity Commission (2009, p. XXV) has previously estimated that expediting the regulatory approval process for a major oil and gas project could increase the net present value of returns by 10 to 20 per cent
- Access Economics (2011, p. 24) previously estimated that a pipeline of seven strategic assessments[80] could deliver a total benefit of $5.9 billion to proponents by reducing uncertainty, risk, and delays.

These estimates provide an indication of the costs associated with delays and the potential savings from more streamlined approvals. Landscape-scale planning tools may help to realise some of these benefits by improving the efficiency of parts of the EPBC Act process, such as data collection, and, in the case of regulatory bioregional plans, by streamlining assessment and approval requirements.

Landscape-scale planning may also deliver savings through improved site selection, increasing the likelihood that a project will attain EPBC Act approval. This may help avoid sunk costs associated with developments that are unlikely to receive approval due to their environmental impact.

[80] This is based on the strategic assessments that were completed or announced when the study was undertaken in 2011. Some of these strategic assessments were not completed.

Where landscape-scale plans provide sufficient certainty on where development can occur, they may play a role in facilitating development. Evidence from other jurisdictions provides some support for these potential benefits. For example, the WA Government has had a history of providing informal strategic advice to support environmental impact assessment. Martin & Morrison-Saunders (2015, p. 270) evaluated the value of this advice and found 83 per cent of survey respondents agreed it was valuable. The most cited benefits were:

- certainty and clarity on what is acceptable (66 per cent)
- upfront, early advice (45 per cent) that states the WA Environmental Protection Agency's position on issues it considers important (41 per cent)
- published information available to everyone (45 per cent).

Martin & Morrison-Saunders (2015, pp. 272–273) also found that informal strategic advice for environmental impact assessment works best when it feeds into future proposals, a model that shares similarities to bioregional planning. The authors concluded that this approach could contribute to better quality project proposals, although the study did not quantify these benefits.

Strategic assessments are more flexible and efficient

The reforms to strategic assessments are intended to 'improve the flexibility and efficiency of the strategic assessment agreement, endorsement, approval, and post approvals process, as well as to improve the consistency with other pathways' (DCCEEW 2025b, p. 15).

The key mechanisms that support these objectives include the ability to make minor variations to strategic assessments and the ability to transfer responsibility for the adoption or implementation of the policy, plan or program from one person to another. The removal of the draft terms of reference process may also enhance the efficiency of strategic assessments, although it is unlikely to affect their flexibility.

By reducing administrative requirements and increasing adaptability, the reforms may make strategic assessments a more attractive pathway for obtaining EPBC Act approval. This could lead to increased uptake of strategic assessments, although proponents will also have access to a broader suite of landscape-scale planning tools.

> *Making strategic assessments more fit-for-purpose is intended to encourage their use and increase uptake, facilitating increased consideration of cumulative impacts under the EPBC Act. (DCCEEW 2025c, p. 10)*

Landscape-scale planning costs

The costs associated with the reforms are expected to include the time and resources involved in developing bioregional plans and strategic assessments, as well as any risks that bioregional plans prevent land from being utilised for its highest and best use. These impacts are explored in more detail below.

Financial costs

The costs of landscape-scale planning are largely dependent on the extent to which these approaches are adopted. Development costs are contingent on states choosing to develop bioregional plans and, likewise, implications for land availability will only be realised through landscape-scale plan development.

Available information from the current pilot programs provides an indication of the costs associated with developing bioregional guidance plans.

The Queensland Government had a total budget allocation of just under $2 million over two years (2024–25 to 2025–26) for the development of the three bioregional guidance plans (Queensland Government 2024a, p. 17)[81], averaging approximately $700,000 per plan.[82] This may not be indicative of future costs for the Queensland Government if the scope of bioregional plans (such as the size of the region assessed or the granularity of the plan) or the methodology for their development changes. Exact funding estimates for the Australian Government to support bioregional guidance plan development in Queensland are not publicly available.[83]

Other stakeholders, such as members of industry and the community, will also invest time and resources when engaging with and providing feedback on draft bioregional plans. These costs are yet to be quantified and may be material.

Estimates of the costs associated with developing regulatory guidance plans are not currently available and no regulatory bioregional plans are currently in development. However, these plans are expected to require substantially more complex methodologies, greater stakeholder consultation, and longer development timeframes, potentially resulting in substantially higher costs compared to those associated with guidance plans.

The reforms also require regulatory bioregional plans to be reviewed every five years[84], creating an ongoing administrative and financial commitment. As no reviews have yet occurred, and review methodologies have not been developed, the magnitude of these ongoing costs is uncertain.

Efficient land use

As a regulatory tool, bioregional plans can provide greater certainty regarding where development can occur while also restricting development in designated conservation areas. Stakeholders raised some concerns about the possible consequences of having these conservation zones designated within bioregional plans.

Some stakeholders were concerned that bioregional planning may place greater emphasis on conservation objectives than development objectives, resulting in plans that are overly restrictive of future development opportunities.

> *Regional planning tools should guide assessment, identify areas requiring further investigation and support better project design, rather than operate as de facto development prohibition maps without appropriate consideration of project-specific information and broader public interest considerations. (Cement Concrete & Aggregates Australia, pers. comm.)*

Stakeholders also noted that the designation of conservation zones may limit or delay development, including developments that were not explicitly considered during preparation of the bioregional plan. As such, regulatory bioregional plans are at risk of having a quasi-regulatory function over types of development that these plans were not originally intended to consider.

[81] No further funding was explicitly detailed for bioregional planning in the 2026–27 Queensland state budget. The service delivery statement for the Department of the Environment, Tourism, Science and Innovation notes that FTE employees in the relevant part of the department are expected to decrease in 2026-27 'due to planned cessation of FTEs related to the limited life Bioregional Planning program' (Queensland Government 2026g, p. 13).

[82] The potential cost should be interpreted with caution, as it is based on a small sample of only three bioregional plans. This cost also encompassed the time and resources involved in developing methodologies as part of the pilot process, which may require refinement, but not total redevelopment, in the future. It is unclear if work conducted in 2026–27 to finalise these plans requires an additional cost outlay.

[83] The 2026–27 Federal Budget allocated $26.4 million over four years (or $6.6 million on average per year) starting from 2026–27 'for DCCEEW and [the National EPA] to work with states and territories to develop new bioregional plans and strategic assessments' (Australian Government 2026, p. 58). While some of this funding might be available to support Queensland develop bioregional guidance plans, it does not provide an indication of cost.

[84] This requirement applies only to regulatory bioregional plans, which are to be reviewed within five years of the day the bioregional plan commences and every five years subsequent to that. Bioregional guidance plans have a legislative mechanism that allows them to include 'measures for monitoring and reviewing the bioregional guidance plan', meaning review approaches can vary between plans and are not strictly required to be included in the guidance plan.

> *Seqwater supports the intent of achieving environmental conservation in these areas but notes that if its planned infrastructure is in a conservation area, it may prohibit or cause delays in an assessment process and ultimately affect the delivery of critical water infrastructure. (Seqwater, sub. 26, p. 7)*

The designation of conservation and development zones may also affect the efficiency with which land is allocated between competing uses. By explicitly delineating between conservation and development zones, bioregional planning may constrain future land use decisions, and in some cases, prevent land from being used in the way the community would prefer. Zoning decisions may also generate distributional impacts among landholders, with some benefiting from higher land values, while others do not. These effects are similar to the possible land value impacts outlined in Chapter 4, as they impact the productive potential of land. Again, these impacts are largely dependent on uptake of landscape-scale planning approaches.

Fossil fuel exemption

The reforms to bioregional plans, to access streamlined pathways, explicitly exclude fossil fuel actions.

Environmental stakeholders have argued that all fossil fuel actions should be subject to robust environmental assessments, with no efforts to hasten assessments for these projects (Environmental Defenders Office, sub. 59, pp. 10–11). In contrast, fossil fuel stakeholders have argued this exclusion is inefficient, as they are required to proceed through a lengthier approvals process only to meet the same environmental standards:

> *[The reforms] create a two-speed approvals system in which one class of project faces longer timeframes and greater uncertainty irrespective of its individual environmental risk. AEP considers that distinction material to the Commission's terms of reference on regulatory burden and implementation risk. (Australian Energy Producers, sub. 28, p. 2)*

Whether this element of the reforms is efficient after accounting for environmental impacts is dependent on whether projects approved through bioregional plans are subject to the same degree of environmental rigour and the same environmental standards as a project-level EPBC Act assessment.

10.4 Evaluating the reforms

While the landscape-scale planning reforms are yet to be implemented and plans are still in development, they have the potential to improve economic efficiency by providing additional landscape-scale planning opportunities.

As noted in Section 10.3, the reforms may generate a range of economic and environmental benefits through bioregional planning and strategic assessment processes. However, whether these tools deliver more effective and efficient EPBC Act outcomes will depend on how they are implemented and the extent to which they overcome the barriers that have historically limited uptake and completion of landscape-scale planning initiatives.

In particular, the realisation of benefits is contingent on the ability of the plans to provide sufficient granularity and certainty for project proponents.

> *Provisions in the reforms around regional-scale planning to proactively identify and address MNES at larger spatial scales is potentially beneficial but it remains to be seen what this planning process looks like, how it would be initiated and what role industry would play in preparation of such plans. (Queensland Ports Association, sub. 14, p. 4)*

Interdependencies with other reforms are also a key factor in determining whether landscape-scale planning successfully delivers efficiency improvements. Bioregional plans and strategic assessments are also expected to deliver environmental benefits through cumulative impact assessment such as by improving coordination of offsets and development and more effective application of the Standards.

These benefits may be undermined by restrictions on fossil fuel activities.

Given bioregional plans are subject to the same Standards, net gain requirement, and unacceptable impact criteria that apply to project-level assessments, projects allowed under a bioregional plan should achieve comparable environmental outcomes. Bioregional plans may even offer additional environmental benefits where they are able to assess the cumulative impacts of development.

The exclusion of fossil fuel actions from bioregional planning pathways does not present an efficient mechanism to address impacts to MNES. Excluding fossil fuel projects requires developers of these projects to invest more time and resources into EPBC Act assessments which is an unproductive cost if bioregional planning pathways are a more efficient and effective means to achieve the same environmental outcome.

Further discussion of restrictions on fossil fuel activities is provided in Chapter 7.

INTERIM FINDING 18 THE POTENTIAL BENEFITS OF BIOREGIONAL PLANS ARE CONTINGENT ON EFFECTIVE TARGETING AND DESIGN IN HOW THEY ARE IMPLEMENTED

Bioregional plans have the potential to deliver a range of potential cost savings for users, however, the realisation of such benefits is contingent on addressing a range of design challenges.

To date, there are limited examples nationally of landscape-scale plans being effectively implemented.

10.5 Opportunities for improvement

This section outlines opportunities for the Queensland Government to facilitate the development and uptake of landscape-scale planning approaches in Queensland, as well as opportunities to better align state regulatory frameworks to improve the productivity outcomes generated through landscape-scale planning in Queensland.

States play a major role in implementing landscape-scale planning tools, both through the development of bioregional plans, and potentially, in making a strategic assessment. Landscape-scale planning tools also have significant interactions with state regulatory frameworks, including state-level planning and environmental protection frameworks. There are opportunities to utilise landscape-scale planning to better achieve outcomes desired from the EPBC Act and related planning and environmental assessment frameworks, at lower cost.

The opportunities outlined below are designed to improve the productivity outcomes generated through the development and uptake of landscape-scale planning and to reduce the regulatory burden associated with other EPBC Act requirements.

Facilitating the uptake of landscape-scale planning

The 2025 EPBC Act reforms introduce a suite of changes to landscape-scale planning approaches that governments and other potential proponents may choose from. The reforms both increase the number of landscape-scale planning tools available and remove barriers to existing tools. The reforms may also increase the uptake of landscape-scale planning approaches. However, it is not currently clear how any change in uptake would be distributed across the various landscape-scale planning tools.

To support uptake, the national and state governments have allocated funding to facilitate bioregional planning and/or strategic planning (Queensland Government 2024a, p. 17; Australian Government 2026, p. 58). As additional bioregional plans and strategic assessments are developed, the effectiveness of landscape-scale planning will depend in part on selecting the most appropriate tool for the circumstances, whether that be a regulatory bioregional plan, a bioregional guidance plan or a strategic assessment.

To maximise the effectiveness of landscape-scale planning in Queensland, the Queensland Government should consider developing a landscape-scale planning decision-making framework. Such a framework could provide guidance on the selection and application of landscape-scale planning tools, based on the nature of the development, the region in consideration, and future development prospects.

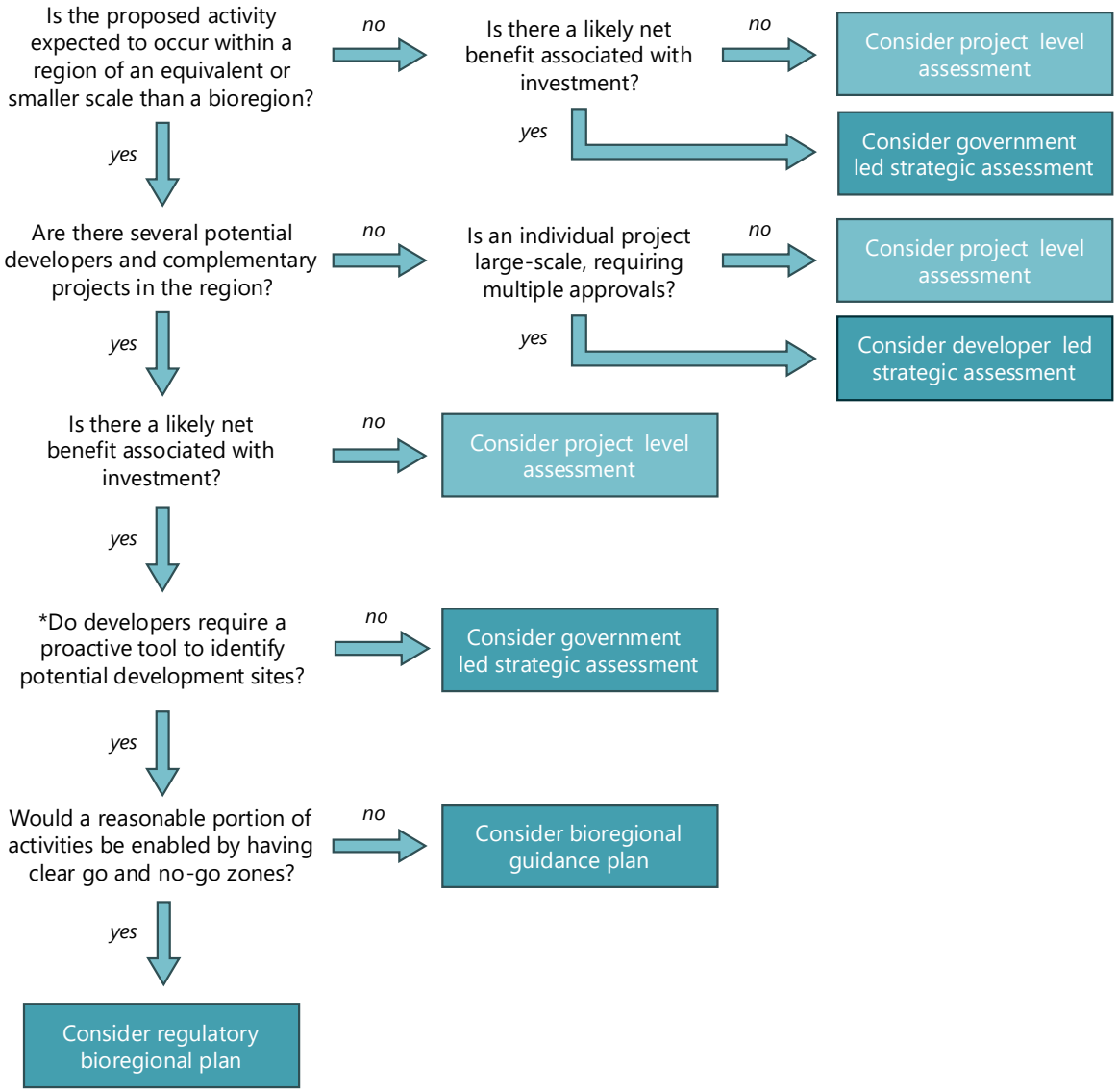
Landscape-scale planning tools should also be adopted where they are expected to generate the highest net benefit. However, assessing potential benefits before implementation can be difficult. As noted earlier, the benefits of landscape-scale planning are contingent on stakeholder uptake. Consequently, the likely use of a plan by stakeholders should be a factor considered prior to development. Recognising this, DCCEEW (2026f) have noted their intent to develop plans (alongside states) for areas with high biodiversity and with development pressure.

INTERIM RECOMMENDATION 10 APPLY A LANDSCAPE-SCALE PLANNING DECISION-MAKING FRAMEWORK

The Queensland Government should identify and assess options for landscape-scale plans based on the nature of development, the region in consideration, the demand for future development, the cost of developing the plan and the possible benefits (such as the extent of adoption by stakeholders).

To support this interim recommendation and to seek feedback, a preliminary selection framework for landscape-scale approaches has been developed (Figure 10.2).

Figure 10.2 Preliminary selection framework for landscape-scale approaches



*In the absence of regulatory bioregional plans prior to the reforms, some strategic assessments have played a role in proactively identifying where development can and cannot take place.
Source: Queensland Productivity Commission

Balancing certainty and stringency in the planning process

As a regulatory tool, bioregional plans can provide greater certainty regarding where development can occur while also restricting development in areas identified for conservation. The preferred balance between certainty and stringency within bioregional plans will vary among stakeholders. Some stakeholders may prefer more certainty, such as a regulatory bioregional plan with clear development, ('go') zones. However, increased certainty is likely to be accompanied by greater restrictions on where development can occur, including through the designation of conservation ('no-go') zones.

Bioregional guidance plans provide the least certainty for proponents as they do not designate zones where development can or cannot occur. Some stakeholders — particularly from the housing sector where development often occurs on relatively smaller parcels of land — have noted that Queensland draft bioregional guidance plans released for public consultation in June 2026 do not provide enough certainty for stakeholders. They indicated the draft plans provide insufficient certainty for industry to make investment decisions, largely due to the limited granularity of data provided in the draft plans.[85]

> *The outputs from the two bioregional pilots which have been publicly released do not offer the granularity of mapping detail needed to inform planning and property decisions. (UDIA Qld, sub. 40, p. 25)*

> *[T]he information provided to date through draft bioregional plans or the Environmental Information Agency does not provide the level of certainty required to support land acquisition decisions. (Housing Industry Association, sub. 50, p. 6)*

Stakeholders also provided feedback on the boundaries of bioregional plans, which may also have implications for the granularity and therefore certainty provided by these plans (Box 10.2).

Box 10.2 Implications of bioregional plan boundaries

Queensland's current draft bioregional plans are developed for an area that is comprised of several Interim Biogeographic Regions of Australia (IBRA) subregions. This approach generally keeps the overarching bioregion of a plan area consistent and contains the plan area to a manageable size.

Some stakeholders have raised concern that the use of IBRA subregions is not the most suitable choice, since many IBRA subregions cross property boundaries, do not align with existing land use systems, and cross state borders — which would require multilateral development and approval of the plans between the Australian Government and multiple states and/or territories (AgForce 2025, p. 4; National Farmers' Federation, sub. 57, pp. 61–62).

Stakeholders suggested that the use of Natural Resource Management (NRM) regions may be more suitable for bioregional planning boundaries that do not cross state borders (National Farmers' Federation, sub. 57, pp. 61–62). NRMs are also already a pre-existing natural resource management service, with each region having its own organisation working to improve the land and environment.

NRMs are, however, very large regions — significantly larger than IBRA subregions — and often span different bioregions. For example, Queensland's southernmost NRM, Southern Queensland Landscapes, spans from brigalow country in the east to mulga lands and the edge of channel country in the west.

Other stakeholders raised concern about the stringency of having designated development and conservation zones and the implications that this may have on the land available for development (see Section 9.3).

[85] Due to the timing of the Commission's submission process, feedback was sought prior to the finalisation of these plans. As such, the feedback received may not be reflective of the final bioregional guidance plans developed by the Queensland Government.

As Queensland progresses towards the development of regulatory bioregional plans, it will be important to balance the benefits of greater certainty against the risks associated with overly restrictive zoning. Achieving an appropriate balance between certainty, flexibility and environmental protection will help minimise unintended consequences while maintaining confidence in the planning framework.

To manage these risks, Queensland could adopt a progressive, risk-based approach to designating development and conservation zones in bioregional plans. This could involve starting with smaller designated development and conservation zones for the areas with the lowest (development zones) and highest (conservation zones) biodiversity risk. As the impacts of these zonings are evaluated over time and, provided no unintended consequences are identified, the scope of zoning conservation and development zones could be expanded.

INTERIM RECOMMENDATION 11 STAGED PROGRESSION TOWARDS CONSERVATION AND DEVELOPMENT ZONES

The Queensland Government could consider adopting a progressive, risk-based approach to designating development and conservation zones in bioregional plans. This could involve starting with smaller designated development and conservation zones for the lowest (development zones) and highest (conservation zones) risk areas.

As part of the staged progression, the Queensland Government should monitor and evaluate the impacts of bioregional planning documents, including how they enable and prevent development and contribute to secondary impacts, such as a possible impact on the efficiency of land use. As the impacts of these zonings are evaluated over time and provided undue consequences from these classifications are not identified, the threshold for zoning conservation and development zones could be expanded.

Using landscape-scale planning to address other EPBC Act requirements

The reforms to landscape-scale planning may present an opportunity to better address the effectiveness of, and regulatory burden associated with, other EPBC Act requirements, including those introduced through the 2025 reforms.

Several reforms, including the changes to land clearing and offsetting requirements (discussed in Chapter 4 and Chapter 9), have the potential to benefit from an underlying landscape-scale plan that provides clear guidance, land use planning, and potentially some approved classes of actions for landholders and developers.

For example, prospective developers may benefit where offset areas are clearly identified in a bioregional plan. Bioregional planning may also facilitate the development of advanced offsets that more efficiently address the cumulative impacts of development.

The potential for landscape-scale solutions to support land clearing activities was also raised by stakeholders:

> *[T]he Queensland Government should seek to negotiate bioregional plans or strategic assessment under the EPBC Act to recognise that continuations of agricultural uses on PMAV Category X land do not require individual EPBC Act consideration or approval. (Anonymous, sub. 21, p. 17)*

The Commission is seeking further insights from stakeholders on the potential for using landscape-scale planning tools to more effectively and efficiently address EPBC Act requirements.

There is some precedence for landscape-scale planning tools to support the implementation of EPBC Act requirements. In particular, the New South Wales Government has recently announced that a strategic assessment is underway for forestry operations in the state (DCCEEW 2026an). This strategic assessment is intended to support transition for the industry, following reforms coming into effect on 1 July 2027 that remove the existing EPBC Act exemption for Regional Foresty Agreements (see Chapter 11 for further information).

While this specific approach is not required in Queensland since a Regional Foresty Agreement has never been in place in the state, it demonstrates how landscape-scale planning tools can form part of an approach to managing the impact of the 2025 EPBC Act reforms.

INFORMATION REQUEST 7 APPLICATIONS OF LANDSCAPE-SCALE PLANNING

The Commission is seeking further insights from stakeholders on the potential of using landscape-scale planning tools to more effectively and efficiently address EPBC Act requirements. Specifically, the Commission is seeking insight on:

- the EPBC Act requirements that would yield the greatest benefit from the support of a landscape-scale planning tool
- the action or class of actions that would yield the greatest benefit from the support of a landscape-scale plan
- the most suitable landscape-scale planning tool to support specific reforms and/or actions
- the existing tools, capabilities, or policies the Queensland Government could leverage to support the development and ongoing delivery of a landscape-scale plan.

Using bioregional plans to avoid duplicative assessments

Bioregional plans are state-developed planning tools that are intended to be endorsed under the EPBC Act. As a nationally recognised conservation planning instrument, they are required to consider MNES and may facilitate streamlined national environmental approvals. However, they are not required to have regard to, or bearing on, state environmental processes.

While stakeholders broadly held a positive view towards bioregional plans, they noted the absence of consideration of matters of state environmental significance (MSES), or even local matters, in these plans would likely mean that developments cannot access a streamlined state planning process. As a result, a fully streamlined planning process may not eventuate. This was raised as a potential barrier to realising the full benefit from reduced data collection processes and duplication of efforts.

> *Bioregional plans are intended to streamline approvals, but without clarity on how they will be recognised by both jurisdictions, proponents cannot rely on them for certainty. This undermines investment confidence and forces proponents to maintain contingency budgets for duplicated or revised offset requirements. (Association for Exploration and Mining Companies, sub. 29, p. 4)*

> *[U]nless there is an overlap with MNES [bioregional plans] do not deal with Matters of State or Local Environmental Significance. A landholder reading a bioregional plan therefore cannot rely on it to understand their full obligations. The plans should be explicitly linked to their State-level equivalents. (Queensland Farmers' Federation, sub. 31, p. 9)*

> *It is also important that if projects are supported by bioregional plans, that state legislation is amended to either not apply, apply with modifications, or provide a fast-track pathway for approval. (Sunwater, sub. 6, p. 4)*

There is no mechanism preventing bioregional plans from also considering MSES. Provided these plans meet EPBC Act requirements, they can be endorsed under the EPBC Act.

This provides Queensland with considerable flexibility when developing bioregional guidance plans, including discretion over the extent to which information on MSES and other state matters is incorporated.

Stakeholders have suggested that the draft bioregional guidance plans for Queensland released for public consultation in June 2026 (the *Brigalow Belt North* and *Gulf Plains* bioregional guidance plans) do not sufficiently consider state matters.

> *As these draft Plans are designed for the Australian Government's decision maker, they only consider impacts on MNES, per the EPBC Act. For that reason, a Plan is information only and not regulatory. Importantly, unless there is an overlap with the federal MNES, the Plans do not consider Matters of State Environmental Significance (MSES) or Matters of Local Environmental Significance. (Cotton Australia, sub. 8, p. 7)*

To reduce the duplication associated with meeting state environmental requirements, the Queensland Government should consider establishing a baseline of information to include on MSES, and possibly local matters, in future bioregional guidance plans. The information contained in bioregional guidance plans should be targeted towards removing duplicative processes that are required to obtain both state and national approval, such as undertaking ecological surveys on state and national matters of environmental significance.

INTERIM RECOMMENDATION 12 CAPTURING MATTERS OF STATE ENVIRONMENTAL SIGNIFICANCE (MSES) IN BIOREGIONAL GUIDANCE PLANS

The Queensland Government should establish a minimum threshold of information on MSES, and possibly local matters, to include in bioregional guidance plans, such that the plans reduce future proponents' needs to undertake cumbersome data collection and to undertake other duplicative processes.

The level of information on MSES required to support state endorsement of a regulatory bioregional plan is likely to be substantially greater than that required for a bioregional guidance plan. To facilitate streamlined approval pathways, regulatory bioregional plans would need to assess relevant MSES in sufficient detail to support future development decisions without the need for project-level assessment.

Capturing all significant state and national matters in one regulatory bioregional plan may result in a complex and lengthy planning document. However, this still may impose lower regulatory costs than maintaining separate and duplicative processes.

There is also a risk that by not including MSES in regulatory bioregional plans there could be development zones, which have an acceptable impact on MNES, but have an unacceptable impact on MSES. That is, an area identified as suitable for development under a regulatory bioregional plan may not be consistent with other state approval requirements.

The Commission recognises that regulatory bioregional plans are a new and untested tool at the national level and therefore moving towards a dual-accredited regulatory bioregional plan may take some time. Similarly, the Commission recognises that while states can endorse bioregional plans, there is no current legal mechanism for these plans to address state-level approval processes.

Recognising these limitations, the Queensland Government could explore the feasibility of developing an accreditation pathway for regulatory bioregional plans, following the successful implementation of a regulatory bioregional plan. This accreditation pathway should consider the extent to which a regulatory bioregional plan would need to sufficiently capture information on matters of state environmental significance.

INFORMATION REQUEST 8 STATE ACCREDITATION OF REGULATORY BIOREGIONAL PLANS

The Commission is seeking further information to understand the feasibility of establishing a pathway to state-level recognition of bioregional planning tools. Specifically, the Commission is seeking information on:

- existing legal mechanisms that could enable the Queensland Government to endorse bioregional plans
- the extent of information that would need to be captured on matters of state environmental significance to enable state endorsement of regulatory bioregional plans.

The Samuel Review also recognised the opportunity associated with dual accreditation of ecologically sustainable development plans (equivalent to landscape-scale plans) and identified several options for plans developed by states, local government, or Natural Resource Management organisations to be recognised through dual accreditation (Samuel 2020, pp. 134–135).

Integrating bioregional plans into other land-use planning mechanisms

Bioregional plans are just one tool among a suite of other planning mechanisms that determine how land is used. Stakeholders have highlighted the importance of integrating bioregional planning with other land use planning tools to ensure development or conservation zone designations in regulatory bioregional planning are aligned with relevant regional planning or local government zoning instruments.

Where land identified as suitable for development under a bioregional plan is not zoned to permit the relevant form of development under regional or local planning instruments, the benefits associated with bioregional planning are unlikely to be realised.

> *The benefits of bioregional planning will be lost if, at a state level, the development supported by bioregional plans are not permitted due to state level zoning, overlays and other restrictions. (Sunwater, sub. 6, p. 4)*

> *[T]he property industry develops on land which the government identifies is 'suitable' for development. While this suitability is not a carte blanche for the entire site, proponents proceed on the basis that the land is zoned for an urban use. A significant aspect of the current challenges related to the EPBC Act is the mixed signals on what constitutes 'land suitable for development'. In a best practice world, with reduced uncertainty, and increased speed to market; the reconciliation of environmental matters (at all three levels of government) and compatibility of that land would be completed, prior to urban zoning. (UDIA Qld, sub. 40, p. 26)*

Ideally, land use planning and zoning instruments should align with designated development and conservation zones within bioregional plans. This will help to ensure that land identified as a development zone in regulatory bioregional plans can be developed in accordance with the actions covered in the bioregional plan. This will also ensure that land identified as a conservation zone in a regulatory bioregional plan is not zoned for development purposes. It is expected that undertaking land use planning alongside environmental assessment of where development can and cannot occur will contribute to the efficient allocation of resources and improved development planning.

It is important to note that the Queensland Government is already seeking to align planning tools with environmental and biodiversity information, with the *South Eastern Queensland and Brigalow Belt South bioregional guidance plan* intended to 'inform investigations into potential urban growth expansion areas identified in the South East Queensland (SEQ) Regional Plan review and potential changes to the urban footprint' (Queensland Government 2026b).

11.0
Other reforms

Key points

- The 2025 amendments to the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) included several additional, discrete reforms which have been assessed for potential impacts on Queensland. It appears these reforms are unlikely to have a large direct impact on Queensland.
- Greenhouse Gas (GHG) reporting — To support the Australian Government's Safeguard Mechanism, the 2025 reforms will require proponents of projects assessed under the EPBC Act to, in their referral: estimate and report on their GHG emissions (Scope 1 and Scope 2); and include information on measures to reduce and manage those emissions. Proponents with projects below the stated reporting thresholds will be required to provide a certificate confirming they are under this amount. These reforms add to the regulatory administrative burden on project proponents without delivering a corresponding benefit.
- Wildlife trade — Amendments were made to the EPBC Act to increase the maximum approval timeframe for Wildlife Trade Operations permits from three years to five years, aligning it with other approval types.
- Regional Forestry Agreements (RFAs) — From 1 July 2027, forestry operations covered by RFAs will be required to assess activities affecting matters of national environmental significance (MNES) under the EPBC Act. As Queensland forestry operations are not covered by an RFA, direct impacts on Queensland industry from this change are not expected to be significant. However, Queensland forestry operations may be impacted by other 2025 reforms (for example, land clearing in Great Barrier Reef catchments — see Chapter 4).
- Environment Information Australia (EIA) — The reforms establish an independent statutory position, the Head of EIA, with additional responsibilities related to environmental data access and reporting. While these reforms are unlikely to have significant direct implications for Queensland, some stakeholders did express concern around how this data would be collected, used and shared.
- Offshore projects — Offshore projects (that is, projects in marine areas) are, in addition to sector specific legislation, also regulated under the EPBC Act where they affect a MNES. The 2025 reforms introduced changes to accreditation processes that seek to align and reduce duplication between these regulatory approvals, while also delivering higher environmental standards.
- Statutory committees — The EPBC Act provides for the creation of statutory advisory committees to advise on key decisions. The 2025 reforms included the creation of a new committee (the Restoration Contributions Advisory Committee), amendments to the functions of existing committees and improved accountability (through the use of Statements of Expectations).
- The Commission welcomes any additional stakeholder feedback on the potential impacts of these reforms.

11.1 Introduction

The 2025 amendments to the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) also included several smaller reforms that have been assessed for potential impacts on Queensland.

While only some of these matters were identified by stakeholders in either consultation or submissions, the Commission is seeking any further stakeholder feedback on their potential impacts, including the risk of any unforeseen or unintended impacts.

11.2 Greenhouse gas reporting

Background

The National Greenhouse and Energy Reporting Scheme (NGER) is Australia's mandatory framework for measuring and reporting greenhouse gas (GHG) emissions, energy production and energy consumption. Companies are generally required to report under NGER when they exceed specified facility or corporate-group thresholds, including a facility threshold of 25,000 carbon dioxide equivalent tonnes (tCO_2-e) per year for both 'Scope 1' and 'Scope 2' emissions (Clean Energy Regulator 2025).[86]

The NGER provides the emissions data for many Australian climate policies, including the Safeguard Mechanism, which the Clean Energy Regulator (2026c) notes is Australia's 'principal policy' for cutting GHG emissions and achieving climate targets. The Safeguard Mechanism sets legislated limits on industrial facilities emitting more than 100,000 tCO_2-e of Scope 1 emissions (only) per year (Clean Energy Regulator 2026c).[87]

Under the *Climate Change Act 2022* (Cth), the Australian Minister for the Environment (the Minister) must provide specific emissions estimates they have received to the Minister for Climate Change, the Climate Change Authority, and the Secretary of the Climate Change Department (DCCEEW 2026r). Although the loss of climatic habitat due to GHG emissions is identified as a 'key threatening process' under the EPBC Act, the climate effects of individual projects do not prompt referral or assessment under the Act.

Environmental stakeholders have advocated for 'climate change,' including significant GHG emissions, to be added as a matter of national environmental significance (MNES) under the EPBC Act (commonly referred to as a 'climate trigger'). As noted by the Environmental Defenders Office (EDO 2020a, p. 5):

> *A national trigger to regulate high greenhouse gas emitting projects has long been a major gap in national environmental law.*
>
> *… While this should be dealt with via standalone climate change legislation, a new EPBC Act trigger would link Australia's carbon accounting and emissions reduction targets with impact assessment and development conditions.*

However, the Samuel Review of the EPBC Act (Samuel 2020, p. 47) noted:

> *Successive Australian Governments have elected to adopt specific policy mechanisms to implement their commitments to reduce emissions. The Review agrees that these specific mechanisms, not the EPBC Act, are the appropriate way to place limits on greenhouse gas emissions.*

[86] According to the Clean Energy Regulator (2026b), there are 3 types of GHG emissions. Scope 1 are emissions released into the atmosphere as a direct result of the activities while Scope 2 emissions represent 'indirect emissions' (for example, emissions from the grid connected power station that supplies the facility). Scope 3 emissions are broader indirect emissions and are not included in the reporting requirements of the reform.

[87] A review of the Safeguard Mechanism, to ensure the scheme settings 'remain appropriately calibrated and continue to deliver emissions reductions in line with Australia's targets, has recently commenced, with DCCEEW releasing a consultation paper in August 2026. The release of policy positions and any draft rule amendments is expected in early 2027 (DCCEEW 2026a).

The Samuel Review instead recommended (Samuel 2020, p. 47) that:

> *proposals required to be assessed and approved under the Act or accredited arrangements (due to their impacts on nationally protected matters) should transparently disclose the full emissions of the development.*

The 2025 reforms

The EPBC Act was amended as part of the 2025 reforms to require project proponents to:

- disclose a 'reasonable estimate' of the Scope 1 and Scope 2 GHG emissions from their proposals
- include information on measures to reduce and manage those emissions.

Proponents will need to provide this information under all pathways, including project assessments, strategic assessment and bioregional plans, and any projects assessed under bilateral agreement.

The amendments will commence on 1 December 2026 (unless proclaimed earlier).

The Department of Climate Change, Energy, the Environment and Water (DCCEEW) (2026r) considers the reforms will 'support the Safeguard Mechanism' and improve transparency. Gibson (2026, pp. 3–4) notes:

> *The regulations can prescribe a threshold below which proponents are not required to provide a reasonable emissions estimate. The Explanatory Memorandum indicates that the threshold (p. 160):*
>
> > *… will reduce the reporting burden for actions that are likely to have low greenhouse gas emissions and ensure that such requirements are appropriately targeted towards actions that are likely to result in higher amounts of greenhouse gases being emitted to the atmosphere.*
>
> *… More clarity on the scope of the new disclosure requirements, including the level of information needed on emissions management strategies, will be provided when the regulations are amended in late 2026 or early 2027. However, it appears that the new requirements will apply to only a small proportion of controlled actions.*

If a threshold amount was not provided, then the provision would capture every project (DCCEEW 2026n, p. 17).

Stakeholder feedback on the reforms was mixed, with some industry groups concerned the reform will 'open the prospect of a quasi-climate trigger' while environmental stakeholders consider limiting disclosures to Scope 1 and Scope 2 emissions 'fall short' of the Samuel Review recommendations (AMEC 2025, p. 7; ACF 2025b, p. 3).

Regulatory thresholds

Amendments to the *Environment Protection and Biodiversity Conservation Regulations 2025* (EPBC Regulations), made on 21 August 2026, have since prescribed the Scope 1 and Scope 2 GHG emissions threshold at 100,000 tCO_2-e for a financial year. This aligns with the Safeguard Mechanism threshold of 100,000 tCO_2-e for Scope 1 emissions — but is above the NGER threshold of 25,000 for both Scope 1 and Scope 2 emissions.

This means that, after 1 December 2026, any referral and approval decisions under the EPBC Act need to provide a 'reasonable estimate' of their emissions — if the estimate is over 100,000 tCO_2-e (Parliament of Australia 2026e).

However, DCCEEW (2026n, p. 16) notes that:

> *[I]f proponents are under the threshold they will need to provide a certificate confirming that they are under this amount.*

Impact and evaluation of reforms

Limited information on this issue was received by the Commission during consultation.

Stakeholder feedback, provided in consultations prior to the prescription of regulatory thresholds, noted GHG emissions reporting could be a burden for smaller projects, depending on the level of the reporting threshold. There was also uncertainty around whether the threshold would be based on the whole property or just the assessed activity. Environmental stakeholders, while acknowledging the introduction of the requirements, understood the reforms to be for data collection purposes rather than impacting the approval of particular processes or projects.

The requirement to disclose potential GHG emissions may increase administrative burden for some proponents, with no apparent benefit, given this information may be required through other policies. The largest impact is likely to be confined to a relatively small number of proposed large-scale resource, energy and industrial developments. The reporting threshold of 100,000 tCO_2-e per year aligns with the Safeguard Mechanism, which currently covers 208 facilities nationally, indicating a limited number of facilities in Queensland are of a scale likely to be captured (Clean Energy Regulator 2026a, p. 3).

As confirmed by the Explanatory Statement (Parliament of Australia 2026e, p. 34) to the amended EPBC Regulations:

> *These amendments reduce the reporting burden for actions that are likely to have low greenhouse gas emissions and ensure that the greenhouse gas reporting requirements in the EPBC Act are appropriately targeted towards actions that are likely to result in higher amounts of greenhouse gases being emitted to the atmosphere.*

The scale of the impact on these proponents will depend on the extent to which proponents have already developed estimates of Scope 1 and Scope 2 emissions during project planning, feasibility studies and environmental assessment processes. This includes the extent to which smaller projects would need to estimate their emissions to confirm they are below the annual 100,000 tCO_2-e threshold (and satisfy relevant certification requirements).

The Commission would welcome further information from stakeholders on how estimates of GHG emissions are already available for prospective projects and what additional costs may be associated with preparing emissions estimates and mitigation information to support EPBC Act assessments.

INTERIM FINDING 19 GREENHOUSE GAS EMISSIONS REPORTING

Addressing greenhouse gas (GHG) emissions is best addressed through specific policy mechanisms, rather than through the EPBC Act. To the extent the GHG reporting requirements in the EPBC Act align with requirements under the Safeguard Mechanism, these impacts may be modest. However, there is unlikely to be an offsetting benefit.

INFORMATION REQUEST 9 GREENHOUSE GAS EMISSIONS REPORTING

The Commission is seeking further information on:

- the extent that proponents under the EPBC Act already prepare estimates of GHG emissions for prospective activities
- any additional costs, due to the 2025 reforms, associated with preparing estimates and information on potential GHG emissions and associated mitigation efforts.

11.3 Wildlife trade

Background

The take, trade and movement of wildlife products are regulated under the EPBC Act. Parts of the EPBC Act also give effect to Australia's international obligations under the *Convention on International Trade in Endangered Species of Wild Flora and Fauna* (CITES) and the *Convention on the Conservation of Migratory Species*.

Under the EPBC Act, most movements of animals, plants and specimens to and from Australia requires a permit issued by DCCEEW. This includes a Wildlife Trade Operation (WTO) permit which deals with a person or business who harvests Australian native species, or parts and derivatives of native species, from the wild to:

- export overseas for commercial purposes, or
- sell to exporters who intend to export them overseas for commercial purposes.

There are five WTO types: market-testing, small-scale, developmental, existing stocks, or a commercial fishery.

The Samuel Review (Samuel 2020, p. 114) noted:

> *The settings for permitting wildlife trade are inefficient and unnecessarily prescriptive, which results in complexity and increased regulatory burden. Regulatory effort is often not aligned in a way that is proportionate to risk and conservation benefit …*
>
> *… Wildlife trade operation declarations (approvals) are restricted to 3 years or less. This leads to issues for both the proponent and the Commonwealth because applications must be assessed ahead of declarations expiring to enable business continuity. If declarations expire, the proponent can no longer export their commodity overseas – which impacts trade (for example, for commercial fisheries). The arrangements result in regulatory burden because operations must be re-assessed every 2 to 3 years.*

The 2025 reforms

The 2025 amendments to the EPBC Act seek to make applications simpler and more accessible with the approval process more transparent (Lander and Rogers 2026).

The primary amendment to wildlife trade laws is that the maximum approval timeframe for WTOs has increased under the reforms from three years to five years, aligning it with other approval types. This is targeted at promoting greater flexibility in wildlife trade.

Other amendments are primarily administrative in nature and include:

- removing a duplicated CITES list in the EPBC Act and instead directly referencing the official CITES Appendices
- allowing additional time for applicants to provide further information
- allowing applications to lapse automatically when requested information is not provided, or to enable applications to be withdrawn
- allowing the use of electronic documentation in addition to paper-based documents.

Impact and evaluation of the reform

Stakeholder commentary on these reforms has been limited. While the reform was not mentioned in any stakeholder submissions to the Inquiry, some stakeholders in consultation considered the granting of five-year wildlife trade permits would be of benefit to their sector.

Over the long term, these changes are likely to:

- reduce compliance costs for applicants. This includes less frequent fees and administration requirements in completing applications [88, 89]
- provide proponents with more time to implement the conditions of their approvals.

However, given there appears to be only four (non-fishery) WTOs in-force in Queensland, this impact is expected to be minimal (DCCEEW 2026at).[90]

The Commission welcomes any additional stakeholder feedback on the potential impacts of these reforms.

11.4 Regional Forestry Agreements

Background

Regional Forest Agreements (RFAs) are 'long-term plans for the sustainable management and conservation of Australia's native forests' (DAFF 2026). There are five RFAs still in force in three states: three in New South Wales (NSW) and one each in Western Australia and Tasmania.

Prior to the 2025 reforms, forestry operations under the accredited RFA system were exempt from the requirements of the EPBC Act and thus avoid the need for Commonwealth assessment and approval of each individual operation.[91]

The Samuel Review (Samuel 2020, p. 106) found environmental considerations under the RFA:

> *are weaker than those imposed elsewhere for MNES and do not align with the assessment of significant impacts on MNES required by the EPBC Act.*

The Samuel Review recommended that:

- RFAs should be amended to ensure they are consistent with the new National Environmental Standards (the Standards)
- the EPBC Act should replace the RFA 'exemption' with a requirement for accreditation against the Standards (Samuel 2020, p. 108).

The 2025 reforms

The 2025 reforms amend section 38 of the EPBC Act to remove the RFA exemption after the 'sunset date' (prescribed as 12 months from 1 July 2026).

Therefore, from 1 July 2027, RFA forestry operations will need to comply with the same rules and standards as other industries under the EPBC Act — that is, matters assessed as potentially having a significant impact on MNES will require assessment and approval under the EPBC Act.

The Australian Government has stated an intention for RFA forestry operations to be accredited (The Senate 2025, p. 2674). In addition, NSW has since commenced development of a Strategic Assessment for its forestry operations covered by the expiring RFA (Moriarty & Sharpe 2026).

[88] Fees vary depending on circumstances (Australian Business Licence and Information Service n.d.).

[89] WTO applicants require completion of a two-page form and attachment of a proposal of the operation and how it meets EPBC Act requirements (DCCEEW n.d.).

[90] There are also a number of WTO approvals in Queensland that apply to a fishery as a whole, but these are not held by an individual business.

[91] Provided the forestry operations are not in a property included in the World Heritage List or a Ramsar wetland.

Environmental groups consider the reforms a step forward for better regulating forestry operations in Australia (EDO 2025b, p. 7).

Impact and evaluation of the reforms

Queensland has a number of forestry operations on both state and private land. However, as Queensland does not have an RFA in place, this reform is unlikely to directly impact Queensland forestry operations. DCCEEW's website (2026q) notes:

> *There is no change to the regulation of forestry operations outside RFA regions. Forestry operations outside RFA regions, or not covered by a landscape-scale approval, are regulated under the EPBC Act.*

However, Queensland's forestry industry will be impacted by some of the other 2025 reforms, such as consistency with the Standards, requirements around unacceptable impacts and 'net gain' for impacted protected matters (DCCEEW 2026ap). Conservation stakeholders have urged the Queensland Government to ensure that forestry operations and licensing are compliant with these requirements (Australian Climate and Biodiversity Foundation, sub. 23, p. 3).

Some forestry operations are likely to also be affected by the modification of the 'continuing use exemption' in the EPBC Act for land clearing / vegetation management in areas within 50 metres of a Great Barrier Reef catchment. However broader changes to the continuing use exemption, which should not affect forestry operations, have also created stakeholder concern. For example, Timber Queensland (sub. 63, p. 3) notes:

> *Although forestry operations remain excluded from the 15-year rule, many landholders are uncertain about how EPBC regulators distinguish forestry from other land use changes.*

Further discussion on land clearing changes, and their potential impact on forestry operations in Queensland, is provided in Chapter 4.

11.5 Environment Information Australia

Background

Environment Information Australia (EIA) was established in 2023 as a division of DCCEEW:

> *so that high quality and authoritative environmental data and information is available for national decision-making, allowing faster, clearer actions. (The Senate 2024, p. 49)*

However, prior to the 2025 EPBC Act reforms, EIA did not have statutory independence or obligations.

The 2025 reforms

The *Environment Information Australia Bill 2025* (Cth), one of the Bills that made up the broader 2025 reforms, included the following provisions:

- The establishment of a statutory 'Head of EIA' (HEIA) as an independent position within DCCEEW.
- Additional responsibilities for the HEIA:
  - providing the Minister, the CEO of the National Environmental Protection Agency (National EPA) and the public with access to environmental data from a range of sources
  - independently reporting on Australia's state of the environment every 2 years
  - declaring national environmental information assets to be recorded in a public online register
  - establishing and maintaining environmental economic accounts.

The new *Environment Information Australia Act 2025* complements the *National Environmental Protection Agency Act 2025*, which establishes the National EPA and includes provisions for sharing information with the HEIA.

The Senate Inquiry of the Environment Protection Reform Bill (The Senate 2026a, p. 102) noted that:

> *[S]ubmitters to the inquiry were widely supportive of the establishment and proposed functions of Environment Information Australia.*

Impact and evaluation of the reforms

Stakeholders have raised improvements in data collection and dissemination as a key tool for assisting proponents to comply with the EPBC Act. As noted by the Samuel Review (Samuel 2020, p. 173):

> *Improvements to data and information will deliver cost savings to decision-makers and proponents, enabling decision-makers to make faster decisions.*

More recently, environment ministers from the Australian, state and territory governments agreed to review and streamline biodiversity data access arrangements to improve transparency, support decision-making, and facilitate broader access to state-held information through EIA (Environment Ministers' Meeting 2026). This work is ongoing.

The reforms to EIA have the potential to reduce compliance costs for proponents, including enabling the use of existing data in place of entirely new data collection. These changes are also intended to improve access to environmental information, including through a public environmental data portal (Parliament of Australia 2025, p. 3).

While these reforms are unlikely to have significant direct implications for Queensland, some stakeholders did express concern with how this data would be collected, used and shared with third parties by EIA. The Explanatory Memorandum (Parliament of Australia 2025b, p. 3) notes:

> *The EIA Bill would include a regime for the use and disclosure of information in a number of circumstances, including for the purposes of the functions of the HEIA and people assisting the HEIA. This would balance the appropriate use and disclosure of information against the protection of sensitive information. The public disclosure of protected information would be restricted under the EIA Bill, although the Bill would enable the sharing of sensitive information to individuals for authorised purposes under the condition of non-disclosure.*

The Commission is seeking further stakeholder views on the potential impact of the reform including any change in regulatory burden and the potential sensitivity of data provided to EIA.

INFORMATION REQUEST 10 ENVIRONMENT INFORMATION AUSTRALIA

The Commission is seeking further information on:

- the impact on regulatory burden from the reforms to Environment Information Australia
- any risks or concern with the sensitivity of data provided through this process.

11.6 Offshore projects

Background

Offshore projects (that is, projects in marine areas) are regulated under the EPBC Act where they affect a MNES. In addition to the EPBC Act, offshore projects are subject to activity-specific regulation, including the:

- *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (Cth) (OPGGS Act), which deals with offshore oil, gas, and carbon capture activities
- *Offshore Electricity Infrastructure Act 2021* (Cth), which deals with offshore wind activities
- *Telecommunications Act 1997* (Cth), which deals with offshore and subsea telecommunications cable.

Of those, the OPGGS Act has the largest intersection with the EPBC Act as:

- the most common offshore EPBC Act proposals relate to oil, gas, and carbon capture (National EPA 2026b)
- the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) has historically operated a strategic assessment that streamlines approval for oil and gas activities (DCCEEW 2026ad).

The Samuel Review (Samuel 2020, p. 15) noted that:

> *[T]he current settings for strategic assessments have significant limitations. The regulatory setting for NOPSEMA are effectively frozen, stifling continuous improvement of environmental regulation and further streamlining.*

The Samuel Review (Samuel 2020, p. 109) recommended:

> *The accreditation model should be applied to the National Offshore Petroleum Safety and Environmental Management Authority and the Australian Fisheries Management Authority using appropriate legislative amendments.*

The 2025 reforms

Many of the 2025 reforms to the EPBC Act, such as the introduction of the Standards and new enforcement powers operated by the National EPA, affect offshore activities in the same manner they affect onshore activities.

However, there are two key reforms that apply to offshore activities:

- creation of an accredited NOPSEMA process — amendments to the EPBC Act and the OPGGS Act provide for the Australian Minister for the Environment to accredit an authorisation framework operated by NOPSEMA that would operate in a similar manner to an approval bilateral agreement
- alignment between the EPBC Act and the *Environment Protection (Sea Dumping) Act 1981* (Cth) — the reforms now require that any remaining effects on the environment deliver 'net gain', which may represent a higher standard than rehabilitation for onshore mining operations. The reforms also apply the new requirements of the EPBC Act (for example, the Standards) to artificial reef creation.

Impact and evaluation of the reform

The 2025 reforms to accreditation processes seek to align and reduce duplication between regulatory approvals, while also delivering higher environmental standards.

Changes to offshore approvals may affect Queensland to the extent that the projects are adjacent to Queensland, employ Queensland residents or procure goods or services from Queensland businesses and government. However, these changes were not raised with the Commission by stakeholders.

Based on available information, these changes appear to be relatively small compared to the other broader changes to the EPBC Act. The Commission however welcomes stakeholder feedback on whether the amendments are likely to result in any unintended consequences to the Queensland community.

11.7 Statutory committees

Background

The EPBC Act provides for the creation of statutory committees to advise the Minister and the department on key decisions (listed in Box 11.1 below). These committees are funded by the Australian Government.

Box 11.1 Existing Statutory Advisory Committees

Indigenous Advisory Committee (IAC)

IAC members are First Nations Australians and ministerially appointed based on expertise in land and sea management, conservation and sustainable use of biodiversity and cultural heritage management. Prior to the 2025 reforms, the Minister 'invited' the IAC to provide its views on EPBC Act matters.

Independent Expert Scientific Committee on Unconventional Gas Development and Large Coal Mining Development (IESC)

The IESC was established in 2012 in response to perceived threats to surface and groundwater from coal seam gas and coal mining. It provides independent scientific advice to the Minister and relevant state ministers on the potential water-related impacts of all proposed unconventional gas and large coal mining developments assessed under the EPBC Act.

Threatened Species Scientific Committee (TSSC)

The TSSC provides advice to the Minister to support decisions under the EPBC Act on:

- threatened native species and ecological communities
- key threats to native plants and animals
- detailed scientific listing and conservation advice
- recovery plans and threat abatement plans.

It does not appear to have direct involvement with project assessments.

Australian Heritage Council (AHC)

The AHC includes members with expertise in natural, historic and Indigenous heritage, and assesses nominations for the National and Commonwealth Heritage Lists.

Source: DCCEEW 2026b, 2026d, 2026s; IESC 2025; Samuel 2020, p. 6

The Samuel Review made a number of comments regarding the operation of the statutory committees, in particular the IAC, including:

- the IAC has a limited and underfunded role, with no formal requirement for decision-makers to seek or consider its advice
- the IAC lacks a defined role in incorporating Indigenous knowledge into key statutory decision-making processes
- engagement between the IAC and other statutory committees is largely informal, contributing to tokenistic rather than genuine First Nations participation in environmental decision-making (Samuel 2020, p. 60).

The Samuel Review recommended statutory committee structures be 'recast' to provide more transparent and independent advice to decision makers. This would include creation of an overarching 'Ecologically Sustainable Development Committee' with a number of subject-specific committees for First Nations engagement and participation, biodiversity conservation science, Australian heritage, and water resources (Samuel 2020, p. 10).

The 2025 reforms

Amendments have been made to the functions of existing committees, including to allow for the issuing of Statements of Expectations to committees and associated Statements of Intent from the relevant committee in response. The key reforms include:

- Indigenous Advisory Committee (IAC)
  - Statutory advisory functions — the IAC is to be involved in the development of Standards and conservation planning. This includes a requirement to consult with the IAC on Standards relating to First Nations engagement and for First Nations knowledge to be specifically sought in threatened species listing processes (DCCEEW 2025b, pp. 19–21).
- Independent Expert Scientific Committee on Unconventional Gas Development and Large Coal Mining Development (IESC)
  - Advice — the IESC is to provide advice on unconventional gas developments. The reforms also allow statutory timeframes for IESC advice to better reflect the complexity of the issues under consideration (DCCEEW 2025b, p. 21, 2026r).
- Restoration Contributions Advisory Committee (RCAC)
  - New committee — to provide advice on restoration charges and contributions. A Restoration Contributions Holder is to be appointed who will manage funds received through restoration contributions, with the aim of pooling resources and funding restoration activities strategically. This position will be supported by the RCAC (DCCEEW 2025b, pp. 11–12, 2026r).

Impact and evaluation of the reforms

Stakeholders, during consideration of the Reform Bill, generally supported expanding the role of the IAC, but many argued for it to have a substantially stronger role, including formal recognition in decision-making processes and mechanisms to ensure meaningful First Nations participation beyond a consultative function (ACF 2025b, p. 5; ANU Law Reform and Social Justice Research Hub 2025, pp. 3–8; CNTA 2025, pp. 5–12; Kimberley Land Council 2025, pp. 2–3). The IAC (2025) itself advocated for stronger First Nations representation across statutory committees, including mandatory Indigenous membership and more transparent appointment processes.

The TSSC (2025) supported retaining its role as the primary source of independent scientific advice to the Minister on protection statements.

Stakeholder commentary on these reforms has been limited. While the reform was not mentioned in any submissions to the Inquiry, some stakeholders in consultation noted there can be value in such committees provided their governance obligations do not add an additional layer of complexity to the process.

Given the role of these committees is to provide advice (with project assessments and approvals still residing with government through the Minister or delegated to the National EPA) these changes do not appear to result in any direct impact to Queensland proponents and other stakeholders.

Further information on the assessment of projects under the EPBC Act 'water trigger' is provided in Chapter 7.

Based on available information, these changes appear to be relatively small compared to the other broader changes to the EPBC Act. The Commission however welcomes further stakeholder feedback on these reforms.

INFORMATION REQUEST 11 WILDLIFE TRADE, OFFSHORE PROJECTS AND STATUTORY COMMITTEES

The Commission is seeking further information on amendments to the EPBC Act related to wildlife trade operations, offshore projects and statutory committees, including any potential benefits, costs or unintended consequences to the Queensland community from the reforms.

Appendix A
Terms of reference

QUEENSLAND PRODUCTIVITY COMMISSION ACT 2025
Section 38

DIRECTION

1. Direction

Under sections 9(1)(a) and 38 of the *Queensland Productivity Commission Act 2025* (the Act), I direct the Queensland Productivity Commission (QPC) to undertake an inquiry in accordance with the Terms of Reference set out below.

2. Terms of Reference

IMPACT OF THE AUSTRALIAN GOVERNMENT'S 2025 ENVIRONMENT PROTECTION REFORMS ON QUEENSLAND

(a) Context

In November 2025, the Australian Parliament passed a package of legislation amending the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) and establishing new national environmental institutions, regulatory concepts and approval processes. These reforms represent a substantial expansion and restructuring of Commonwealth environmental regulation, with significant implications for how land use, development and routine activities are regulated across Australia.

The reforms introduce legally binding National Environmental Standards, new and amended assessment pathways, revised rules for unacceptable impacts and environmental offsets, new powers to make rulings on how the law, regulations or subordinate instruments should be applied, changes to land-clearing exemptions, expanded information and disclosure requirements, enhanced compliance and enforcement powers, and new arrangements for Commonwealth–State accreditation and bilateral agreements. Many of these elements are yet to be fully implemented and will rely on subordinate legislation, standards, guidance and administrative practice. Of concern is that the legally binding National Environmental Standards remain under development, with little transparency about their potential impact on Queensland.

It is critical that regulation across all levels of government serves its intended purpose and not act as a handbrake on vital projects that support growth and economic security.

The Queensland Government is leading the nation in taking proactive steps to build sovereign capability and bolster Australia's energy security by unlocking new oil, gas and coal production, including Australia's first oil field in 50 years at the Taroom Trough, for future fuel security. However, the reforms specifically exclude resource projects from the Commonwealth's *National Interest Fast-Track Assessment Pathway*, which removes duplicated approvals already carried out at a State level, bringing projects to production potentially years earlier.

The Queensland Government established the Resources Cabinet Committee with a key focus to boost productivity and investment in new projects by reducing delays and improving approval timeframes, including actions that will reduce process duplication and improve consistency in assessment and administration of applications.

Further, as outlined in the final report of the Queensland Productivity Commission's inquiry into *Opportunities to Improve Productivity of the Construction Sector*, government environmental regulations and approvals are complex and can be duplicative, with environmental approval often a barrier or a delaying factor in a proposed infrastructure or housing project getting to the development approval stage.

As outlined in *Primary Industries Prosper 2050*, ease of business in Queensland's agriculture sector is also a key priority, with an ambition for more efficient regulatory processes and compliance framework in support of the government's ambitious target to boost the sector's output to $30 billion by 2030, in addition to the broader 25-year vision. There are serious stakeholder concerns that Queensland will be disproportionately affected by the operation of the EPBC Act reforms due to the scale and diversity of its agricultural, resources, fisheries, forestry and infrastructure sectors, the extent of land subject to environmental regulation, and the ongoing need to manage productive agricultural landscapes due to Queensland's unique bioregions. The reforms also interact directly with Queensland's existing planning, land-use and environmental frameworks and with long-standing federal–state arrangements designed to avoid regulatory duplication.

Stakeholders have also raised concerns that aspects of the reforms will increase regulatory burden, compliance costs, delays and uncertainty for Queensland landholders, project proponents and governments. Issues raised include the application of Commonwealth approval requirements to activities previously managed under Queensland law, the treatment of land management activities, impacts on investment certainty and regional

productivity, and the potential transfer of regulatory and administrative responsibilities to Queensland without commensurate funding.

There are also concerns about unintended consequences for land management in Queensland, including constraints on the ability of landholders and governments to manage fire risk, flooding, weeds and pests, stewardship and biodiversity, with flow-on implications for community safety, infrastructure resilience and biosecurity.

Given the scale, complexity and evolving nature of the reforms, an independent inquiry is required to inform the Queensland Government's policy response and future engagement with the Australian Government.

(b) The Inquiry

The Queensland Productivity Commission is to undertake a public inquiry into the impacts of the Australian Government's 2025 reforms to the EPBC Act on Queensland.

The inquiry will examine how the reforms affect Queensland in practice, with a primary focus on regulatory burden, economic impacts, implementation risks and the operation of Commonwealth–State arrangements. The inquiry will assess the extent to which the reforms alter compliance obligations, costs, decision-making processes and responsibilities for landholders, project proponents and Queensland Government agencies.

The inquiry will seek to understand how the same environmental outcomes can be achieved without additional regulatory burden or through the recognition of environmental stewardship that is being delivered.

The inquiry will also consider broader implications for land management, stewardship and environmental markets, community safety, infrastructure and housing delivery, resource sector investment and development and regional economies, particularly where these issues arise because of regulatory design or implementation rather than as a direct policy objective of the reforms.

The purpose of the inquiry is to provide an independent, evidence-based assessment to support Queensland Government decision-making, including identifying risks, unintended consequences and practical options to improve regulatory efficiency, certainty and proportionality to the activities undertaken in Queensland.

(c) Scope

Without limiting the QPC's consideration, the inquiry should examine the following matters.

Regulatory burden and compliance impacts

- How the EPBC Act reforms affect regulatory obligations and pre-approval compliance requirements for landholders, project proponents and governments in Queensland.
- The implications for regulatory burden, including impacts on costs, timeframes, uncertainty and duplication, particularly where they interact with Queensland regulatory and planning frameworks.
- The capacity of different landholder groups to comply with the requirements (noting that the requirements apply to individuals and small businesses, through to corporate and government landholders).
- The key risks from potential changes to the National Environmental Standards.

Economic and productivity impacts

- The implications of the reforms for investment, business viability, productivity and economic activity in Queensland.
- The distribution of impacts across different industries, regions and types of proponents, including small and family businesses.
- The implications for major infrastructure and housing delivery and government-led projects.

Land and risk management implications

- The extent to which the reforms affect the ability of landholders and governments to manage land for practical purposes, including fire mitigation, stewardship and biodiversity, flood management, weed and pest control and biosecurity.
- Any unintended consequences for community safety, infrastructure resilience or operational risk arising from regulatory design or implementation.

Intergovernmental and administrative arrangements

- The extent to which Commonwealth–State bilateral agreements, accreditation frameworks and related arrangements provide opportunities to reduce duplication and improve certainty for Queensland in the implementation of the reforms.

- The extent to which the reforms shift regulatory, administrative or financial responsibilities to Queensland, including implications for resourcing and fiscal risk.

Options and recommendations

- Practical options to reduce unnecessary regulatory burden and improve efficiency, certainty and proportionality in the application of the reforms in Queensland.
- Opportunities to improve alignment between Commonwealth and Queensland frameworks without undermining Queensland's regulatory autonomy.
- Recommendations to inform Queensland Government policy priorities and ongoing engagement with the Australian Government.

3. Consultation

Under section 38(2)(c) I direct the QPC to undertake wide public consultation with stakeholders, including members of the public, primary industry and resources businesses, infrastructure providers, industry peak bodies, environmental groups, the Office of the Coordinator General and relevant Queensland government agencies.

4. Reporting

The QPC is to provide an Interim Report for public consultation and provide the Final Report to Government within 12 months of the date of this direction.

Appendix B
Consultation summary

B.1 Initial submissions

Table B.1 outlines the submissions received to inform the development of this Interim Report. Some of the listed submissions are confidential and are therefore not published on the Commission's website.

Table B.1 Initial submissions

Submission no.	Submitted by
1	Short comments by: • Mr Nev Hunt
2	Capricorn Coast Marine Community Inc.
3	Regulatory Intelligence Lab
4	FH Treweeke Pty Ltd
5	Peter & Sue Joliffe (P. & S. Joliffe)
6	Sunwater Limited (Sunwater)
7	Take Action for Pumicestone Passage Inc.
8	Cotton Australia
9	Wildlife Queensland
10	Minerals Council of Australia
11	Association for Good Government
12	Koala Action Inc.
13	Mr Frederick Bryant
14	Queensland Ports Association
15	Australian Prawn Farmers Association
16	CS Energy Limited
17	Cement Concrete & Aggregates Australia (CCAA)
18	Hutchinson Ag
19	Wildlife Preservation Society of Queensland - Sunshine Coast & Hinterland Inc.

Submission no.	Submitted by
20	Australian Environment Foundation
21	Anonymous
22	Local Government Association of Queensland (LGAQ)
23	Australian Climate and Biodiversity Foundation
24	Australian Industry Group
25	Kalamia Cane Growers Organisation Limited (KCGO)
26	Seqwater
27	Organisation Sunshine Coast Association of Residents Inc.
28	Australian Energy Producers
29	Association for Mining and Exploration Companies
30	Queensland Water Directorate
31	Queensland Farmers' Federation
32	Consolidated Pastoral Company
33	Queensland Resources Council
34	Mrs Katherine Scott
35	Queensland Cane Growers Organisation Ltd (CaneGrowers)
36	Australian Marine Conservation Society
37	Stockland
38	Queensland Renewable Energy Council (QREC)
39	Australian Institute of Marine Science
40	Urban Development Institute of Australia – Queensland (UDIA Qld)
41	Seafood Industry Australia Ltd
42	NRM Regions Queensland
43	Queensland Seafood Industry Association Inc.
44	Department of Climate Change, Energy, the Environment and Water (DCCEEW)

Submission no.	Submitted by
45	Wildlife Preservation Society of Queensland - Upper Dawson Branch Inc. (Wildlife Preservation Society Queensland - Upper Dawson)
46	Redlands2030 Inc.
47	Waste Recycling Industry Association of Queensland
48	The Wilderness Society
49	Property Council of Australia
50	Housing Industry Association Ltd
51	Mr Colin Boyce MP
52	Granular Products
53	Sunshine Coast Environment Council
54	Australian Land Conservation Alliance
55	Mr Guy Newell
56	Senex Energy
57	National Farmers' Federation
58	AgForce Queensland
59	Environmental Defenders Office
60	Queensland Conservation Council
61	Bundaberg Ag-Food & Fibre Alliance
62	Pete and Wendy Sheehan (P. & W. Sheehan)
63	Timber Queensland
64	Australian Conservation Foundation
65	Queensland State Forest User Alliance
66	Property Rights Australia
67	Office of the Special Commissioner for Regional and Rural Queensland

B.2 Stakeholder consultations

Table B.2 lists the organisations and academics with whom the Commission engaged with as part of the stakeholder engagement process, including during regional visits. For privacy purposes, the list excludes other private individuals who were consulted.

Table B.2 Stakeholder consultations

Consultee
AgForce Queensland
Association of Mining and Exploration Companies
Australian Climate and Biodiversity Foundation
Australian Conservation Foundation
Australian Country Choice
Australian Energy Producers
Australian Industry Group
Bundaberg Ag-Food and Fibre Alliance
Bundaberg City Council
Cairns and Far North Environment Centre
Cairns Regional Council
Caloundra Residents Association
Canegrowers
Capricorn Coast Marine Community
Cement Concrete and Aggregates Australia
City of Gold Coast
Cloncurry Shire Council
Connect Ag
Cotton Australia
CQ Group
Cross-Border Commissioner (QLD)

Consultee
Department of Climate Change, Energy, the Environment and Water (AUS)
Department of Environment, Science, Tourism and Innovation (QLD)
Department of Local Government, Water and Volunteers (QLD)
Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development (QLD)
Department of Primary Industries (QLD)
Department of State Development, Infrastructure and Planning (QLD)
Department of Transport and Main Roads (QLD)
Department of Women, Aboriginal and Torres Strait Islander Partnerships and Multiculturalism (QLD)
Dr Jeremy Simmonds
EarthTrade
Ecological Society of Australia
Economic Development Queensland
EMM Consulting
Environmental Defenders Office
EVA Copper
FH Treweeke Pty Ltd
Fraser Coast Regional Council
Gecko Environment Council
Gladstone Area Water Board
Granular Products
Great Barrier Reef Marine Park Authority
Herron Todd White
Housing Industry Association
Kalamia Cane Growers & Kalagro
Koala Farmland Fund

Consultee
National Environmental Protection Agency
New Ground Environmental Planning Consultants
Noosa & District Landcare
North Queensland Bulk Ports Corporation
Office of the Coordinator General (Qld)
Office of the Queensland Government Architect
Organisation of Sunshine Coast Association of Residents
PEET Property Developers
Ports North
Professor Helene Marsh
Professor Ian Lowe
Professor Martine Maron
Property Rights Australia
Qldwater
Queensland Conservation Council
Queensland Farmers' Federation
Queensland Fire Department
Queensland Food Farmers' Commissioner
Queensland Renewable Energy Council
Queensland Resources Council
Queensland Seafood Industry Association
Queensland Trust for Nature
Seqwater
Southern Downs Regional Council
Southern Queensland Landscapes

Consultee
Special Commissioner for Regional and Rural Queensland
Sunshine Coast Environment Council
Take Action for Pumicestone Passage
Timber Queensland
Torres Shire Council
Townsville City Council
Unitywater
Urban Development Institute of Australia – Queensland
Wide Bay Burnett Environment Council
Wildlife Queensland

Appendix C
Technical appendix

C.1 Duration of EPBC Act project approvals

The Commission modelled how long approval decisions can take over time (Chapter 2) and for each industry (Chapter 7). To do this, the Commission used data available in the EPBC Act Public Portal (National EPA 2026b) to undertake some survival analysis (also known as duration analysis).

Survival analysis is a formal way of assessing the length of time of any process. Initially used in the medical field to understand the lifespans of people given certain medical conditions and treatments, it can be applied to any process where an individual (or firm) experiences some event at some point in time.

The main strength of survival analysis is its ability to handle what is called 'right censored' (or incomplete) observations — that is, observations that have not yet fully transitioned through the process being modelled or experienced the event in question. For example, many referrals started in 2026 will have yet to be fully assessed.

Ignoring incomplete observations (either by excluding them or using their current duration) leads to bias by giving too much weight to observations that quickly pass through the processes, lowering the estimated duration.

Data

Data were collected from the EPBC Act Public Portal and the EPBC Act noticeboard (National EPA 2026b).

For each decision notice on the EPBC Act noticeboard, the notice title was categorised into a range of groups based on its contents.[92] These groups were further categorised, depending on the type of notice (for example, referral notices were categorised as controlled, not controlled or not controlled — particular manner).

This process identified the occurrence and date of following events:

- the public consultation period
- the referral outcome (controlled, not controlled, not controlled — particular manner or clearly unacceptable)
- the assessment pathway (referral information, preliminary documentation, public environmental report, environmental impact study, accredited assessment process)
- the approval decision (approved with conditions, approved without conditions or not approved)
- whether the project was withdrawn or lapsed.

In addition to these primary events, for each project, the process identified whether:

- correction notices were issued
- approval conditions were posted
- the project had to be referred to a scientific committee
- any extensions of time were granted
- the project was subject to a reconsideration.

For notices where the completion date was not posted to the EPBC Act noticeboard, the notice publication date was used.

Some analysis described in this Appendix was prepared using the assistance of AI tools for purposes of coding. Commission staff reviewed all AI-generated code for accuracy and quality.

[92] While the notice registry is comprehensive, the formatting of notice names can be inconsistent, particularly in the early years of the EPBC Act registry. For example, early approval decisions can have the notice name 'Decision whether action needs approval' while others are clearer: 'Decision on approval of action: Approved with conditions'.

Assumptions

For projects where the first notice was not an 'open for public consultation', or where the referral decision date was less than 10 business days after the public consultation date it is assumed the public consultation period was open for the statutorily required 10 business days.

Projects excluded from the estimation include:

- **projects submitted in 2026:** analysis is focused on the duration of project approvals pre-reform.
- **projects with an unobserved start-date:** projects that were not incomplete and in which the first observed date and the final observed date was close together were considered to have an unobserved start-date —that is projects in which the start date is unknown. This saw the removal of N = 819 projects (about 10 per cent of the sample).
- **withdrawn or lapsed projects:** projects that were withdrawn or lapsed were not modelled to simplify the modelling approach used. Including them as 'completed projects' would likely skew the estimated duration downwards while including them as incomplete observations would skew the estimated duration upwards. While there are approaches that can handle these events separately (such as competing hazards models) these were not pursued. This saw the removal of a further N = 734 projects (about 9 per cent of the sample).

Model

Overview of analysis

The analysis is underpinned by a 'survival function':

$$S(t) = P(T > t)$$

that defines the probability of surviving past time t. $S(t)$ has several properties common to probability functions:

- $S(t)$ is between 0 and 1 (inclusive)
- $F(t) = 1 - S(t)$, where $F(t)$ is the cumulative density function of T
- $S(t)$ is a non-increasing function of t (which is implied from the point above).

Each survival function[93] has an underlying hazard function that measures the probability of the event occurring at time t conditional on the fact that the event has not yet occurred.

The duration of an assessment is estimated using a parametric Accelerated Failure Time (AFT) model. AFT models assume that populations with different survival functions are related by some estimated accelerated failure rate, λ such that:

$$S_A(t) = S_B\left(\frac{t}{\lambda}\right)$$

Several functional forms for the survival function were tested for goodness of fit using BIC scores. The best fit was a log-logistic survival function, which means survival times are estimated via:

$$\log(T) = b_0 + X\beta + \sigma\varepsilon$$

Where T is the time until an event occurs, X is a matrix of covariates that can accelerate or decelerate the time until the event being studied occurs, σ is a scale factor and ε is an error term assumed to be logistically distributed.

[93] The survival function is the exponentiated form for the cumulative hazard function (that is, to get the survival function, the hazard function can be integrated over t into its cumulative form, which can then be exponentiated).

The exponentiated coefficients from an AFT model show the extent to which the underlying variable *increases* the median duration time. That is:

- for a continuous variable, a one unit increase in x_i increases the median duration by $\exp(b_i)$ times.
  - If $\exp(b_i) < 1$, then the covariate accelerates failure, and the event occurs more quickly than otherwise.
  - If $\exp(b_i) > 1$, then the covariate decelerates failure, and the event takes longer to occur.
- for a discrete variable, the coefficient reflects the acceleration/deceleration relative to the baseline group. For example, if x_i represents the state in which a referral occurs and New South Wales (NSW) is the baseline state, then:
  - If $\exp(b_{QLD}) < 1$, then referrals in Queensland are faster than in NSW
  - If $\exp(b_{QLD}) > 1$, then referrals in Queensland are slower than in NSW.

This is because $\lambda(x)$ scales t down (it appears in the denominator of the survival function).

A Proportional Cox Hazard model was also tested, however the proportional assumption was violated for a range of controls.

Application to the EPBC Act registry

To estimate their duration, assessments are split into two phases:

- the time from submission of a referral request until an initial referral decision is made (that is, whether the action is a controlled action)
- the time between the initial referral decision and an approval decision.

A range of models where then fitted for each stage including a varying set of controls. The primary controls of interest were:

- whether the project was in Queensland
- the year the referral was started
- the industry of the project
- the pathway of the project (for approvals).

Other controls include whether:

- the referral/approval was paused or extended
- the project's proponent changed
- there was a variation made to the proposal
- there was a correction notice issued.

Consideration was given to whether the industry and pathway variables were colinear (for example, resource projects are more likely to be assessed using longer approval pathways). As such, several models were tested including:

- controlling for the projects industry but not the pathway (alongside all other controls listed above)
- controlling for the projects pathway but not the industry (alongside all other controls listed above)
- controlling for both the projects industry and pathway (alongside all other controls listed above).

Consideration was given to whether results were sensitive to how the project referral year (included as a discrete variable) was included. As such, each of the three regression specifications noted above were ran with referral year cut into both five-year and seven-year periods.

To estimate the median duration time of Queensland projects by year, industry and/or pathway the regression results were used to predict the median[94] duration time for each project based on its observed characteristics.

The median of this prediction was then calculated for all the projects that met specified characteristics — for example, the median prediction for all Queensland projects. This allows comparison of projects that meet several characteristics at once (for example Queensland projects from 2018–2015), rather than the effect of each characteristic in isolation.

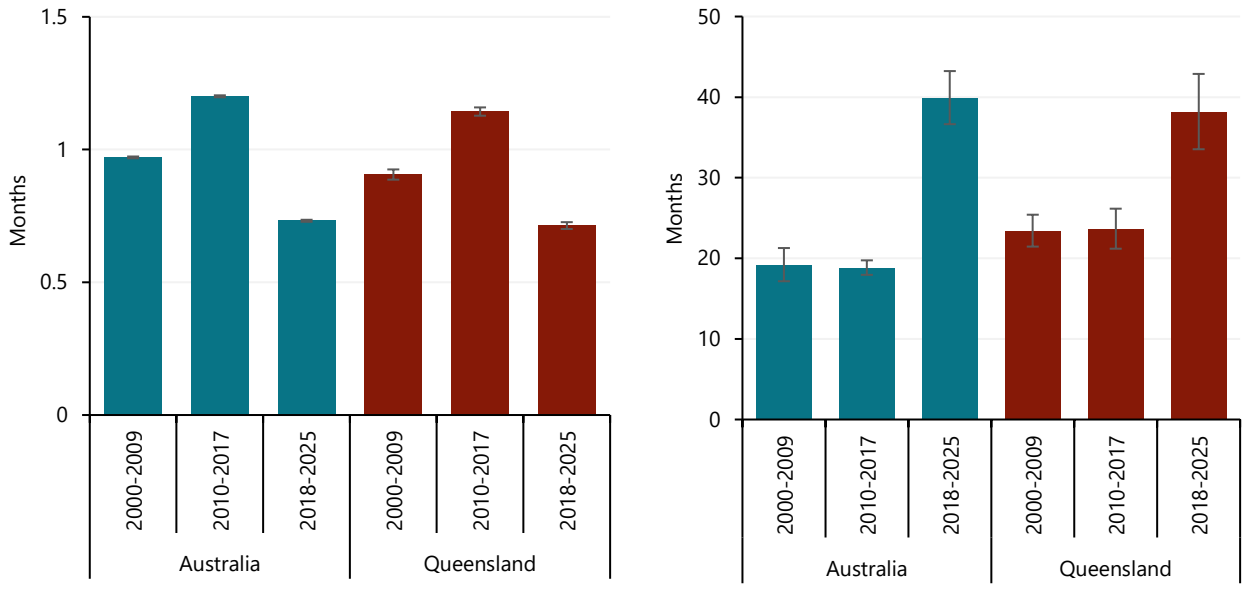
Standard errors and confidence intervals for these predicted median durations were estimated using bootstrapping.

Results

While median referral times are short — taking about a month — approval timeframes are lengthy, and have increased over the eight years to 2025, increasing from under two years (19–23 months) to over three years (38–40 months) (Figure C.1). This increased duration of approval decisions is not driven by compositional changes (for example a different composition of industries or use of longer approval pathways) with projects starting 2018–2025 taking 1.65 times longer to approve than projects starting 2010–2017 after accounting for the composition of pathways and industry.

While approval decisions for Queensland projects may have taken longer historically, in the last eight years Queensland projects have seen faster approval decisions when compared with the rest of Australia.

Figure C.1 Median referral (left) and approval (right) duration by year

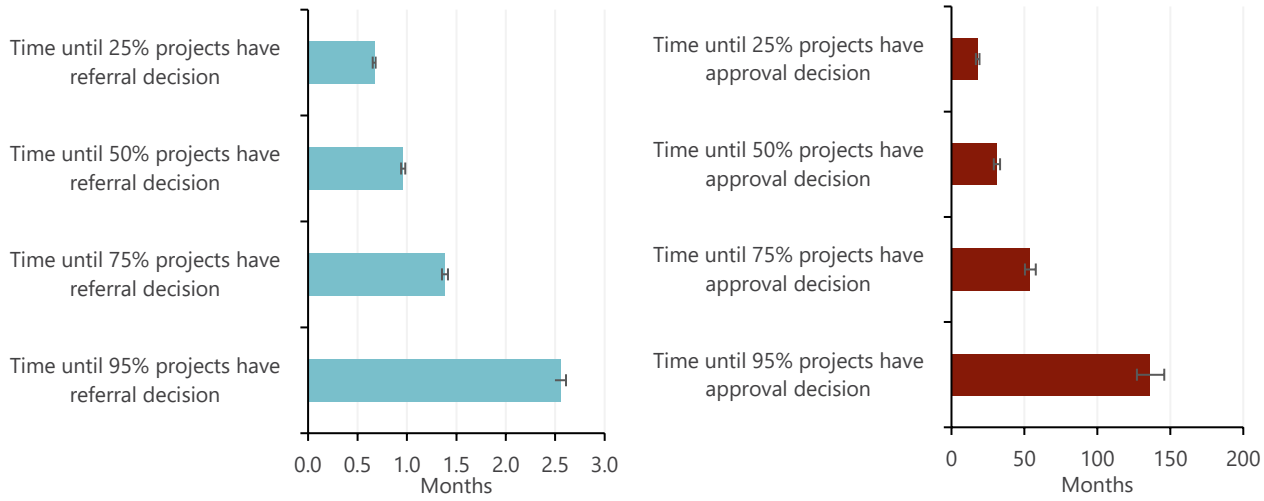


Note: Confidence intervals derived using standard errors and reported at the 95th percentile.

Within the distribution of projects, some remain without an approval decision for over 11 years (more than 136 months) (Figure C.2).

[94] The 5th, 25th, 75th, and 95th duration percentiles and the mean duration were also predicted for each project.

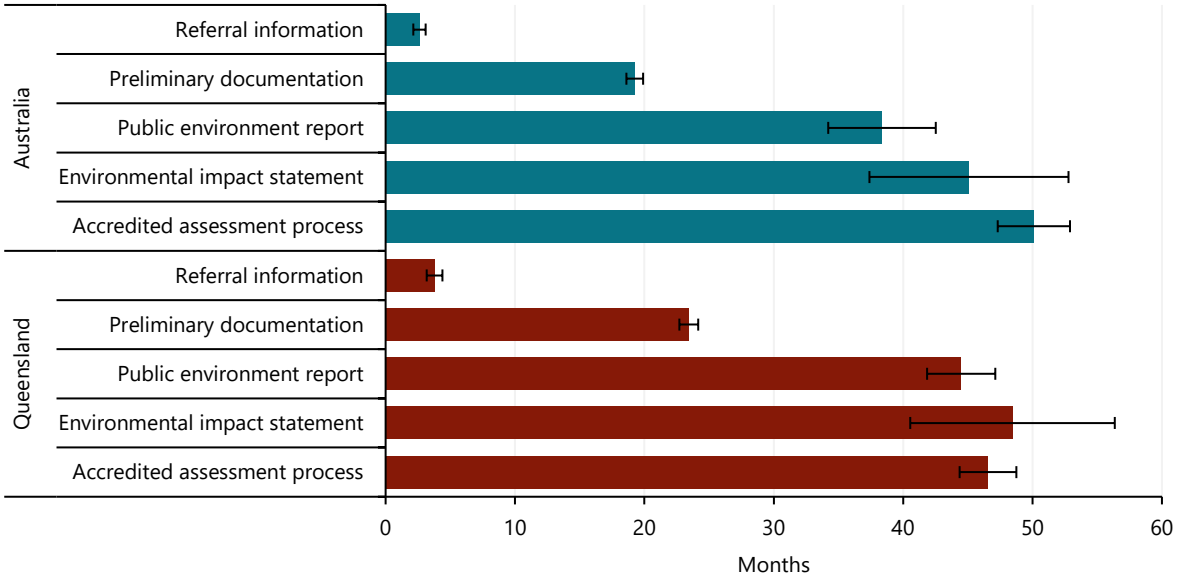
Figure C.2 Distribution of referral (left) and approval (right) decisions in Queensland by predicted approval time



Note: Confidence intervals derived using standard errors and reported at the 95th percentile.

There is a relatively wide variation in the approval timeframes across the different pathways (Figure C.3). While an approval decision on referral information is relatively fast — with 50 per cent of projects having a decision reached within 3 months — 50 per cent of projects under more involved pathways take more than four years to reach an approval decision.

Figure C.3 Median approval duration by pathway

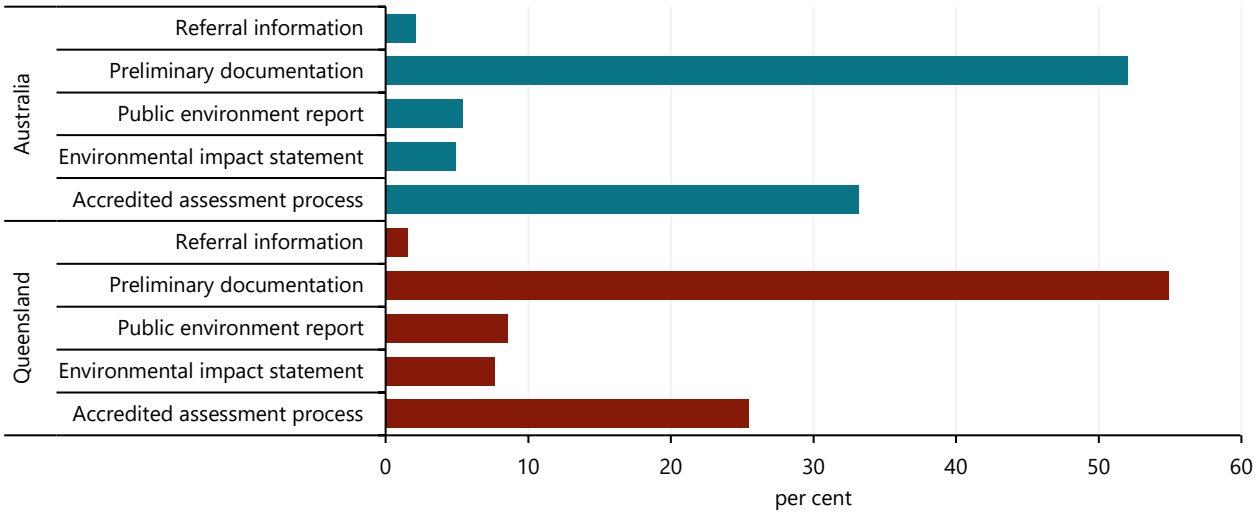


Note: Confidence intervals derived using standard errors and reported at the 95th percentile.

These longer pathways account for about 44 per cent of projects, with 52 per cent approved through the preliminary documentation pathway and only 2 per cent being eligible for approval with referral information (Figure C.4).[95]

[95] Percentages do not sum to 100 because some projects were not able to be classified into a pathway using the decision notice published onto the registry.

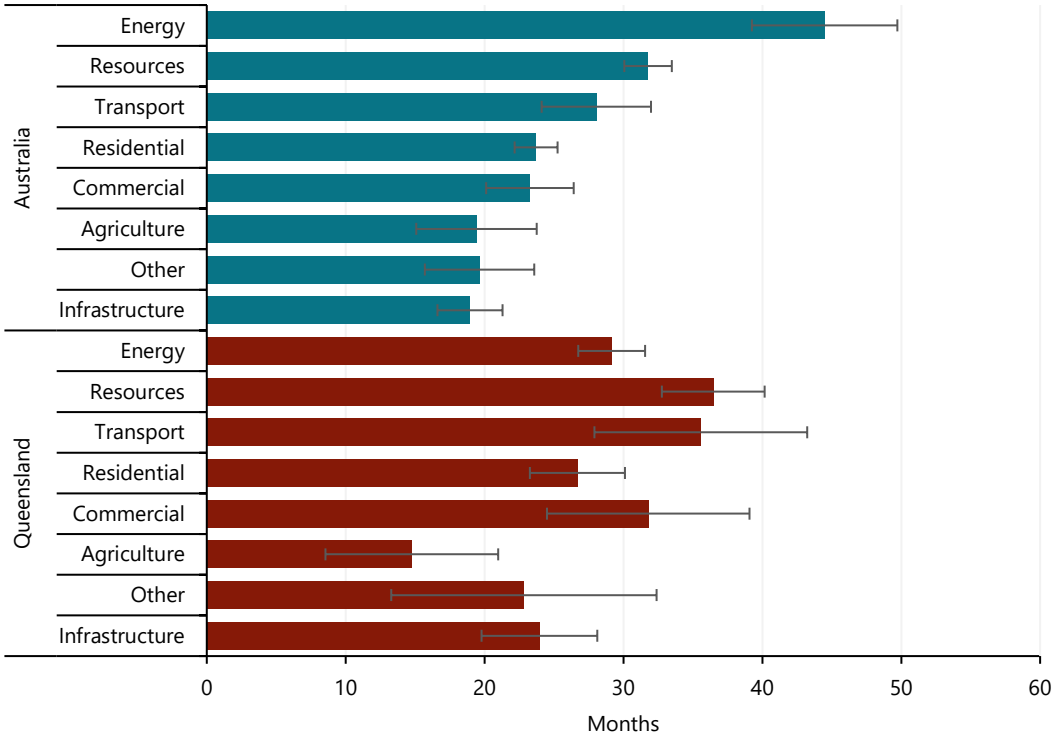
Figure C.4 Pathway utilisation rates



Note: These percentages are slightly different to the percentages reported in Figure 7.5 because this figure draws from the data used in the duration analysis (using data to 2025 and in which projects are assigned to exactly one pathway). In the general EPBC Act registry some projects have multiple pathway decisions reported.

There is also a wide variation in the approval timeframes across industries (Figure C.5). This likely reflects the varying degrees of complexity of referrals across different industries. Agriculture and forestry approval timeframes in Queensland are comparatively shorter, with 50 per cent of projects reaching an approval decision within 15 months.

Figure C.5 Median approval duration by industry



Note: Confidence intervals derived using standard errors and reported at the 95th percentile.

While the overall number of referrals received is relatively small compared to the amount of economic activity in Queensland, the referral and assessment process involves substantial resources and time and have grown over the last decade.

These costs and timeframes impact all regulated activities. However, large-scale and critical economic projects are likely impacted to a greater extent due to the location and nature of their proposed activities.

Sensitivity testing

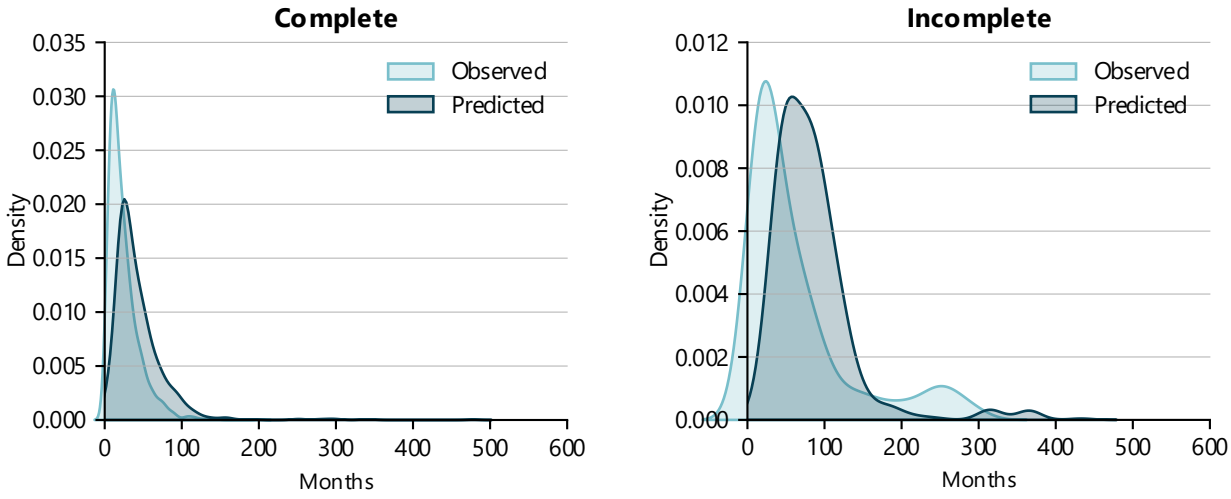
As a sensitivity test, the distribution of observed approval times is compared with the distribution of predicted times for each model (Figure C.6 and Figure C.7).

Given that the model accounts for incomplete observations, the predicted distributions should be similar to the observed distributions, but stretched towards longer approval times — to account for the downwards bias of survival times that arises from the incomplete information.

While it is intuitive that predicted incomplete durations will be longer than their current observed duration, predictions for completed durations will also be longer than their observed durations. This is due to a selection effect — projects which are quicker to reach an approval decision are more likely to be completed, which leads to a downward bias on the observed duration times.

While both groups should have longer predicted durations than observed durations, the stretch should also be more pronounced for observations that are incomplete and less pronounced for observations with observed completion times.

Figure C.6 Distribution of completion time vs estimated duration, completed vs incomplete observations



Comparing the overall distributions across the six specifications can help decide which specification might be preferred (Figure C.7). These figures suggest that accounting for the pathway is likely important — while all specifications correct for the censoring bias, only correcting for industry may lead to an overcorrection. They also suggest that the specification is not sensitive to the way referral year is included in the model — comparing the distributions across the columns shows the predicted distributions are relatively stable to that change in specification.

As such, the preferred specification is the regression that controls for both pathway and industry (to reduce the bias in the estimated durations) and the seven-year referral year specification (for simplicity).

Figure C.7 Distribution of completion time vs estimated duration across six specifications

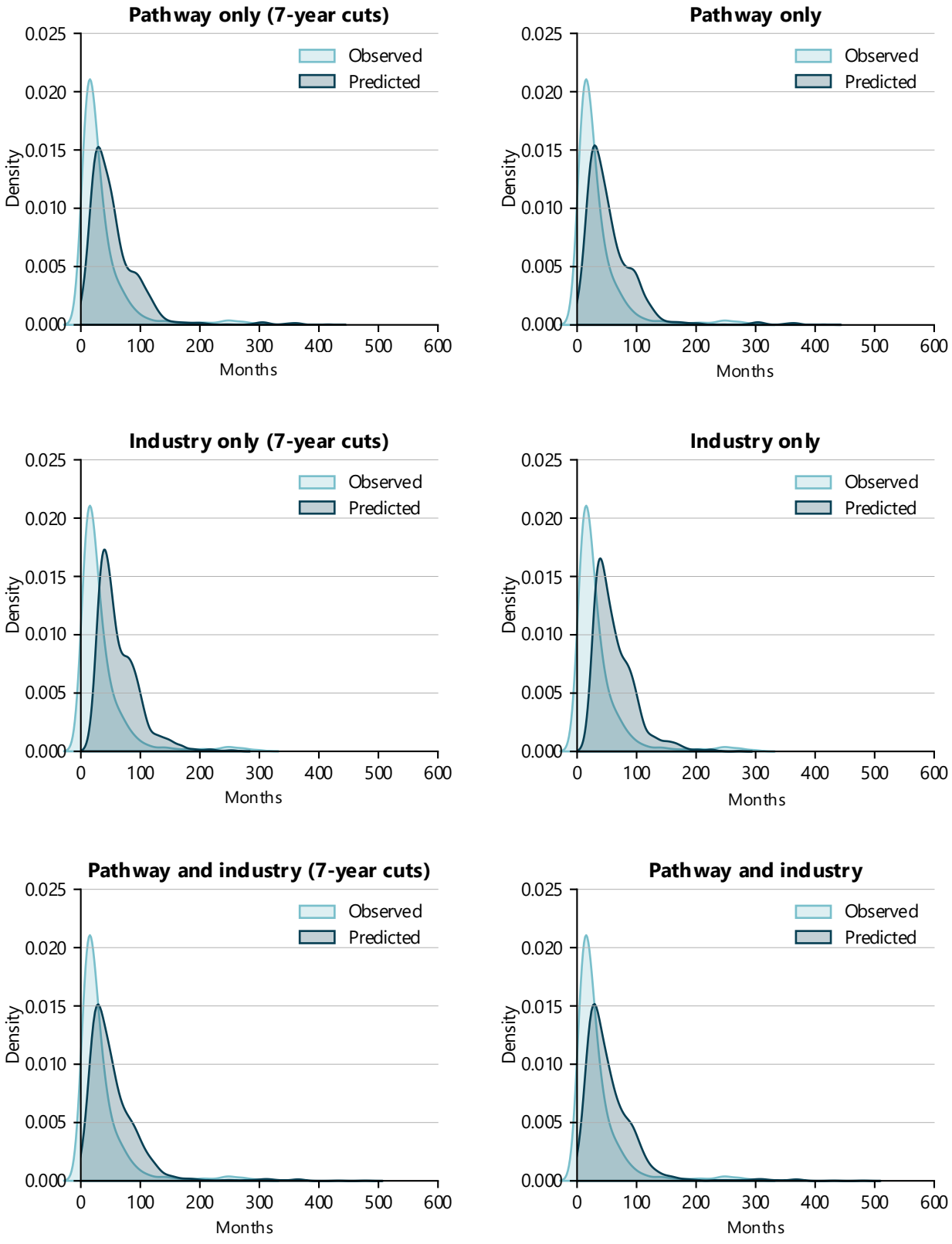


Table C.1 Duration model results

Control variable	Referrals		Approvals					
	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]
Intercept	1.11***	1.12***	21.15***	15.62***	15.49***	20***	15.88***	15.79***
	[1.06, 1.16]	[1.07, 1.18]	[17.86, 25.04]	[13.89, 17.55]	[13.4, 17.9]	[16.66, 24.01]	[13.97, 18.05]	[13.52, 18.44]
Year (baseline: 2010-2017)								
2000-2009	0.81***		1.05	0.86***	0.85***			
	[0.78, 0.83]		[0.93, 1.19]	[0.78, 0.96]	[0.77, 0.94]			
2018-2026	0.61***		1.82***	1.63***	1.65***			
	[0.59, 0.63]		[1.62, 2.05]	[1.47, 1.8]	[1.49, 1.82]			
Year (baseline: 2011-2015):								
2000-2005		0.71***				1.23**	0.81***	0.82**
		[0.69, 0.74]				[1.03, 1.47]	[0.7, 0.95]	[0.7, 0.96]
2006-2010		0.98				0.93	0.82***	0.81***
		[0.95, 1.02]				[0.8, 1.08]	[0.72, 0.92]	[0.71, 0.91]
2016-2021		0.78***				1.45***	1.25***	1.24***
		[0.74, 0.82]				[1.26, 1.67]	[1.11, 1.41]	[1.1, 1.4]
2022-2026		0.57***				1.94***	1.63***	1.66***
		[0.54, 0.6]				[1.66, 2.27]	[1.43, 1.86]	[1.45, 1.89]
Pathway (baseline: Preliminary documentation)								
Accredited assessment process				2.31***	2.55***		2.35***	2.6***
				[2.1, 2.54]	[2.3, 2.82]		[2.14, 2.59]	[2.34, 2.88]
Environmental impact statement				2.79***	3.08***		2.84***	3.12***
				[2.24, 3.47]	[2.47, 3.84]		[2.28, 3.55]	[2.5, 3.9]
Public environment report				1.41***	1.53***		1.43***	1.54***
				[1.16, 1.71]	[1.26, 1.85]		[1.17, 1.73]	[1.27, 1.87]
Referral information				0.17***	0.18***		0.18***	0.18***
				[0.14, 0.22]	[0.14, 0.22]		[0.15, 0.23]	[0.15, 0.23]
Unclassified process				14.23***	15.02***		14.59***	15.09***
				[9.16, 22.11]	[9.73, 23.18]		[9.33, 22.81]	[9.72, 23.43]

Control variable	Referrals				Approvals			
	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]
Industry (baseline: Transport)								
Agriculture/forestry	1.03	1.09**	0.57***		0.76*	0.55***		0.77*
	[0.95, 1.13]	[1.01, 1.19]	[0.4, 0.81]		[0.57, 1.02]	[0.39, 0.78]		[0.58, 1.03]
Commercial	1.04	1.06**	0.89		0.98	0.89		0.97
	[0.99, 1.09]	[1.01, 1.11]	[0.74, 1.06]		[0.84, 1.13]	[0.74, 1.06]		[0.84, 1.13]
Energy	1.02	1.03	1.04		0.82**	1.07		0.83**
	[0.98, 1.08]	[0.98, 1.09]	[0.87, 1.25]		[0.71, 0.96]	[0.89, 1.28]		[0.71, 0.96]
Infrastructure	1.08***	1.08***	0.67***		0.72***	0.68***		0.73***
	[1.03, 1.14]	[1.03, 1.13]	[0.54, 0.82]		[0.61, 0.85]	[0.56, 0.84]		[0.62, 0.86]
Residential	1.12***	1.11***	0.95		1.28***	0.97		1.27***
	[1.07, 1.17]	[1.06, 1.17]	[0.81, 1.12]		[1.12, 1.47]	[0.82, 1.14]		[1.11, 1.46]
Resources	1.11***	1.1***	1.14*		0.9*	1.14*		0.89*
	[1.06, 1.16]	[1.05, 1.15]	[0.98, 1.33]		[0.79, 1.02]	[0.99, 1.33]		[0.79, 1.01]
Other	1.06*	1.03	0.65**		0.87	0.65**		0.86
	[0.99, 1.13]	[0.97, 1.1]	[0.45, 0.93]		[0.64, 1.18]	[0.45, 0.94]		[0.63, 1.17]
State (baseline: NSW)								
VIC	1.07***	1.05**	1.17*	1.18**	1.2***	1.18**	1.21***	1.22***
	[1.02, 1.12]	[1, 1.09]	[0.99, 1.37]	[1.03, 1.36]	[1.04, 1.37]	[1, 1.39]	[1.05, 1.39]	[1.06, 1.4]
QLD	0.98	0.95**	1.21***	1.35***	1.39***	1.21***	1.36***	1.39***
	[0.94, 1.02]	[0.92, 0.99]	[1.06, 1.39]	[1.2, 1.52]	[1.24, 1.56]	[1.05, 1.39]	[1.21, 1.53]	[1.24, 1.56]
WA	1.04*	1.01	0.86**	1.01	1.02	0.86**	1.01	1.02
	[0.99, 1.08]	[0.97, 1.06]	[0.75, 0.99]	[0.9, 1.14]	[0.91, 1.15]	[0.75, 1]	[0.9, 1.14]	[0.91, 1.15]
SA	1.05	1.03	0.82	0.97	1.05	0.84	0.98	1.06
	[0.99, 1.13]	[0.97, 1.1]	[0.61, 1.12]	[0.75, 1.25]	[0.82, 1.35]	[0.62, 1.13]	[0.76, 1.27]	[0.82, 1.37]
TAS	1.14***	1.11***	1.16	1.11	1.18	1.18	1.12	1.18
	[1.06, 1.23]	[1.03, 1.19]	[0.88, 1.53]	[0.87, 1.4]	[0.93, 1.49]	[0.89, 1.55]	[0.88, 1.42]	[0.94, 1.5]
NT	0.95	0.92*	1	0.89	0.96	1.02	0.9	0.96
	[0.87, 1.04]	[0.85, 1.01]	[0.73, 1.37]	[0.68, 1.16]	[0.74, 1.25]	[0.74, 1.39]	[0.69, 1.17]	[0.74, 1.26]
ACT	0.97	0.95	0.97	1.13	1.18	1	1.16	1.2
	[0.9, 1.04]	[0.89, 1.02]	[0.71, 1.32]	[0.88, 1.45]	[0.92, 1.51]	[0.73, 1.36]	[0.9, 1.49]	[0.94, 1.55]
Jervis Bay Territory	1	1.13						
	[0.58, 1.72]	[0.66, 1.92]						
Other	1.01	1.00	0.77	0.80	0.89	0.73*	0.81	0.89
	[0.96, 1.07]	[0.94, 1.06]	[0.55, 1.07]	[0.6, 1.07]	[0.66, 1.19]	[0.52, 1.02]	[0.6, 1.09]	[0.66, 1.19]

Control variable	Referrals		Approvals					
	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]	OR [95% CI]
Changed proponent: yes	1.1**	1.08*	1.69***	1.55***	1.51***	1.67***	1.52***	1.49***
	[1.01, 1.2]	[0.99, 1.17]	[1.42, 2.01]	[1.34, 1.81]	[1.31, 1.76]	[1.4, 1.99]	[1.31, 1.77]	[1.28, 1.73]
Ref paused: yes	2.21***	2.26***	0.87	0.92	0.94	0.88	0.93	0.95
	[2.01, 2.43]	[2.06, 2.49]	[0.66, 1.16]	[0.72, 1.17]	[0.73, 1.2]	[0.66, 1.17]	[0.73, 1.19]	[0.74, 1.22]
Variation to proposal: yes	0.99	0.97	1.57***	1.23***	1.22***	1.6***	1.22***	1.23***
	[0.93, 1.05]	[0.92, 1.03]	[1.4, 1.77]	[1.1, 1.36]	[1.1, 1.36]	[1.42, 1.81]	[1.1, 1.36]	[1.1, 1.36]
Approval extension: yes			0.87**	0.87***	0.88**	0.93	0.9**	0.91*
			[0.78, 0.99]	[0.79, 0.96]	[0.8, 0.97]	[0.82, 1.05]	[0.81, 1]	[0.82, 1.01]
Number of approval conditions			0.94***	0.95***	0.95***	0.94***	0.95***	0.95***
			[0.92, 0.96]	[0.94, 0.97]	[0.94, 0.96]	[0.93, 0.96]	[0.94, 0.97]	[0.94, 0.97]

Note: OR = odds ratio, 95% CI = is the 95% confidence interval of the odds ratio. *** p = 0.01, ** p = 0.05, * p = 0.1.

C.2 Estimated area affected by changes to land clearing exemptions

The 2025 reforms reduced the scope of the continuous use exemption in s. 43B of the EPBC Act such that it no longer applies to:

- land within 50 metres of a watercourse, wetland or drainage line located in the Great Barrier Reef catchment
- land that has not been cleared within 15 years.

Where available, the Commission has drawn on analysis developed by staff within the Department of Natural Resources and Mines, Manufacturing, and Regional and Rural Development (DNRMMRRD). However, the Commission has also conducted its own analysis to both confirm previous analysis and to develop a more granular regional breakdown of these impacts.

The *Vegetation Management Act 1999* (Qld) (VMA) provides for 'Category X' land, the clearing of which does not require a state level notification or permit. A measure of the area potentially affected by the changes to s. 43B is Category X land which meets either of the definitions above. Further details on this relationship are provided in Chapter 4.

Note this area is intended to measure the area where the s. 43B exemption can no longer be relied on — it does not imply, however, that a referral (or self-assessment) will necessarily be required for all activities within those regions. See Chapter 4 for further details.

Data sources

The three data sets used to conduct this analysis were sourced from the Queensland Government's QSpatial data catalogue:

- land categorisation under the VMA (Queensland Government 2026i)
- watercourse and drainage line data (Queensland Government 2023b, 2026j)
- the most recent 'high value regrowth' (HVR) data used to measure of 15-year-old vegetation (Queensland Government 2024c).

The Great Barrier Reef Catchment is defined using the drainage basins defined by the map referred to in section 13 of the Environmental Protection Regulation 2019 (Queensland Government 2018).

For both computational and analytical purposes, this data was divided into 'statistical area 2' (SA2) regions. SA2 level spatial data is published by the ABS (ABS 2026a).

There are three practical limitations associated with the use of the above data:

- First, the most recent available HVR data is from 2021, and there may have been material changes in vegetation coverage over that period.
- Second, while the HVR data is intended to be 'state-wide and tenure blind', the available data do not 'include properties outside of Great Barrier Reef Catchments that had been issued a Property Map of Assessable Vegetation (PMAV) prior to February 2018' (Queensland Government 2024c). This means that the analysis likely underestimates the affected area outside of the Great Barrier Reef Catchment. Despite this, consultation with relevant stakeholders indicated the HVR data was the best available proxy.
- Third, the watercourse and drainage line data is based on centrelines of those features. For active water features, a 50-metre buffer around the centreline will capture less area than a 50-metre buffer from the edge of the water way. This may lead to an underestimate of land captured by the change.

The extent to which these limitations effect the overall estimates is not identifiable and should be understood as a limitation of the analysis given the data available.

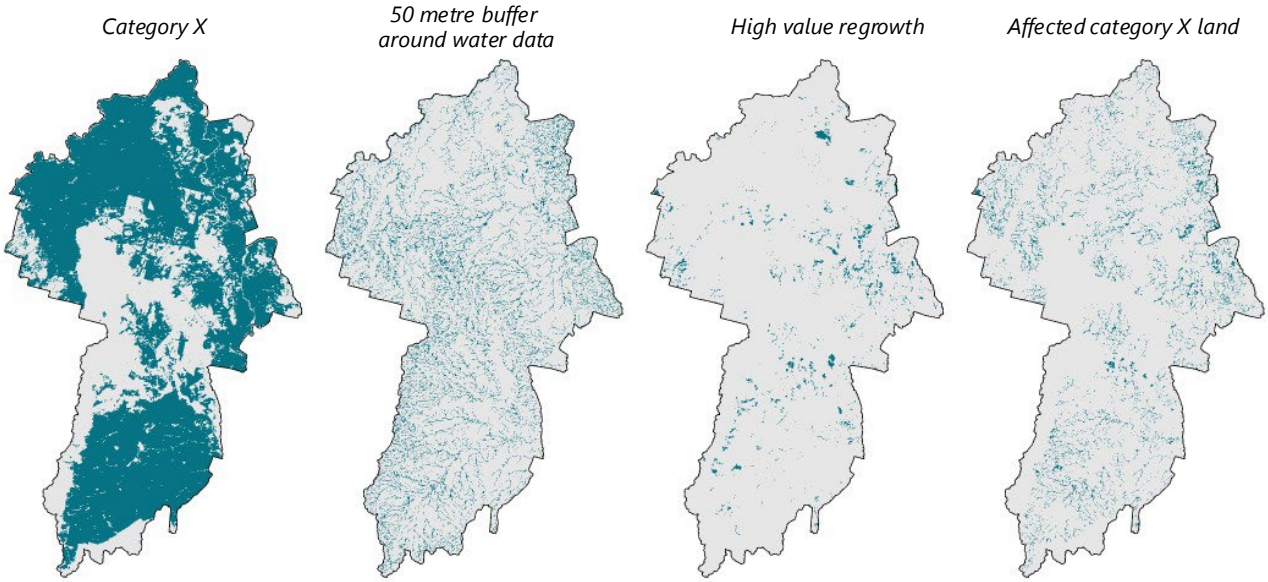
Analysis

Analysis was undertaken in R using the *sf* (Pebesma et al. a2026) package. Maps were produced using the *tmap* package (Tennekes et al. 2026). Broadly, the approach used was as follows:

- divide each of the vegetation management data, the watercourse data, and the HVR data set into SA2 areas
- for each SA2 compute:
  - a 50 metre buffer around the watercourses within each GBR basin
  - the spatial division of the 50 metre water course buffer, the HVR data, and each VMA category
  - the areas of those divisions.

An example of these areas within a single SA2 is provided below (Figure C.8).

Figure C.8 Example of spatial data used in analysis within the 'Central Highlands – East' SA2

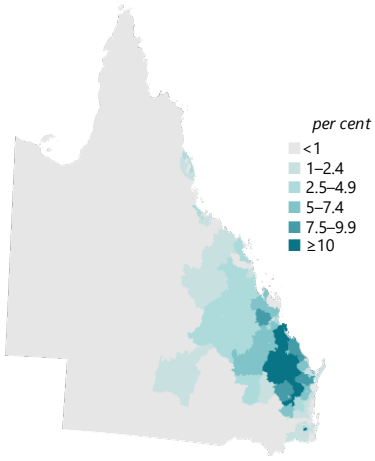


Results

Regional results are presented in Figure 4.6, reproduced in Figure C.9 below. For the reasons above, results are indicative rather than precise and are presented as aggregated categories.

Figure C.9 Indicative share of land for which the continuing use exemption is no longer available

Category X land within 50 metres of a water feature in the Great Barrier Reef or having 15-year-old regrowth, as a share of the total land area by Statistical Area 2



Source: QPC based on ABS 2026a; Queensland Government 2018, 2023b, 2024c, 2026j.

The estimates align with previous analysis prepared by DNRMMRRD, with relatively small differences in the state-wide areas affected. Further, this variation may be partly explained by computational differences (for example, the precision at which water data buffers were calculated). The DNRMMRRD analysis has therefore been retained as the primary estimates of impacts in relevant sections of the report as:

- DNRMMRRD staff are relevant subject matter experts within the Queensland Government
- Commission estimates do not sufficiently differ from DNRMMRRD estimates to justify a departure from the latter.

C.3 Simplified land use concordance

For presentational purposes, data presented in Chapter 4, Figure 4.4 has been aggregated using the definitions in Table C.2. In addition, all water categories were aggregated into 'water and wetlands'.

Table C.2 Aggregation of land use data

Australian Land Use and Management classification		Aggregate
Primary	Secondary	
Conservation and Natural Environments	-	Conservation and natural environments
Production from Relatively Natural Environments	Grazing native vegetation	Grazing
Production from Relatively Natural Environments	Production native forests	Forestry
Production from Dryland Agriculture and Plantations	Plantation forests	Forestry
Production from Dryland Agriculture and Plantations	Grazing modified pastures	Grazing
Production from Dryland Agriculture and Plantations	Cropping	Cropping and horticulture
Production from Dryland Agriculture and Plantations	Perennial horticulture	Cropping and horticulture
Production from Dryland Agriculture and Plantations	Seasonal horticulture	Cropping and horticulture
Production from Dryland Agriculture and Plantations	Land in transition	Other
Production from Irrigated Agriculture and Plantations	Irrigated plantation forests	Forestry
Production from Irrigated Agriculture and Plantations	Grazing irrigated modified pastures	Grazing
Production from Irrigated Agriculture and Plantations	Irrigated cropping	Cropping and horticulture
Production from Irrigated Agriculture and Plantations	Irrigated perennial horticulture	Cropping and horticulture
Production from Irrigated Agriculture and Plantations	Irrigated seasonal horticulture	Cropping and horticulture
Production from Irrigated Agriculture and Plantations	Irrigated land in transition	Other
Intensive Uses	-	Other
Intensive Uses	Intensive horticulture	Cropping and horticulture
Intensive Uses	Intensive animal production	Other
Intensive Uses	Residential and farm infrastructure	Other
Intensive Uses	Mining	Other

C.4 Estimates of offset costs

Background

As discussed in Chapter 9, there is limited publicly available information on the cost of environmental offsets. While Australian, and various state governments maintain databases on offset obligations and approvals, these databases do not report the total costs incurred by proponents. Academic research is similarly limited. While Iftekhar et al. (2019b) identify the main cost components of offsets (Box C.1), they do not provide estimates of overall offset costs.

Box C.1 Costs of establishing and maintaining environmental offsets

Although comprehensive cost data are scarce, offset projects typically involve several categories of expenditure:

- Search costs — identifying suitable offset sites, including ecological surveys and other information gathering exercises.
- Transaction costs — negotiation, approval, compliance, monitoring and enforcement activities associated with offset agreements.
- Acquisition costs — securing offset land through purchase, leasing or forgone land-use opportunities.
- Establishment costs — implementing the offset, including fencing, revegetation and initial pest management.
- Management cost — ongoing maintenance, weed and pest control, monitoring and reporting.
- Induced costs — indirect impacts arising from offset implementation, such as increased pest or weed pressures where management is inadequate.

While there are few robust estimates of these costs, search and transaction costs have been estimated to cost between 20 to 50 per cent of the total cost of environmental programs.

Source: Adapted from Iftekhar et al. 2019a.

The Commission has developed indicative estimates of pre-reform offset costs for a selection of projects where sufficient public information was available. The analysis draws on case studies from residential and non-residential developments and combines information from approvals, stakeholder submissions and biodiversity credit markets.

It was not possible to separate offset costs attributable to national matters from those attributable to state (or local) matters. As a result, the estimates reflect the total costs of complying with all offset requirements across jurisdictions.

Offset costs for residential projects

Estimates of offset costs for residential projects are based on case studies provided in the Urban Development Institute of Australia – Queensland (UDIA Qld)'s submission to the Commission (sub. 40). These estimates were supplemented with information from the EPBC Act approvals database and stakeholder consultations. As the underlying project information is commercially sensitive, all projects have been de-identified.

The Commission sourced offset acquisition costs directly from the UDIA Qld submission. These costs do not include search or transaction costs.

Management costs were estimated using information obtained through stakeholder consultation and were assumed to be $16,000 per hectare of offset area. Where the size of the offset area was not known, the total development area was used as a proxy.[96]

Delay costs were assumed to be 20 per cent of the total holding costs reported in the UDIA Qld submission. This assumption was informed by the Commission's analysis of approval time differences between projects with offset requirements and projects without offsets.

Using these assumptions, total offset costs were estimated by combining acquisition, management and delay costs for each project. The results are presented in Table C.3.

The estimates indicate material variation in offset costs between projects. Across the ten case studies examined, offset requirements increased the cost of a dwelling by between $800 and $24,000, with an average cost of approximately $4,319 per dwelling.

Table C.3 Estimated offset costs for selected greenfield residential projects, 2026

	lowest cost	highest cost	average
No. lots	*	*	5,118
Offset acquisition cost	*	*	$ 11,751,158
Estimated management costs	*	*	$ 4,937,379
Estimated holding costs due to offset	*	*	$ 5,413,243
Total offset costs	*	*	$ 22,101,781
Cost per dwelling	$ 800	$ 24,000	$ 4,319

* Estimates have been redacted to provide stakeholder confidentiality. Final costs have been rounded.
Note: Offset acquisition costs are sourced from HIA, management costs are based on stakeholder consultations and holding costs due to offsetting are assumed to equate to 20% of total holding costs (sourced from HIA, and average offset approval/project approval times from the EPBC Act project and offset portals).

Source: UDIA Qld sub. 40, stakeholder consultation and QPC estimates

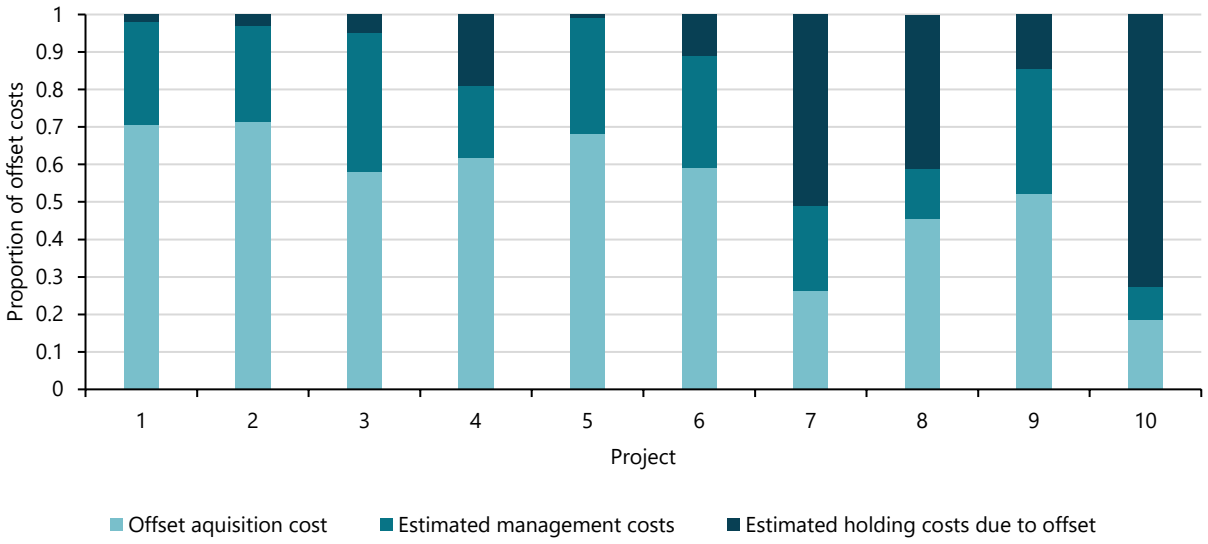
The estimates are broadly consistent with stakeholder feedback. For example:

> *HIA members have reported examples where environmental offset obligations alone are adding between $15,000 and $20,000 to the cost of individual residential lots. These costs arise before roads are delivered, sewerage infrastructure is installed, water infrastructure is constructed or homes are built. (HIA, sub. 50, p. 7)*

The analysis also highlights the importance of approval delays as a component of offset costs. While acquisition costs represent a significant burden for some projects, delay costs can be equally or more important. For example, for one of the larger residential developments examined (project 10 in Figure C.10 below), the Commission estimates that delay costs may be approximately three times higher than offset acquisition costs.

[96] Typically, offset sites are significantly larger than the impact area. However, most development areas are also larger than the impact area. While using total development area can help to provide a sense of scale, it is likely to introduce some error into the estimates, however, this is likely to underestimate rather than overestimate cost. For those projects where the offset area was known, offsets exceed project area by a ratio of 3.8:1.

Figure C.10 Estimated offset costs by component for selected greenfield residential projects



Note: Offset acquisition costs are sourced from HIA, management costs are based on stakeholder consultations and holding costs due to offsetting are assumed to equate to 20 per cent of total holding costs (sourced from HIA, and average offset approval/project approval times from the EPBC Act project and offset portals.

Source: UDIA Qld sub. 40, stakeholder consultation and QPC estimates.

Offset costs for non-residential projects

The Commission did not receive project-level data on offset costs for non-residential developments through stakeholder submissions.

To provide indicative estimates, information from the New South Wales (NSW) biodiversity credit market was matched to selected projects approved under the EPBC Act where the retirement of NSW biodiversity credits formed part of the offset requirement.

The Commission estimated offset costs using the following process:

- Identify EPBC Act-approved projects with offset requirements conditioned on the retiring of NSW biodiversity credits.
  - Projects on the NSW credits register with a listed EPBC Act number were linked directly to the EPBC Act register.
  - Remaining projects on the NSW credits register were fuzzy-matched to the EPBC Act register by both project and proponent name. The resulting matches were then checked to confirm match quality.
- Review the relevant EPBC Act and state approval conditions to determine offset obligations.[97]
- Match those obligations to credit purchases recorded in the NSW biodiversity credit transactions register. [98]
- Apply observed biodiversity credit prices to the required number of credits.
- Where no direct price information was available, use the most recent available transaction price or a comparable credit type as a proxy.

[97] EPBC Act conditions generally referred to a state approval, which was then identified and assessed.

[98] The NSW biodiversity credit transaction register identifies the number of credits purchased and the unit price of each credit.

Once offset obligations were identified, total offset costs were estimated by applying observed credit prices to the required number of biodiversity credits. Where proponents had not yet purchased credits, or where no price was reported in the transactions register, the most recent available transaction price was used. Where an exact species or ecosystem credit could not be matched, a similar credit type was used as a proxy.

These estimates include credit acquisition costs only and do not incorporate transaction, administration or delay costs. While market-based offset schemes are likely to reduce some transaction costs, additional costs may still arise where proponents find it difficult to match credit requirements with availability. As a result, the estimates may understate the full cost of offsetting for some proponents.

The results, summarised in Table C.4, suggest that offset costs vary widely between projects. For the two infrastructure projects considered (Parramatta light rail and Sydney Metro West) offsets costs were estimated to be a very small proportion of the total project costs. For these projects, the cost of offsetting is likely to be much less important than avoiding delays from approval. However, offsetting costs for the remaining projects varied between 2 and 43 per cent of project capital costs. For these projects, the cost of offsetting is likely to be a significant consideration for project viability.

Table C.4 Indicative offset costs for selected non-residential projects in NSW

	Estimated offset cost	Capital cost	Offset cost/capital cost
Kurri Kurri Lateral Pipeline Project	$ 8,862,410	$ 450,000,000	2.0%
Cowal Lake Gold Mine	$ 90,816,895	$ 430,000,000	21.1%
Parramatta Light Rail Stage 2	$ 1,166,154	$ 3,900,000,000	0.0%
Sydney Metro West	$ 13,251,000	$ 11,000,000,000	0.1%
Narrabri Underground Mine Stage 3 Extension	$ 173,567,370	$ 403,669,551	43.0%
Muswellbrook Solar Farm	$ 8,411,829	$ 302,000,000	2.8%

Note: Capital costs are sourced from project websites, offset costs are estimated from EPBC Act approval requirements, related state approvals and information on credit transfers from the NSW biodiversity credit market. Where credit requirements were unable to be matched, a similar credit type was used to estimate credit costs. All costs are for the year the project was approved.

Source: QPC estimates from NSW and EPBC Act approvals for selected projects and the NSW biodiversity credit register.

Detail on the impact site and offset requirements for each of the projects are provided in Table C.5. They show that, relative to the impact sites, the offset obligations are relatively onerous and expensive.

Table C.5 Detailed project information for selected non-residential projects in NSW

Project	Pre-development site condition	Offset conditions
Muswellbrook Solar Farm (EPBC 2020/90303)	Prior to development, the Muswellbrook Solar Farm site was largely a disturbed agricultural and post-mining landscape comprising degraded native grasslands, modified pasture, scattered paddock trees and areas of regenerating Ironbark woodland. The principal Matters of National Environmental Significance (MNES) were the critically endangered Box Gum Woodland and Central Hunter Valley Eucalypt Forest and Woodland ecological communities, together with habitat for several threatened species including the regent honeyeater, swift parrot and large-eared pied bat. While approximately 310 ha of native vegetation occurred within the development footprint, much of this was in degraded condition due to historical clearing, grazing and mining activities. The site was not described as containing high-quality intact habitat, and management of weeds, pest animals and other biosecurity risks was required as part of ongoing land management. The project involves the clearing of approximately 310.7 ha of native vegetation, although 92.2 ha was considered of sufficient condition to generate offset obligations under the NSW Biodiversity Offsets Scheme.	The Muswellbrook Solar Farm approval required the proponent to offset all residual biodiversity impacts arising from the clearing of native vegetation and threatened species habitat. The offset obligations were substantial due to impacts on nationally listed ecological communities, particularly Box Gum Woodland and Central Hunter Valley Eucalypt Forest and Woodland. The Muswellbrook Solar Farm is required to offset its residual biodiversity impacts through the retirement of 1,629 ecosystem credits and 2,487 species credits under the NSW Biodiversity Offsets Scheme. Additional offsets include approximately 17 ha of Box Gum Woodland and 84.16 ha of Derived Native Grassland to compensate for impacts on nationally listed ecological communities. The approval also requires implementation of a Biodiversity Management Plan addressing habitat protection, fauna management, rehabilitation, weed control and ongoing monitoring. These measures were considered sufficient by the regulator to avoid significant residual impacts on biodiversity values. **Expected cost: $8.4 million.**

Narrabri Underground Mine Stage 3 Extension (EPBC 2019/84270)	Prior to development, the Narrabri Underground Mine Stage 3 Extension area comprised predominantly of native woodland and forest vegetation within the Pilliga landscape, providing extensive habitat for a range of EPBC-listed threatened species. Key MNES included habitat for the regent honeyeater, painted honeyeater, koala, Corben's long-eared bat, large-eared pied bat, Pilliga mouse, Bertya opponens, spiny peppercress and Tylophora linearis. The project area contained more than 400 ha of habitat for several threatened species, reflecting the largely intact native vegetation present across much of the site. While weed and pest management formed part of ongoing environmental management, the site was principally characterised by native forest and woodland habitat rather than heavily degraded or weed-dominated vegetation.	The Narrabri Underground Mine Stage 3 Extension is subject to extensive biodiversity offset requirements reflecting the large area of native Pilliga forest habitat affected by mining and associated subsidence. The approval limits habitat loss for a range of threatened species, including the koala, regent honeyeater, Pilliga mouse, large-eared pied bat and Corben's long-eared bat. Residual impacts must be compensated through protected offset areas and long-term habitat management, including restoration, weed and pest control, ecological monitoring and adaptive management. Additional conditions required monitoring and management of impacts to groundwater, surface water and groundwater-dependent ecosystems. **Expected cost: $173.6 million**
Kurri Kurri Lateral Pipeline corridor (EPBC 2021/9113)	Prior to development, the Kurri Kurri Lateral Pipeline corridor comprised a mix of cleared rural land, grazing paddocks, remnant woodland and riparian vegetation. The principal MNES were River-flat Eucalypt Forest and habitat for the koala, grey-headed flying-fox, regent honeyeater and swift parrot. Approximately 65 hectares of native vegetation was identified within the disturbance footprint, including remnant woodland, scattered paddock trees and riparian forest. While weeds and pest species were present in parts of the modified rural landscape, the site was characterised by remnant native vegetation rather than heavily weed-dominated habitat, and biodiversity management focused on avoiding and restoring impacts to threatened species habitat and ecological communities.	The Kurri Kurri Lateral Pipeline Project is required to offset residual impacts on approximately 65 hectares of native vegetation, including habitat for the koala, grey-headed flying-fox, regent honeyeater and swift parrot, together with impacts to the critically endangered River-flat Eucalypt Forest ecological community. Offsets are delivered through biodiversity credit retirement and the long-term protection and management of equivalent habitat, supported by restoration, weed and pest control, ecological monitoring and adaptive management measures. **Expected cost: $8.9 million**

Cowal Gold Mine extension (EPBC 2022/092230)	Prior to development, the Cowal Gold Mine extension area comprised a mix of existing mining disturbance, remnant Grey Box and Weeping Myall woodland, derived native grassland and wetland habitat associated with the Lake Cowal system. Key MNES included Grey Box Grassy Woodland, Weeping Myall Woodland and habitat for the superb parrot, painted honeyeater, Australasian bittern, Australian painted snipe, Latham's snipe and sharp-tailed sandpiper. The site supported more than 600 ha of superb parrot habitat and approximately 375 ha of wetland bird habitat. While weeds and pest species required management, the site was principally valued for its woodland and wetland ecological communities.	The Cowal Gold Mine extension is subject to biodiversity offsets to compensate for impacts on Grey Box Grassy Woodland, Weeping Myall Woodland and habitat for several threatened and migratory bird species, including the superb parrot, painted honeyeater, Australasian bittern and Australian painted snipe. The approval imposes strict clearing limits and requires long-term protection and management of offset lands, including habitat restoration, weed and pest control, ecological monitoring and adaptive management to maintain the ecological values of the Lake Cowal landscape. **Expected cost: $90.8 million**
Sydney Metro West (EPBC 2020/8687)	Prior to development, the Sydney Metro Western Sydney Airport corridor between St Marys and the Elizabeth Drive area comprised a mix of rural land, remnant woodland vegetation, creek corridors, paddock trees and previously disturbed land. Key MNES included threatened ecological communities, threatened flora and fauna habitat, and Commonwealth land associated with the Western Sydney Airport precinct. The site contained fragmented but ecologically significant native vegetation, while weed infestations and exotic pasture species were common in disturbed areas of the corridor.	The Sydney Metro Western Sydney Airport project is required to offset residual impacts on native vegetation, threatened ecological communities and threatened species habitat through a combination of biodiversity offsets and long-term habitat management. Offset areas must be protected and managed in perpetuity, with measures including revegetation, weed control, ecological monitoring and adaptive management to ensure no net loss of biodiversity values arising from construction of the metro corridor. **Expected cost: $13.3 million**

Source: EPBC Act approvals documentation and relevant offset management plans

Conclusions

Although the analysis is based on a relatively small sample of projects, the results demonstrate that offset costs can vary substantially across developments. For some projects, offset costs form only a minor component of overall expenditure, meaning that reducing approval delays is likely to provide the greatest benefit. For other projects, offset costs represent a material share of development costs and may significantly affect project viability.

The findings suggest that both the direct cost of offsets and the time required to secure them can influence investment decisions. Consequently, reforms that improve the efficiency of offset delivery, increase certainty, or reduce approval delays may provide significant benefits to proponents.

C.5 Analysis of recently approved projects with offset conditions

This appendix is intended to provide some evidence on the complexity of offset requirements (see Chapter 9). It provides some detail on the offset requirements for selected projects in Queensland that were approved with offset conditions between 1 January 2023 and 1 October 2026. Three projects were omitted because offset management plans were not available to make a full assessment of offset requirements.

Project details, including pre-development impact site condition and offset requirements, were sourced from publicly available information, including approvals data from the EPBC Act public register and individual offset management plans.

Review of the assessed projects indicates that, in most cases, the development footprints were located within landscapes that had already been substantially modified by historical land uses such as grazing, agriculture, mining, infrastructure development or previous vegetation clearing. Few projects involved disturbance of entirely intact ecosystems. Instead, most impact areas comprised a mix of remnant vegetation, regrowth vegetation, fragmented habitat patches and modified rural land that nonetheless retained habitat values for MNES.

Across the projects assessed, the most commonly affected MNES were the koala, greater glider, grey-headed flying-fox, threatened woodland bird species, threatened reptiles and threatened ecological communities. Habitat quality within impact areas was generally moderate, typically ranging between 4 and 7 out of 10, with a small number of projects affecting higher-quality habitat such as the southern squatter pigeon habitat at the Wongalee Wind Farm and Wallum sedge frog breeding habitat within the Aura South development.

A consistent finding was that, prior to the commencement of management actions, offset sites were rarely pristine conservation areas. Most offset properties had themselves been subject to historical grazing, vegetation clearing, timber harvesting or other land-use pressures. Common pre-existing threats included livestock grazing, weed infestation, altered fire regimes, habitat fragmentation and invasive species. Frequently recorded weeds included lantana, rubber vine, giant rat's tail grass, buffel grass, fireweed and prickly pear, while feral pigs, feral cats, foxes, wild dogs and rabbits were recurring pest species across multiple offset sites.

The offset strategies generally relied on securing substantially larger habitat areas than those impacted by development and achieving conservation gains through active ecological management. Common management requirements included legal protection through conservation covenants, exclusion or reduction of grazing pressure, weed control, pest animal control, fire management, hydrological restoration where relevant, habitat restoration and revegetation, installation of artificial habitat structures, and long-term ecological monitoring. Active management periods were typically 20 years, although many projects required offset areas to remain legally protected and managed beyond this period, often in perpetuity or for the duration of project impacts.

Overall, the projects demonstrate a common regulatory approach under the EPBC Act whereby developments impacting threatened species or ecological communities are approved subject to avoidance measures, impact minimisation and offset programs designed to improve the condition, extent and security of comparable habitat elsewhere, with measurable conservation gains expected over time.

Table C.6 Assessment of pre-development site condition and offset requirements for selected Queensland projects with offset conditions

Project	Pre-development site condition	Offset requirements
Calvale to Calliope River Transmission Line Reinforcement Project (EPBC 2024/10044)	The project involves construction of a new 87 km, 275 kV transmission line between the Calvale Substation (east of Biloela) and the Calliope River Substation (near Gladstone), together with associated substation upgrades. Because the line is located predominantly within existing easements, a significant proportion of the corridor has already been modified by previous transmission infrastructure, although additional clearing is still required for the new line and associated works. The Calvale to Calliope River Transmission Line Reinforcement Project will disturb approximately 424 ha of woodland, riparian and grazing landscapes in Central Queensland. Significant residual impacts occur to eight MNES, including the koala, greater glider, yellow-bellied glider, collared delma, Cycas megacarpa, Samadera bidwillii, semi-evergreen vine thicket and subtropical eucalypt floodplain forest. Prior to development, habitat condition ranged from moderate to high quality but had been influenced by grazing, selective clearing, weed invasion and habitat fragmentation.	The offset package comprises three properties; Lone Star (Offset area: 892.6 ha), the Cedars (Offset area: 622.8 ha) and South Kolan (unknown area). Total offset estate exceeds 1,500 ha before inclusion of South Kolan habitat. Prior to management, the offset estate was substantially modified by grazing, selective clearing, weeds and feral animals. Major weeds included lantana, cat's claw creeper, giant rat's tail grass, parthenium and rubber vine, while feral pigs and feral cats were identified as the principal invasive animals. Required management actions include: • weed control and eradication programs • feral pig and feral cat control • grazing exclusion or reduction • fire management • restoration of cleared paddocks and riparian habitat • assisted natural regeneration • habitat enhancement for threatened species • ecological monitoring and reporting. Offset outcomes to be achieved within 20 years and maintained until 2088.

Peak Downs Mine Power Line Realignment Project (EPBC 2024/09983)	The project involves the realignment of three existing 66 kV powerlines servicing the Peak Downs Mine, south-east of Moranbah. The new alignment is located east of the existing powerlines and traverses a landscape already influenced by mining and grazing activities. The site nevertheless contains native vegetation communities and habitat for several EPBC-listed species and ecological communities. The assessment specifically identified regional ecosystems, threatened ecological communities, threatened flora and threatened fauna as relevant environmental values. The publicly available documentation confirms that the project involves vegetation clearing and the loss of habitat for threatened species. The documentation confirms that: • weed management is a project consideration • pest animals are present. The disturbance footprint is approximately 67 ha, primarily associated with construction of the new powerline easement, poles, access tracks and associated infrastructure. Habitat clearing for MNES is substantially smaller than the overall disturbance footprint: • koala = 7.18 ha • greater glider = 6.42 ha	The offset management plan requires a range of actions designed to improve habitat quality over time, including weed control, feral animal management, grazing controls, habitat protection and long-term ecological monitoring. The proponent is required to actively monitor and report on threats. The offset land will be legally secured and managed to achieve ongoing conservation gains and compensate for project impacts. The offset area is: • koala = 115.56 ha • greater glider = 115.56 ha. Offset areas were very high because the offset site had the same habitat quality score (6 or 7) as the impact site, and the future habitat score was assessed at 8. That is, only marginal gains could be achieved through the offset. These are to be mainly achieved through the threat management outcomes noted above.

Blue Rock Quarry Expansion Project (EPBC 2024/09844)	The project involves the expansion of the existing Blue Rock Quarry at Cedar Creek in South East Queensland. The area contains koala habitat within a broader rural landscape of native forest and woodland vegetation. The EPBC Act assessment determined that the principal MNES requiring offsets was the koala. The impact area contained approximately 5.9 ha of koala habitat assessed through habitat quality surveys. Habitat quality was relatively moderate to high, producing a weighted habitat score of approximately 5.73 (rounded to 6) under the Modified Habitat Quality Assessment methodology. The offset management plan states: "A Koala was directly observed within the impact area during surveys, however results from the SATs [Spot Assessment Technique] completed were assessed under the 'East Coast (med-high)' category and retuned a value of 'low usage' indicating limited suitable habitat."	Residual impacts are proposed to be offset through the 40 ha Little Kipper Creek Road Offset Area, which already supports koala habitat but will undergo active ecological enhancement. The offset is designed to improve habitat quality from a baseline score of approximately 6 to a target score of 8 through vegetation restoration, weed management, habitat enhancement, monitoring and adaptive management. The offset will be managed for 20 years and is intended to provide a measurable net benefit for the endangered koala.

Ripley Residential Development Project 187–197 Binnies Road, Ripley, Queensland (EPBC 2024/09865)	The development site comprised approximately 7.52 ha of vacant bushland within the Ripley Valley Priority Development Area. Prior to development, around 7.38 ha of the site was identified as critical habitat for the koala and potential foraging habitat for the grey-headed flying-fox. The site consisted of remnant and regrowth eucalypt woodland, including mapped core koala habitat, and represented an isolated vegetation patch within an increasingly urbanised landscape. The principal MNES affected by the project were: • koala (endangered) • grey-headed flying-fox (vulnerable). Habitat quality was assessed as moderate, with habitat scores of approximately 6.31/10 for koala habitat and 7.27/10 for grey-headed flying-fox habitat. Surveys confirmed koala use of the site and identified breeding and movement habitat values. While overall vegetation condition remained relatively good, the site was subject to pressures from surrounding urban expansion and minor weed infestations, including fireweed, balloon cotton bush, Scotch thistle, blue billy goat weed and cobblers pegs.	The 25 ha Mount View Offset Area at Oaky Creek is a degraded former grazing property selected to offset impacts to koala and grey-headed flying-fox habitat. Prior to management, the site consisted largely of cleared paddocks with scattered regrowth and was affected by cattle grazing, weed infestations, wild dogs and other pest species. The offset area must be: • legally secured through a conservation covenant and protected in perpetuity • actively managed for a 20-year period • subject to wild dog and pest animal control • managed to reduce Weeds of National Significance to less than 5% cover • restored through revegetation and regeneration of 20.6 ha of former grazing land • managed under a bushfire management program • fenced and signposted to protect habitat values • monitored through ongoing ecological surveys and adaptive management. The offset is designed to improve habitat quality from a degraded baseline condition to approximately 7/10, exceeding the required offset obligation for both the koala and grey-headed flying-fox.

Saraji Mine Grevillea Pit Continuation Project (EPBC 2023/09757)	The Saraji Mine Grevillea Pit Continuation Project will extend the existing Grevillea Pit into Mining Lease 700021 and disturb approximately 220 ha of land. The key EPBC Act residual impact is the loss of 45.56 ha of habitat for the Ornamental Snake, comprising 42.83 ha of preferred habitat and 2.73 ha of suitable habitat. The impact area consists of brigalow woodland and associated floodplain habitats with deep cracking clay soils, gilgai microrelief, coarse woody debris and frog habitat important for ornamental snakes. Habitat quality was assessed as 6/10, representing moderate-quality habitat within a broader mining and grazing landscape. Note – the impact occurs on the edge of an existing mine on mainly cleared landscape (see aerial photos below). 	The offset is located within Croydon Station, a large grazing property east of the mine, and comprises a 377.8 ha offset area containing approximately 359.9 ha of suitable or preferred ornamental snake habitat, substantially exceeding the required offset area. Prior to management, the site had been historically cleared and grazed for cattle, resulting in habitat degradation, weed invasion and altered ecological condition. Key threats included feral pigs, cane toads, grazing pressure, buffel grass, sabi grass, parthenium, parkinsonia and cactus infestations. The offset area must be legally secured and actively managed for at least 20 years, with requirements including controlled grazing, weed control, annual feral pig management, fire management, habitat regeneration and ecological monitoring. The objective is to improve habitat quality from 6/10 to 7/10 and deliver a measurable conservation gain for the ornamental snake.

Bungaban Wind Farm (EPBC 2024/09768)	The impact site comprises a large rural landscape between Wandoan and Taroom, with a total study area of approximately 50,390 ha and a maximum development footprint of approximately 2,532 ha. The area consists of remnant and regrowth woodland, Brigalow vegetation, grazing land and habitat for several threatened species. Historic land uses, particularly cattle grazing and vegetation clearing, have reduced habitat quality and connectivity across parts of the site. The project's significant residual impacts are expected to affect: • 6.6 ha of Brigalow Threatened Ecological Community (TEC) • 89.8 ha of koala breeding, foraging and dispersal habitat • 6.2 ha of koala climate refugia habitat • 37.1 ha of greater glider habitat (denning, future and potential habitat combined) • 97.5 ha of Dunmall's snake habitat. Habitat quality was generally moderate, with habitat assessment scores ranging from approximately 3.6 to 5.2 out of 10 across the affected MNES. Key threats present prior to development included livestock grazing, habitat fragmentation, previous clearing, invasive weeds, feral predators (particularly wild dogs and feral cats) and altered fire regimes.	Offsets will be delivered through the 5,629 ha Linden property and the 1,376 ha Kooroora property, providing extensive habitat for the same ecological communities and species impacted by the wind farm. These properties contain approximately 570 ha of koala habitat, 548 ha of greater Glider habitat, 603 ha of Dunmall's snake habitat, and 47 ha of Brigalow TEC, substantially exceeding the impacted areas. Baseline surveys recorded koala evidence, greater gliders and suitable habitat for all target species. Prior to management, both properties had been affected by long-term cattle grazing, selective logging, historical clearing, invasive weeds, feral animals and inappropriate fire regimes. Key threats include wild dogs, feral cats, feral pigs, goats, weed invasion and ongoing grazing pressure. The offset areas must be legally secured within 12 months of commencement and protected for the life of the project. Management actions include reducing stocking rates by up to 40%, weed control, feral animal control, fire management, habitat restoration, corridor revegetation, installation of 26 artificial greater glider nest structures, and long-term ecological monitoring. Active habitat improvement is required over a 20-year management period, with measurable increases in habitat quality targets for koala, greater glider, Dunmall's snake and Brigalow TEC habitat.

Moah Creek Wind Farm (EPBC 2023/09620)	The Moah Creek Wind Farm is located west of Rockhampton and includes up to 60 wind turbines and associated infrastructure. The project area contains approximately 716.7 ha of disturbance footprint within a broader rural landscape of remnant woodland, regrowth forest and grazing land. The site retains substantial biodiversity values despite a history of grazing and selective clearing. The EPBC Act assessment identified significant residual impacts to three MNES: • 91.7 ha of Cycas megacarpa habitat • 51.5 ha of greater glider habitat • 406.1 ha of koala habitat. Field surveys confirmed the presence of Cycas megacarpa (814 individuals within the impact footprint) and recorded greater glider habitat and populations within the project area. Although no koalas were detected during surveys, extensive koala habitat was present and assessed as habitat critical to the species. Habitat condition was generally moderate, with baseline habitat quality scores of approximately: • 5/10 for Cycas megacarpa habitat • 5/10 for koala habitat • 6/10 for greater glider habitat. Prior to development, the principal threats affecting habitat quality were cattle grazing, historical vegetation clearing, habitat fragmentation, altered fire regimes, weed invasion (particularly lantana and rubber vine), feral pigs, feral cats, foxes, wild dogs and cane toads.	The offset strategy is delivered across five properties comprising a total 3,852.9 ha nominated offset area, from which 1,620 ha is secured to offset impacts to the three affected MNES. The offset estate contains approximately: • 436.5 ha of Cycas megacarpa habitat • 440 ha of greater glider habitat • 1,620 ha of koala habitat Prior to management, the properties had been affected by historical grazing, selective clearing, weed invasion, altered fire regimes and feral animal activity. Major threats included lantana, rubber vine, Indian bluegrass, feral pigs, feral cats, foxes, wild dogs and cane toads. The offset areas must be: • legally secured and protected in perpetuity • actively managed over a 20-year period • subject to stock exclusion or grazing reduction • managed through weed and pest animal control programs • protected through ecological fire management • restored through habitat regeneration and revegetation • provided with artificial habitat structures, including Greater Glider nest boxes • monitored through long-term ecological monitoring, audits and adaptive management. The program aims to increase habitat quality from baseline scores of approximately 5–6/10 to around 7/10, delivering measurable conservation gains for all impacted MNES.

AW Bidco 6 Pty Ltd – Urban Development Project (EPBC 2023/09690)	The development site comprised approximately 77.8 ha within the Ripley Valley Priority Development Area. Prior to development, the site was a highly modified rural landscape mapped entirely as Category X (non-remnant) vegetation, consisting predominantly of cleared paddocks, scattered trees, isolated habitat trees and small farm dams. The proposal involved development of the entire referral area. The principal MNES affected by the project was the endangered koala. The impact area comprised approximately: • 74.9 ha of isolated trees and paddocks • 2.0 ha of isolated and scattered ancillary koala habitat trees • 0.9 ha of constructed dams. Habitat quality was generally low to moderate, reflecting extensive historical clearing, grazing and fragmentation. The conservation value of the site was primarily associated with habitat connectivity and the presence of scattered koala habitat trees rather than intact remnant vegetation. Key existing threats included habitat fragmentation, urban encroachment, historical agricultural disturbance and reduced habitat connectivity across the broader landscape.	Residual impacts to koala habitat are offset through the Little Kipper Creek Road Offset Area, comprising approximately 20 ha of habitat managed specifically for koala conservation. The offset area was a degraded rural property affected by grazing, weed invasion and reduced habitat quality. Two habitat assessment units were identified: • 2.7 ha with a baseline habitat score of 5/10, targeted to improve to 7/10 • 17.3 ha with a baseline habitat score of 4/10, targeted to improve to 7/10. The offset site will be legally protected and actively managed for 20 years to compensate for impacts to the Endangered Koala. The offset requires weed control, pest animal management, bushfire management, habitat restoration, fencing and site protection, together with ongoing ecological monitoring and reporting. The intended outcome is to improve habitat quality from a baseline of 4–5/10 to 7/10, delivering a measurable net gain in koala habitat condition through regeneration of native vegetation and long-term habitat management.

Tarong West Wind Farm (EPBC 2023/09643)	The Tarong West Wind Farm is proposed across a 17,500 ha project area near Kingaroy, with a maximum clearing footprint of approximately 880 ha for up to 97 wind turbines, access tracks and associated infrastructure. The site is currently used primarily for cattle grazing and comprises a mosaic of remnant eucalypt woodland, regrowth vegetation and cleared pasture within a highly fragmented landscape. Only about 16 ha of remnant vegetation occurs within the clearing footprint, with most impacts occurring in regrowth and non-remnant habitat. The site is a highly modified grazing landscape supporting habitat for the koala, greater glider, grey-headed flying-fox and south-eastern glossy black-cockatoo. Surveys recorded all four species on the site, including 16 koalas and 76 greater glider detections. Habitat quality was generally moderate, with scores of approximately 4.9–5.7/10 for koalas, greater gliders and grey-headed flying-foxes. Key threats included historical clearing, habitat fragmentation, livestock grazing, weeds, altered fire regimes, drought, feral cats, wild dogs and vehicle strike risk.	The offset package comprises approximately 2,346 ha across four properties, providing habitat for the same species impacted by the wind farm. The offset sites support extensive koala, greater glider, grey-headed flying-fox and glossy black-cockatoo habitat and substantially exceed the required offset obligations. Prior to management, the sites had been affected by historical grazing, selective clearing and vegetation degradation, but retained large areas of connected woodland habitat. Offset conditions require 20 years of active management, including legal protection of the sites, weed and pest control, bushfire management, stock exclusion or grazing management, habitat restoration, revegetation and ecological monitoring. The program also requires installation of 225 Glossy Black-cockatoo nesting structures and habitat enhancement for greater gliders, with the objective of improving habitat quality and delivering a measurable conservation gain for all affected species.

Atlas to Reedy Creek Pipeline (EPBC 2023/09585)	The Atlas to Reedy Creek Pipeline will disturb approximately 206.9 ha, although around 85% of the construction footprint is located within land that has already been cleared or modified by grazing, roads, utilities and existing gas infrastructure. The 57 km pipeline corridor traverses a predominantly agricultural landscape containing remnant woodland, regrowth vegetation and riparian habitats, including areas connected to Combabula State Forest. The principal MNES affected by the project are habitat for the koala (35.08 ha), greater glider (29.84 ha), south-eastern glossy black-cockatoo (28.31 ha), squatter pigeon (southern) (31.94 ha of critical and general habitat combined) and Dulacca woodland snail (4.80 ha). Habitat quality across the disturbance footprint was generally assessed as moderate (approximately 5–6 out of 10), reflecting a landscape that retains important threatened-species habitat despite a long history of disturbance. Prior to development, the ecological condition of the site had been shaped by historical clearing for grazing, ongoing cattle production, fragmentation caused by roads and utility corridors, altered fire regimes and the spread of invasive plants. Potential pest-animal threats included feral dogs, feral cats, foxes and cane toads. Although targeted surveys did not directly record EPBC-listed fauna within the disturbance footprint, suitable habitat was present and the assessment adopted a precautionary approach by treating the area as occupied habitat where habitat quality and landscape connectivity supported that conclusion.	The offset site secured by Senex is substantially larger than the impact area and comprises approximately 1,154 ha of woodland habitat. The offset area comprises a large woodland property secured by Senex and connected to adjoining State Forests, riparian corridors and broader regional wildlife corridors. The site contains habitat for the koala, greater glider and south-eastern glossy black-cockatoo, with surveys recording koalas near the offset boundary (including a koala with a joey), greater gliders in the surrounding landscape and suitable glossy black-cockatoo habitat throughout the property. Prior to management, the site had been affected by historical cattle grazing, vegetation thinning, reduced recruitment of habitat trees, altered fire regimes and minor weed infestations. Weed cover was low (less than 5%), with the principal weeds being mother-of-millions, prickly pear and velvety tree pear. European rabbits were the primary pest species identified. The offset area must be managed through long-term legal protection, livestock exclusion, weed and pest control, bushfire management, nest-box installation, ecological monitoring and adaptive management. The objective is to improve woodland condition, increase habitat recruitment and secure long-term conservation outcomes for koalas, greater gliders and glossy black-cockatoos.

Aura South Self-Contained Master-Planned Community (EPBC 2023/09548)	The Aura South development covers approximately 1,231 ha at Coochin Creek on the southern Sunshine Coast and was assessed under the EPBC Act due to impacts on a range of protected matters, including Ramsar wetlands, threatened species and migratory species. The key residual impact requiring a Commonwealth offset was to the Wallum sedge frog (Litoria olongburensis). The project will directly impact: • 15 ha of Wallum sedge frog breeding habitat across seven breeding habitat polygons • 53.7 ha of Wallum sedge frog non-breeding habitat (foraging and movement habitat). The impacted habitat formed part of a broader wallum wetland landscape supporting breeding, foraging and dispersal functions for the species. Habitat quality was affected by historical land uses including grazing, drainage modification, weeds, trampling and habitat fragmentation, although occupied breeding habitat remained present across the site. Key threats identified prior to development included livestock grazing, feral pig activity, hydrological modification, weed invasion, inappropriate fire regimes, cane toads, mosquito fish, eastern sedge frogs and potential spread of chytrid fungus.	The offset comprises a 348 ha Wallum sedge frog conservation area adjoining the development. It will provide 32 ha of breeding habitat and 306.7 ha of non-breeding habitat, exceeding offset requirements. Prior to management, the area was affected by grazing, weeds, feral animals and hydrological disturbance. Management conditions require permanent legal protection, stock exclusion, weed and feral pig control, hydrological restoration, habitat creation, fire management, species translocation and long-term ecological monitoring. The objective is to maintain and enhance the Wallum sedge frog population and habitat in perpetuity while achieving measurable habitat quality improvements over a 20-year management period.

Wongalee Wind Farm (EPBC 2023/09519)	The Wongalee Wind Farm will permanently impact approximately 726 ha of high-quality southern squatter pigeon habitat, including 296.9 ha of breeding habitat and 429.2 ha of foraging and dispersal habitat. The site occurs within a large grazing landscape dominated by eucalypt woodland, acacia woodland and native grasslands, where southern squatter pigeons were commonly recorded during surveys. Habitat quality was assessed at 7.6/10, although habitat condition had been influenced by grazing, weed invasion, feral predators, altered fire regimes and livestock disturbance.	The proposed offset area, The Island, comprises approximately 4,983 ha of connected eucalypt woodland, acacia woodland and grassland habitat suitable for the southern squatter pigeon. Prior to management, the site was affected by cattle grazing, feral predators, brumbies, weed invasion and altered fire regimes. The offset will be legally protected and actively managed through reduced grazing pressure, weed and pest control, fire management, habitat restoration and long-term ecological monitoring. Management aims to deliver measurable improvements in habitat quality and secure long-term conservation outcomes for southern squatter pigeon habitat while also benefiting koala, northern quoll, pink gidgee and pectoral sandpiper habitat.

Source: AECOM 2024; BMA 2026b, 2026a; Ecosure 2025; ERM 2026a, 2026b; Saunders Havill 2025a, 2025b, 2026a, 2026b; Senex 2024; Stockland 2026; Umwelt 2026a, 2026b, 2026c

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