

Biodiversity Offsets Scheme Update No. 12

31 January 2023

Welcome to Issue No. 12 of the Biodiversity Offsets Scheme Update.

The Biodiversity Offsets Scheme (the scheme) enables the impacts of development on biodiversity to be avoided, minimised, and offset. The scheme provides a consistent, transparent, and scientifically credible way for development to proceed while still protecting our environment. The NSW Government remains committed to improving and refining the scheme. You can keep up to date with the latest improvements, news, and information [via our website](#).

The Biodiversity Conservation Trust's (BCT) twice-yearly newsletter is another source of information. You can find it at the BCT's [Publication website](#). For other enquiries on the scheme, contact the dedicated scheme Help Desk team:

Help Desk Enquiry Line 1800 931 717, staffed Tuesday to Thursday from 10:00 am to 4:00 pm

Help Desk mailbox, BOS.helpdesk@environment.nsw.gov.au, monitored Monday to Friday from 10:00 am to 4:00 pm.

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Fast-tracking the supply of biodiversity credits

Almost 9,000 credits (\$14.1 million) were identified for purchase following the Credits Supply Fund's first reverse auction held in October-November 2022. Credit purchasing is now at transaction stage, with on-selling to proponents to commence in February 2023. Planning is underway for a second reverse auction in March 2023.

A further 6 Biodiversity Stewardship Agreements (BSA) and 3 variations that add in-demand species credits to existing agreements have now been approved since the last update. Since July 2022, the Credits Supply Taskforce (Taskforce) has approved 24 new BSAs that cover 12,800 hectares of land and 3 variations.

Meanwhile, the Stewardship Expression of Interest (EOI) program continues to generate strong interest in establishing new BSAs. The Taskforce has assessed or is in the process of assessing more than 40 properties identified with the potential to generate in-demand biodiversity credits.

As part of this program, the Taskforce supports landholders with an accredited assessor to prepare a Biodiversity Stewardship Site Assessment Report and a management plan as part of establishing a BSA.

You can find more information or submit a Stewardship EOI on the Taskforce's [website](#) or by contacting the Taskforce BSA Mailbox at stewardship@environment.nsw.gov.au

New Practice Note: Offset rules and ecosystem credits

The department has published new guidance for accredited assessors, proponents and consent authorities on credit retirement options for ecosystem credits under the offset rules.

The [Offsets rules and ecosystem credits](#) practice note provides guidance on how the like-for-like and variation rules apply to ecosystems credits. The [Offsets rules and ecosystem credits](#) practice note provides guidance on how the like-for-like and variation rules apply to ecosystems credits. This includes how to document the suitability of proposed offsets for biodiversity credit offset obligations.

The guidance can be found on the [Offset rules](#) and [Accredited Assessor](#) webpages. For more information, please contact the BOS.helpdesk@environment.nsw.gov.au

High volume of scheme credit transfer and retirement applications

The department is currently experiencing high volumes of applications to transfer and retire credits. While the department will make every effort to process an application to transfer or retire credits in the standard timeframe of 3–4 weeks, the processing timeframe may be longer at this time. The department can also review draft (non-executed) applications. This is a useful way to make sure the application is complete and accurate before it is signed by people with the appropriate legal authority.

More information is available online about [offset credit transactions](#) and [transferring and retiring BOS credits](#). Please contact BOSCREBITS@environment.nsw.gov.au with any queries about this notice.

BCF Charge System Price Estimation Service to commence shortly

The BCT will shortly commence offering a biodiversity credit price estimation service to complement the new Biodiversity Conservation Fund (BCF) Charge System.

The price estimation service will provide indicative credit prices (excluding the BCT's delivery fee and risk premium) and will be open to a broad range of stakeholders including:

- development proponents in the project planning phase who have an indicative credit obligation
- landholders who have a Biodiversity Stewardship Agreement (BSA)
- landholders who are assessing the feasibility of a potential new BSA and have an indication of credits via a feasibility report
- other credit owners
- agents acting on behalf of the above developers or landholders with their consent.

Costs for the price estimation service will be \$200 per application, plus \$100 for every credit type. **The fee will be waived for current and potential BSA owners.** Applications will be restricted to a single development. More information will be available shortly on the [BCF Charge System webpage](#).

Upcoming Webinars

Transitional arrangements for revised PCTs and Version 1.2 benchmarks | Wednesday 8 February | 12:30 pm-1:30 pm

The Biodiversity Offsets Scheme team would like to invite you to the next BOS Support Webinar – East Coast plant community types (PCTs) and Version 1.2 benchmarks taking place Wednesday 8 February 2023 at 12:30 pm – 1:30 pm AEST.

This webinar will provide further information on the introduction of revised PCTs and Version 1.2 vegetation integrity benchmarks to the BAM-Calculator (BAM-C). The

webinar will be presented by the NSW Department of Planning and Environment's BOS team.

For more details about the webinar including how to register, [go to: BOS Support Webinar 32](#).

Improving delivery of Biodiversity Stewardship Agreements | Tuesday 21 February | 12:30 pm-1:30 pm

The Taskforce would like to invite accredited assessors and other interested stakeholders to a webinar to hear about the changes to improve the delivery of BSAs and boost supply of in-demand credits. The changes include fee waiver, a streamlined application form and opportunities for pre-submission meetings. The webinar will also cover how we would like to work with assessors and landholders in our review of a submitted application, opportunities to fast-track finalisation of an approved BSA and work underway to improve the layout and content of the management plan.

The panel of speakers will include staff from the Taskforce, with staff from the BCT joining the panel for the Q&A section. For more information and to register your interest to attend the webinar, please [go to: BOS Support Webinar](#).

Updated Guidance for local government

A revised version of the '[Guidance for local government on undertaking a critical review of a Biodiversity Development Assessment Report](#)' was released in early January 2023.

This guidance is to support local government in their role to determine local development applications under Part 4 of the *Environmental Planning and Assessment Act 1979* to which the scheme applies.

This guidance includes a checklist for key inputs and decision points with supporting references and information to assist in reviewing BDARs. It can be accessed from the [Local Government and other decision maker support web page](#).

Updated scheme credit retirement form published

The department has updated the application form you will need to use when applying to retire biodiversity credits (credits) issued under the scheme. The updates are to the [Application to retire BOS biodiversity credits](#). The updates include new fields for additional information about the reason for the retirement.

Start using the new form for credit retirements wherever possible. The department will accept the previous form used for applications submitted on or before **Friday 3 March 2023**.

Visit our website for guidance on [offset credits transactions](#) and [transferring and retiring BOS credits](#). Contact BOSCREDITS@environment.nsw.gov.au if you have any questions.

The department intends to make updates to all documents that support credit transactions in the future. These updates will consider stakeholder feedback previously received on the documents. We will notify you again when these updates have been made.

Update to BAM-C – Version 1.2 benchmarks

The BAM-C will update to Version 1.2 benchmarks on 31 January 2023. After the update, existing BAM-C cases will automatically update to apply Version 1.2 benchmarks. The update will be subject to a 6-month transitional period for in-progress assessments. The transitional arrangements do not apply to assessments commenced **after** the date of the Version 1.2 benchmarks update in the BAM-C.

This advice has changed since our previous communication in the BOS Update No 11 (December 2022), which stated that transitional arrangements would not apply.

Please note that the transitional arrangements for Version 1.2 benchmarks are separate to the transitional arrangements for the introduction of revised PCTs in Eastern NSW which is scheduled for late February.

For more information on the transitional arrangements for the Version 1.2 benchmarks update please visit: [New vegetation integrity benchmarks and plant community types](#).

Please see the attached release notes for more information or contact the BOS.helpdesk@environment.nsw.gov.au

IPART Terms of Reference finalised

The NSW Government has commissioned the Independent Pricing and Regulatory Tribunal (IPART) to monitor and report on the operation of the NSW biodiversity credits market for 3 years from 2022–23. The [Final Terms of Reference](#) were published on 20 December 2022.

IPART published [Draft Terms of Reference](#) for consultation in October 2022, and received and published 12 submissions.

IPART has committed to make findings and recommendations with the aim of:

- maintaining and promoting competition
- addressing the interests of existing and potential biodiversity market participants, and supporting fair trading
- identifying opportunities to improve market efficiency and address market failure.

The department is now working with IPART to provide information and assist with monitoring. IPART's first annual report is due in December 2023. For more information, see the IPART page [Monitoring the NSW Biodiversity Credits Market](#).

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