29 June 2026

To: Environment and Heritage Policy and Programs – Department of Environment Tourism, Science and Innovation

Email: offsetsreview@detsi.qld.gov.au

Re: A fresh start for Queensland's Environmental Offsets Framework – Discussion paper

Introductory Remarks

The Association of Mining and Exploration Companies (AMEC) appreciates the opportunity to provide feedback to the Queensland Government as it reviews the current Environmental Offsets Framework, including the discussion paper A Fresh Start for Queensland's Environmental Offsets Framework. AMEC represents more than 80 companies operating in Queensland, providing a united voice for junior and mid tier explorers and miners who are key users of the offset system.

Queensland's offset framework, established over a decade ago with the introduction of the Environmental Offsets Act 2014, is now at a critical point. Having reached its sunset review period, the framework requires modernisation to align with emerging National Environmental Standards and to reflect the contemporary scale, nature, and design of offset delivery across the State.

The current pace and scope of reform across the three key focus areas will require careful consideration and meaningful engagement with those who deliver offsets on the ground. AMEC's members have decades of practical experience in offset design, land acquisition, ecological restoration, and long term stewardship. Their operational knowledge is essential to ensuring that any reforms are workable, transparent, and capable of delivering measurable environmental outcomes.

Our feedback is structured to addresses the three core questions outlined in the discussion paper:

- How can the Offset Account be unlocked to deliver outcomes?
- How should financial offsets be calculated?
- How can regulation be improved to support clarity, efficiency, and ecological performance?

AMEC members consistently deliver offsets and land-based outcomes at the time of impact, and in many cases prior to project commencement, to ensure operations can lawfully proceed. This is because offset conditions require that the balance between the impact and the offset be achieved simultaneously, not deferred. Proponents must secure land, implement management actions, and meet all pre-start offset conditions before construction or disturbance can begin.

The statement in the discussion paper that the "pace and scale of development impacts are resulting in net environmental loss and significant financial liability for the State" is inaccurate and does not reflect the actual practices of our industry.

In practice:

- Proponents deliver offsets before impacts occur, not years afterwards.
- Land-based offsets are secured and operational before or at the time of impact.
- The State is not left carrying unfunded liability, because proponents must meet all offset obligations as a condition of approval.
- AMEC members have a strong record of successful, self-funded offset delivery, including restoration, habitat management, and long-term stewardship.

The resource sector has worked closely with agricultural sectors through agreed land based offset delivery, and have developed decades of expertise in offset design, land acquisition, ecological restoration, and compliance. This experience shows that well-regulated, proponent-driven offsets do not create environmental debt for the State; instead, they deliver measurable outcomes at the point of impact. The State should draw on this knowledge when considering access to the offset fund, improving offset calculations for long-term stewardship, and identifying effective regulatory improvements.

About AMEC

AMEC is a national peak industry body representing over 550 mineral exploration and mining companies across Australia, with 80 having operations based primarily in Queensland. Our members are mineral explorers, emerging miners, producers, and a wide range of businesses working in and for the industry.

Mineral exploration and mining make a critical contribution to Australia's economy, directly employing over 314,000 people. In 2025-26, the industry generated $383 billion in resource exports, invested $3.95 billion in exploration expenditure to discover future mines (2025), and collectively paid over $59.4 billion in royalties and taxes.

AMEC's members explore for, develop and produce minerals including antimony, bauxite, coal, cobalt, copper, gold, graphite, lead, lithium, manganese, mineral sands (such as silica), molybdenum, nickel, phosphate, potash, rare earths, silver, tungsten, uranium, vanadium and zinc, across Queensland.

Submission Summary

The Association of Mining and Exploration Companies (AMEC) welcomes the opportunity to contribute to the Queensland Environmental Offsets Framework discussion paper. AMEC recognises the State's aim to modernise the framework by improving and streamlining regulations, updating offset calculations, and aligning with new Commonwealth standards.

The discussion paper identifies the following priority areas for reform, including:

- Unlocking the Offset Account to improve outcomes and address key issues in Queensland's current Financial Settlement Offset (FSO) model.
- How financial offsets are calculated and opportunities for improvement.

- Enhancing regulatory effectiveness.

AMEC supports a modern, outcome-focused offset framework that aligns Queensland with the new National Environmental Standards, reduces duplication between Matters of National Environmental Significance (MNES) and Matters of State Environmental Significance (MSES), and delivers transparent, strategic, and measurable ecological outcomes.

Although Queensland's current FSO model is administratively effective, it demonstrates limited ecological effectiveness. Evidence from the resource sector indicates that enhanced performance assurance, sustained stewardship funding, and regional delivery mechanisms consistently improve environmental outcomes while reducing regulatory burden and uncertainty for proponents.

Recent reforms to the Environment Protection and Biodiversity Conservation Act 1999 (EPBC), particularly the adoption of a net-gain requirement, introduce a global best-practice approach into the Australian regulatory framework. Considering the diversity and complexity of Queensland's ecological systems and offset delivery pathways, it is essential to clarify how State and Commonwealth legislative instruments will be harmonised. This context is crucial as Queensland evaluates new approaches to integrating offsets into bioregional planning and national standards.

AMEC also notes insufficient detail to support several statistics presented in the discussion paper. For instance, the paper claims that over 90% of offset conditions are fulfilled through financial settlements. However, AMEC members report that most projects implement a combination of land-based offsets and financial contributions, rather than relying solely on financial settlements. If comprehensive supporting data for this figure exists, it was not included in the discussion paper.

Similarly, the reference to 503 authorities with offset conditions affecting approximately 8,630 hectares is insufficiently clear. The discussion paper does not disaggregate this figure by industry sector, such as distinguishing between urban and community infrastructure (including roads, bridges, and utilities) and resource authorities. Additionally, the paper does not specify the disturbance's age. Some projects may have been operating for up to a decade, indicating that their offsets have been established and are delivering outcomes for many years.

The lack of data regarding the volume and performance of land-based offsets further limits the interpretation of the statistics. Including such information would offer a more balanced and accurate representation of offset delivery in Queensland and more effectively reflect the extensive, on-ground experience of AMEC members.

1. Unlocking the Offset Account to Deliver Outcomes and Key Issues with Queensland's Current FSO Model

The *Environmental Offsets Act 2014* establishes strict statutory conditions that must be met before DETSI can unlock the State Offset Account. DETSI may only release funds once a proponent has elected a financial settlement offset (FSO) under s23, paid the full calculated amount, and the payment has been receipted and linked to the relevant environmental authority or development approval. This is the legal trigger that creates the obligation to deliver the offset.

However, unlocking the account is not a simple financial transaction. DETSI must also confirm that:

- the offset delivery pathway (State delivered or Agreed Delivery Arrangement (ADA)) is approved under s19–19B
- the offset relates to a prescribed environmental matter and a significant residual impact under s8
- the offset area or project is legally secured and registered
- duplicate offset conditions are removed under s25A
- the offset will achieve a measurable conservation outcome under s11

These safeguards are appropriate, but they also explain why the State has historically delivered a very small proportion of offsets base with the majority of offsets delivered privately. The framework is designed for proponent-driven delivery, not government-led ecological procurement.

If direct access is granted to the Offset Fund it remains unclear whether this can occur under the current s23 framework, or s86 or whether the Act will require amendment to enable such access. This uncertainty coexists with several structural issues in the current FSO model. As an example, the fund is not defined within the Environmental Offsets Regulation 2014, current as at 6 June 2025, but only within the Environmental Offsets Act 2014, which outlines how payments can be made in and out.

The following systemic issues exist with the current financial settlement framework.

- **Outcome gap**: -FSO payments are not tied to demonstrated ecological performance, creating a disconnect between financial contributions and measurable conservation outcomes.
- **Fragmentation**: Project by project offsets produce isolated, low value sites that lack landscape connectivity and long term ecological resilience.
- **Opacity**: There is limited transparency regarding how FSO funds are allocated, what projects are delivered, or whether offsets persist over time. There was little information in the discussion paper about how the State has delivered offsets, especially offsets tied to MNES, Nature Refuges and protected areas.
- **Short term funding**: One off payments cannot sustain the decades of management required for habitat restoration, fire regimes, invasive species control, and monitoring.
- **Duplication**: Offsets for MNES and MSES often require separate ratios, calculators, conditions, and reporting, creating inefficiency and regulatory inconsistency.
- **Proponent risk and uncertainty**: Delays in unlocking the State Offset Account create delivery risk for proponents, who remain responsible for compliance even when the State controls the offset pathway.

Based on the briefings attended on the 9 June and the 17 June if the Department intends to increasingly rely on the Offset Account to deliver offsets, industry is concerned because:

- A large portion of offsets have been delivered privately, not by the State
- The State has limited operational experience in land acquisition, ecological restoration, and long term stewardship

- The briefing example of a Carpentarian Grasswren (Amytornis dorotheae) is not representative of the species or regional ecosystems that commonly trigger significant residual impact calculations or drive offset demand in Queensland. Offset requirements are far more frequently associated with high trigger species such as Koala, Northern Quoll, Squatter Pigeon, Black throated Finch, Greater Glider, and with impacts to regulated regional ecosystems. Using low trigger species as the illustrative example understates the scale, complexity, and ecological significance of offsets routinely required across the State.
- The greatest threat to the Carpentarian Grasswren is inappropriate and uncontrolled fire regimes, and the example given demonstrates how partnering with Traditional Owners and other land managers to restore cultural fire practices can deliver meaningful, landscape scale outcomes.
- The example is also an illustration of what well-designed offsets can achieve in terms of true ecological drivers of decline, supporting Traditional Owner leadership, and delivering strategic, region-wide improvements rather than isolated, site-based actions.
    - In this sense, the Carpentarian Grasswren example highlights the potential of a modernised offset framework, one that focuses on real threats, collaborative delivery, and landscape scale restoration, rather than narrow, project by project compliance.

Given this, it would be far more efficient and ecologically effective for Queensland to consolidate and expand existing species programs, rather than create new programs for low-trigger species with limited conservation leverage. AMEC recommends that the State work with existing offset areas, established delivery programs, and proven land-based offset sites, building on the substantial offsets already being delivered by industry. Expanding and enhancing these sites, rather than developing isolated, stand-alone projects would deliver stronger ecological outcomes and better value for the State.

In this context, there should be open consultation on how to access Section 86, ensuring that proponents, landholders, Traditional Owners, and existing offset managers can participate in a transparent, collaborative process that supports strategic, landscape-scale restoration.

2. How Financial Offsets Are Calculated – and Opportunities for Improvement

The discussion paper notes that under Part 4 of the Environmental Offsets Act 2014, the Environmental Offsets Policy must specify how offsets are calculated, how equivalency is determined, what delivery options are available, and how monitoring and reporting will occur. While this framework is clear in principle, industry experience demonstrates that the current FSO model has several structural weaknesses that limit transparency, efficiency, and ecological effectiveness.

Lack of Transparency in the Calculator

The current FSO calculator does not clearly disclose the assumptions underpinning its cost estimates. Proponents cannot see:

- how land values are derived
- how management and restoration costs are estimated
- how risk multipliers are applied or justified

This opacity makes it difficult for industry to understand, verify, or challenge the basis of FSO calculations, and undermines confidence in the model.

Misalignment with Actual Delivery Costs

Proponents routinely deliver offsets at lower cost than the State's FSO estimates. This suggests that:

- the calculator may be inflated
- cost assumptions may be outdated or
- the model does not reflect real world delivery efficiencies achieved by proponents

This misalignment creates a perception that FSO payments exceed what is required to deliver equivalent ecological outcomes.

No Link to Bioregional Priorities

The discussion paper highlights that national reforms will require strategic restoration, bioregional planning, and alignment with National Environmental Standards. However, the current FSO calculator:

- does not incorporate bioregional priorities,
- does not reflect habitat condition, connectivity, or landscape scale needs, and
- does not prioritise areas where restoration would deliver the greatest ecological benefit.

This limits the State's ability to use FSO funds strategically.

Outcome Gap

FSO = payment, not performance. Ecological success is assumed, not demonstrated.

Once the payment is made, there is no direct link between the financial contribution and measurable ecological outcomes. This is inconsistent with emerging national standards, which emphasise net gain, performance based delivery, and long term ecological monitoring.

Legal; security requirements before unlocking the account

Before DETSI can release funds, the offset must be legally secured. Under Part 8, DETSI must confirm:

- declaration of an Environmental Offset Protection Area (for land based offsets)
- registration of the offset area on the State's offset register
- that the area is protected for the life of the impact

These requirements prevent funds from being released before the offset is enforceable. However, securing land-based offsets is often the most challenging step in the process. Tenure, ecological suitability, and long-term management obligations can delay delivery and create commercial risk for proponents.

There is a significant opportunity to improve this stage by enabling proponents to contribute to existing, legally secured offset areas, rather than requiring new standalone sites for each project. This would:

- reduce fragmentation
- improve ecological connectivity
- support landscape scale restoration
- create a more collaborative and efficient offset market

This approach aligns with national reforms emphasising strategic restoration and bioregional planning.

3. Improving Regulation

National reforms to MNES and Environmental Offsets Standards will require Queensland to modernise its legislation, improve transparency, and align more closely with Commonwealth expectations for net gain, bioregional planning, and long term ecological accountability. These changes present both challenges and opportunities.

The Environmental Offsets Act 2014 (Qld) will need updates to ensure consistency with national standards, particularly where MNES and MSES overlap. Harmonisation will reduce duplication, enable single pathway assessments under bilateral agreements, and ensure that offsets deliver measurable, strategic environmental outcomes. Bioregional plans will increasingly guide restoration priorities, requiring Queensland's offset calculator, policy settings, and delivery mechanisms to reflect landscape-scale needs rather than project-by-project fragmentation.

For proponents, these reforms promise clearer expectations, more predictable approvals, and a more efficient system that avoids double-charging and inconsistent conditions. For the State, they offer an opportunity to strengthen transparency, integrate offsets with regional planning, and ensure long term stewardship of offset sites.

AMEC strongly supports reforms that:

- reduce duplication between State and Commonwealth systems
- improve certainty and predictability for proponents
- deliver strategic, landscape-scale environmental outcomes
- integrate offsets into bioregional planning
- ensure transparency, accountability, and long term stewardship

A key improvement in the proposed reforms is the migration of singular terms, definitions, and standards into the Environmental Offsets Act 2014. However, enshrining new definitions, particularly the definition of "significance", will create conflict if the legislative architecture is not reviewed holistically. Embedding these terms in isolation, without aligning them with other relevant Queensland Acts, policies, and national standards, risks creating inconsistencies across the regulatory framework. To avoid this, any migration of definitions into the Act must be undertaken within a global, system wide review, ensuring coherence between the Offsets Act, the EPBC reforms, and the broader suite of environmental and planning legislation.

With the right reforms, Queensland can position itself as a national leader in outcome-based and transparent offset delivery, supporting both environmental integrity and sustainable economic development.

To achieve this, Queensland must modernise its regulatory settings.

- **Clarify when offsets are required**: The Act requires offsets only for significant residual impacts on prescribed environmental matters. However, unclear thresholds ("significant" vs "material") create inconsistent decisions.
- **Reduce duplication between MNES and MSES**: projects may face dual offset obligations under both MNES and MSES unless bilateral accreditation is finalised. This is a major regulatory burden.
- **Improve mapping accuracy**: The discussion paper highlights repeated issues with overlapping MNES and MSES datasets, especially in wetlands, riparian zones, and threatened species habitat.
- **Strengthen transparency**: A public, auditable offset ledger would address the current opacity.
- **Embed bioregional planning**: Bioregional plans should:
    - guide offset investment
    - consolidate MNES and MSES triggers
    - support unified offset calculators
    - enable strategic restoration

Accrediting Rehabilitation as Offsets

Queensland should recognise approved rehabilitation as accredited offsets when it meets baseline habitat and structural criteria. This would reduce pressure on new offset land, reward high quality rehab, and align with the Commonwealth's increased focus on repair and restoration under the NES.

Tenure Conflict – Offset Encumbrances vs Activity Tenure

In Queensland, offsets are secured through an encumbrance on land title, which is separate from the tenure issued for the activity that created the impact. This creates long term issues for landholders, future land use, and tenure transfers. A long term solution is needed to align offset security mechanisms with Queensland's tenure system.

Conflict Between "Significance" and "Significant Residual Impact"

The EPBC reforms introduce a new national "significance" test. Queensland uses "significant residual impact" under the Environmental Offsets Act.
These tests are not aligned, creating:

- different thresholds for when offsets are required
- inconsistent MNES/MSES triggers,
- potential for double triggering offset obligations.

Industry needs clear equivalence guidance to avoid duplicated assessments and conditions.

4. Recommendations

Unlocking the Offset Account to Deliver Outcomes and Key Issues with Queensland's Current FSO Model

AMEC recommends that the Offset Account be unlocked only where:

- the State can demonstrate capability, delivery readiness, and ecological benefit
- offsets need to show alignment with existing species programs and leverage established delivery mechanisms
- delivery will need to be tied to bioregional planning priorities
- offsets should meet both State (no net loss) and Commonwealth (net gain) standards

This approach ensures the Offset Account becomes a mechanism for strategic, landscape scale restoration, rather than administrative fund dispersal.

How Financial Offsets Are Calculated – and Opportunities for Improvement

AMEC recommends that the FSO calculator be rebuilt to ensure it is:

- transparent – publish cost assumptions, land valuation methods, and risk multipliers
- evidence based – incorporate species specific and region specific ecological data
- aligned with national net gain standards – consistent with EPBC reforms and the National Environmental Standards
- integrated with bioregional planning – prioritise strategic restoration and landscape scale outcomes
- linked to performance based release of funds – ensure ecological outcomes, not just payments, drive delivery

Modernising the calculator in this way would align Queensland with best practice. It would also increase industry confidence, reduce duplication, and ensure that financial offsets deliver genuine, measurable conservation outcomes.

Improving Regulations

Modernise Queensland's offset regulation to aim to achieve and be:

- risk based
- transparent
- aligned with national standards
- integrated with bioregional planning
- focused on measurable ecological outcomes

This will reduce duplication, improve certainty, and deliver better environmental results.

Conclusion

AMEC is committed to working with government and stakeholders to ensure offset reforms deliver strong environmental outcomes and support sustainable economic development. We also seek recognition of the resources sector's significant contributions to offset delivery, including decades of land restoration, species management, and long-term stewardship by our members.

However, AMEC is concerned that the broader implications for Queensland's legislative framework remain unclear. While the current financial settlement offset system provides statutory safeguards, it also exposes structural weaknesses that limit transparency, delay delivery, and increase commercial risk. DETSI's requirements to verify legal security, meet deemed conditions, and confirm measurable conservation outcomes before releasing the Offset Account are appropriate, but highlight that the framework was designed for proponent-led, not State-delivered, offsets.

Given historically low delivery rates for State-delivered offsets and the industry's record of achieving lower-cost, on-ground outcomes, any shift toward greater State delivery must be supported by demonstrated capability, transparent costings, and alignment with bioregional priorities. The current FSO calculator lacks transparency, does not reflect actual delivery costs, and is not integrated with national net-gain or strategic restoration requirements. Duplication between MNES and MSES further increases cost and complexity.

Modernising the system requires rebuilding the FSO calculator, increasing transparency, and enabling contributions to existing, legally secured offset areas. Delivery should align with established species programs and bioregional planning to ensure offsets are strategic rather than fragmented. These reforms will strengthen ecological outcomes, reduce duplication, and restore industry confidence. The framework will ensure Queensland's Offset Account supports strategic, landscape-scale restoration, delivering lasting environmental resilience and continued economic growth. AMEC is ready to partner with the government to deliver a modern, effective, and nationally aligned offset system.

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