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EPBC Reform Taskforce  
Department of Climate Change, Energy, the Environment and Water  
Canberra ACT

Via: [EPRconsultation@dcceew.gov.au](mailto:EPRconsultation@dcceew.gov.au)

**CCAA Submission – Second Exposure Draft National Environmental Standard  
(Environmental Offsets) 2026**

Dear Officials

Cement Concrete & Aggregates Australia (CCAA) welcomes the opportunity to provide further comments on the revised exposure draft of the National Environmental Standard for Environmental Offsets (Offsets Standard).

CCAA strongly supports the intent of the EPBC reforms to deliver clearer, more predictable and more effective environmental outcomes. CCAA also acknowledges that the revised draft Offsets Standard reflects constructive engagement by Government following stakeholder consultation and that several practical improvements have been made since the first exposure draft.

CCAA further recognises that the Department is continuing to develop a broader and more integrated biodiversity framework through the parallel Nature Repair Market (NRM) consultation process, including the April 2026 issues papers addressing:

- policy settings to enable the Nature Repair Market to supply environmental offsets;
- supporting threatened species and threatened ecological communities in Nature Repair Market projects; and
- rules to support Market integrity and administration.

CCAA considers that these consultation papers demonstrate that significant policy thinking is continuing regarding:

- biodiversity measurement and verification methodologies;
- threatened species assessment frameworks;
- offset-capable project design;
- certificate equivalency;
- significant reversal provisions;
- market integrity and transparency mechanisms; and
- integration between the Nature Repair Market and the EPBC offsets framework.

In particular, CCAA acknowledges that the NRM consultation materials propose more structured approaches regarding measurable improvement tests, threshold values, species-level scoring concepts, offset-capable project requirements and certificate equivalency arrangements.

CCAA welcomes this ongoing policy development and considers that several of the concepts being explored through the NRM consultation process may assist in addressing some of the operational uncertainties identified in both CCAA's original submission and this supplementary submission.

CCAA notes that this submission should be read together with CCAA's February 2026 submission on the first exposure drafts (Offsets and MNES Standards), CCAA's May 2026 submission on the revised MNES Standard, and CCAA's June 2026 submission on the broader EPBC subordinate legislation package. Those submissions raise complementary cross-cutting issues regarding alignment, operability and State/Commonwealth duplication that also bear on the practical operation of the Offsets Standard.

In particular, CCAA acknowledges improvements in the Offsets Exposure Draft regarding:

- recognition that staged developments may identify and secure offsets progressively by development stage;
- improved recognition of approved State and Territory offsets for additionality purposes; and
- the introduction of more structured biodiversity assessment concepts through associated Nature Repair Market consultation materials.

However, several core concerns raised in [CCAA's original submission](#) remain either unresolved or only partially addressed and continue to create significant uncertainty for long-life, geographically constrained extractive industries such as quarrying.

CCAA's principal concern remains that the revised framework is still not sufficiently practical or operationally certain for industries where:

- resources are geographically fixed;
- projects operate progressively over multiple decades; and
- suitable offset opportunities may not be reasonably available at the time of initial approval.

While the revised draft introduces several helpful refinements, the framework continues to rely heavily on broad discretionary concepts, undefined operational thresholds and offset assumptions that may prove difficult to apply consistently in practice.

CCAA remains concerned regarding:

- the continuing lack of a single transparent and standardised net gain methodology;
- ongoing uncertainty regarding how "required net gain" will be determined and applied in practice;
- limited flexibility for indirect offsets where direct offsets are not reasonably available;
- the absence of clear proportionality or ecological feasibility pathways where universal net gain outcomes may not be realistically achievable;
- unresolved uncertainty regarding the interaction between Commonwealth and State offset systems; and
- the continuing absence of a clear framework addressing the interaction between significant impacts, residual significant impacts and unacceptable impacts.

For long-life quarry operations requiring substantial upfront investment and long-term planning certainty, these issues create material approval uncertainty and may undermine confidence regarding how offset obligations will operate over the life of projects.

### Key recommendations

In summary, CCAA recommends that the final Offsets Standard and supporting guidance:

1. **Net gain methodology:** Finalise and publish a single, nationally consistent net gain/offset equivalence methodology (including treatment of time lags, uncertainty and risk of failure) **before** the Standard commences.
2. **Staged feasibility:** Clarify that the “high level of confidence” feasibility test at approval is a **strategic** feasibility test, with stage-specific offset identification/confirmation required only prior to each stage’s impacts.
3. **Indirect offsets:** Provide flexibility where suitable direct offsets are not reasonably practicable/available, **without making approval contingent on the existence/currency** of conservation planning documents.
4. **Proportionality/ecological feasibility:** Provide alternative pathways (e.g. equivalent-outcome / no-net-loss pathways) where strict measurable net gain is not scientifically achievable for particular matters.
5. **Impact tests & mitigation:** Provide a clear decision pathway (and worked examples) for the interaction between significant impacts, residual impacts, repair/rehabilitation and unacceptable impacts (including how rehabilitation is credited).
6. **State–Commonwealth alignment:** Prioritise harmonisation/mutual recognition with State/Territory offset regimes (including via bilateral/accredited arrangements and explicit conversion rules) to minimise duplication, rework and conflicting obligations.

### Recognition of staged developments and feasibility

CCAA acknowledges that the revised Offsets Standard now provides improved recognition that offsets may be identified and secured progressively for staged developments.

In particular, section 15 now expressly recognises that where offsets are delivered in distinct stages over an extended time period, offsets may be identified separately for each stage provided they commence prior to the relevant impacts occurring.

This is a constructive improvement and partially addresses concerns raised in CCAA’s original submission regarding the practical operation of the framework for long-life staged developments.

However, CCAA remains concerned that the revised drafting still requires proponents to demonstrate a “high level of confidence” regarding offset feasibility at approval stage without sufficiently distinguishing between:

- strategic feasibility at the project approval stage; and
- detailed offset identification and delivery for future operational stages occurring many years or decades later.

For long-life quarry developments, the precise sequencing, timing and footprint of future stages may evolve over time in response to geological conditions, market demand and operational considerations.

While proponents may be capable of demonstrating that appropriate offset pathways are feasible in principle, it may not be possible to reliably identify and secure detailed offsets for all future stages decades in advance.

Without clearer recognition of staged feasibility assessment, there remains a risk that proponents may be required to prematurely secure speculative offsets for impacts that may not occur for many years.

CCAA therefore considers that further drafting clarification is still required to:

- better distinguish strategic feasibility from detailed offset delivery at approval stage;
- expressly recognise staged feasibility assessment for long-life developments; and
- confirm that stage-specific offset identification may occur progressively prior to each relevant impact occurring.

### **Indirect offsets remain too constrained**

CCAA remains concerned that the revised draft continues to significantly constrain the availability of indirect offsets.

Section 10 continues to require that offset activities must generally be direct offsets unless a conservation planning document identifies an indirect offset as a higher priority measure for the affected protected matter.

CCAA also notes that conservation planning documents are not consistently available across regions, and where they do exist the underlying mapping and listing data may be outdated or inconsistent with current on-ground surveys. Making access to indirect offsets contingent on the existence and content of such documents risks arbitrary outcomes and discourages proponents from investing in site-specific survey evidence.

The Standard (or supporting guidance) should provide an alternative evidentiary pathway so that, where a conservation planning document is absent or demonstrably out of date, proponents can still justify an indirect offset package based on current scientific evidence and transparent assessment criteria.

While CCAA supports the general preference for direct environmental outcomes where reasonably available, the continued limitation on indirect offsets creates significant practical difficulties for geographically constrained industries such as quarrying.

Extractive industries can only operate where suitable resources occur and cannot relocate to alternative areas simply to access offset land.

This geographic constraint means the avoidance hierarchy cannot operate in the same way as it does for discretionary land uses. Where a proponent can demonstrate that no reasonable alternative resource exists within an economically viable transport radius to serve the intended market, relocation should not be treated as a live avoidance option, and assessment effort should focus on mitigation, rehabilitation and offsets.

In many regions - particularly near urban centres and infrastructure corridors - suitable land for direct offsets may be limited, fragmented, unavailable or already subject to competing conservation obligations.

Where suitable direct offsets are not reasonably available, and conservation planning documents do not identify indirect offset pathways, otherwise appropriate projects may become effectively incapable of approval regardless of broader environmental performance or mitigation outcomes.

CCAA therefore considers that the framework should provide greater flexibility for indirect offsets where proponents can demonstrate that:

- suitable direct offsets are not reasonably practicable or available; and
- indirect measures will still deliver genuine and measurable conservation outcomes.

CCAA considers that broader access to indirect offsets can be accommodated while still maintaining strong environmental integrity through appropriate evidence requirements and assessment criteria.

### **Net gain methodology remains insufficiently defined**

CCAA acknowledges that associated Nature Repair Market consultation materials represent meaningful progress toward a more structured biodiversity assessment framework.

The revised framework now incorporates concepts including:

- measurable improvement tests;
- threshold values;
- species-level scoring concepts; and
- verification requirements.

However, despite these broader reforms, and notwithstanding the additional policy development occurring through the NRM consultation papers, the revised Offsets Standard itself continues to rely on the concept of “required net gain” without establishing:

- a single transparent offset equivalence methodology;
- a standardised uplift metric;
- a nationally consistent offset accounting framework; or
- clear decision-making criteria governing how net gain outcomes will be assessed.

As currently drafted, significant discretion remains regarding:

- how offset equivalence will be determined;
- how uncertainty and time lag will be treated;
- how biodiversity uplift will be quantified; and
- how equivalent outcomes will be assessed consistently across jurisdictions.

For long-life staged developments operating over multiple decades, this creates substantial uncertainty regarding future offset obligations and approval feasibility.

Without a clear and standardised methodology, proponents may be unable to reliably forecast:

- offset obligations;
- long-term compliance expectations;
- project feasibility; or
- the treatment of future operational stages.

CCAA therefore considers that further work is required to establish a clearer, nationally consistent and operationally transparent net gain framework.

### **Universal net gain requirement may not always be achievable**

CCAA remains concerned that the revised framework continues to universally apply net gain requirements across all protected matters without sufficiently recognising that ecological uplift may not always be scientifically or practically achievable.

For some protected matters, including highly fragmented ecological communities, slow-growing habitats or species with limited recovery potential, measurable net gain outcomes may be inherently constrained regardless of broader rehabilitation and management efforts.

Similarly, in some landscapes suitable like-for-like offset opportunities may be limited or unavailable.

For long-life staged quarry operations, this creates a risk that:

- otherwise well-managed projects may face unrealistic offset expectations;
- later operational stages may become increasingly difficult to offset over time; and
- approval feasibility may become progressively uncertain despite ongoing rehabilitation and mitigation outcomes.

CCAA therefore considers that the framework should incorporate:

- clearer proportionality principles;
- ecological feasibility considerations; and
- alternative pathways where universal net gain outcomes are not realistically achievable.

This could include consideration of:

- ecologically positive outcomes;
- no net loss pathways;
- equivalent or greater conservation outcomes where strict like-for-like outcomes are not reasonably achievable; or
- broader strategic conservation outcomes where direct measurable uplift is constrained.

### **Relationship between significant, residual and unacceptable impacts remains unclear**

CCAA acknowledges that the revised package establishes the broad architecture for significant impacts, residual significant impacts (following avoidance, mitigation and repair) and unacceptable impacts.

However, the revised framework still does not provide a sufficiently clear operational decision pathway showing how assessments move between these categories in practice, particularly for long-life staged developments.

CCAA considers that additional guidance is required regarding the principles that inform how an assessment transitions from a significant impact to a residual significant impact and, ultimately, whether an impact is considered unacceptable.

These concepts remain central to the operation of the broader EPBC assessment framework because they determine:

- when assessment is triggered;
- when impacts may be mitigated or offset; and
- when impacts are considered incapable of approval.

However, the revised drafting still provides limited guidance regarding:

- the principles that inform when a significant impact may be considered unacceptable;
- when impacts remain capable of being offset;
- how proportionality will be applied; and
- how the unacceptable impact framework interacts with mitigation and rehabilitation measures.

Progressive rehabilitation is a core component of best-practice environmental management for quarry operations and is commonly undertaken progressively throughout the operational life of a project, often over multiple decades.

Where rehabilitation demonstrably reduces residual impacts and delivers measurable improvements relative to the agreed baseline, the framework should be clear about when and how those outcomes are credited within the mitigation hierarchy and reflected in any residual impact and offset calculations.

CCAA recommends that DCCEEW publish guidance (including quarry-specific worked examples) clarifying:

- I. when progressive rehabilitation is treated as “repair” for residual impact assessment;
- II. how rehabilitation outcomes are measured/verified over time; and
- III. how to avoid “double counting” by assessing impacts as permanent loss where rehabilitation will demonstrably restore condition.

Where proponents submit survey evidence that contradicts existing datasets, decision-makers should be required to engage with that evidence and explain in the statement of reasons how it has been considered.

Without clearer operational thresholds and decision-making criteria, proponents may be unable to confidently determine whether impacts remain offsettable over the life of long-term staged developments.

CCAA remains concerned that the absence of clear operational definitions creates a significant risk of:

- inconsistent interpretation across jurisdictions;
- evolving policy application over time;
- uncertainty regarding later project stages; and
- reduced investment certainty for long-life operations.

### **State and Commonwealth offset integration remains unresolved**

The interaction between Commonwealth offsets requirements and existing State/Territory biodiversity and offset regimes is one of the most material sources of complexity, overlap and economic cost in the approvals process. Without clear alignment mechanisms, reforms intended to improve certainty risk increasing green tape and delay for no additional environmental benefit.

CCAA acknowledges that the revised draft now expressly recognises approved State and Territory offsets for additionality purposes.

This represents a constructive improvement and partially addresses concerns raised in CCAA's original submission.

However, the revised framework still does not provide a clear mechanism explaining:

- how State offsets will be recognised or converted toward Commonwealth obligations;
- how equivalent biodiversity outcomes will be assessed consistently;
- how duplication risks will be avoided; or
- how conflicting offset obligations will be resolved.

This is particularly important for extractive industries, which are typically assessed and approved through formal State planning pathways (including major project/SSD processes), with Commonwealth referrals managed through existing bilateral arrangements.

The reformed framework should ensure a single, outcomes-equivalent offsets package can satisfy both State and Commonwealth requirements under accredited/bilateral arrangements, rather than requiring parallel assessments and separate offset calculations for the same impacts.

For long-life extractive operations already operating within established State offset systems, the absence of an integrated national framework creates ongoing uncertainty regarding:

- whether existing State offsets will receive Commonwealth recognition;
- whether duplicate offsets may be required for the same impact; and
- how accreditation arrangements may evolve over the life of projects.

CCAA considers that further work is required to:

- establish clearer bilateral recognition mechanisms;
- improve alignment between State and Commonwealth offset methodologies; and
- reduce the risk of duplicate offset obligations.

CCAA recommends that DCCEEW develop and publish (before commencement) an offsets equivalence and recognition framework that:

- sets out how approved State/Territory offsets will be credited toward Commonwealth net gain outcomes (including translation between common State metrics and the Commonwealth method);
- confirms how duplication will be avoided where the same impact triggers both regimes;
- provides for appropriate recognition/grandfathering of existing State offset sites and obligations for approved projects;
- clarifies how accreditation/bilateral arrangements will operate for long-life staged projects over time, including transitional rules where standards or calculators change; and
- explains how conflicting obligations will be resolved where State and Commonwealth requirements are not identical.

## Conclusion

CCAA appreciates the Department's continued consultation and acknowledges the constructive refinements introduced in the revised exposure draft.

However, several of the most significant operational concerns raised in CCAA's original submission remain unresolved and continue to create substantial uncertainty regarding how the framework will operate in practice.

CCAA's principal concern remains the lack of operational certainty around how the revised standards will be interpreted and applied by regulators and decision-makers over the life of long-term staged developments.

CCAA considers that further drafting work is required to:

- improve operational certainty;
- provide clearer proportionality and feasibility pathways;
- reduce unnecessary duplication;
- better recognise staged development realities;
- finalise and publish key supporting methodologies and guidance (including the net gain method, worked examples/decision trees and State recognition settings) prior to commencement, with an appropriate transition period; and
- ensure the framework remains practical and workable for geographically constrained industries critical to Australia's housing, infrastructure and economic development objectives.

Should officials wish to discuss this matter, please contact CCAA's Industry Policy Director, Mr David Rynne via [david.rynn@ccaa.com.au](mailto:david.rynn@ccaa.com.au) and

Yours sincerely

MICHAEL KILGARIFF  
Chief Executive Officer

## About CCAA

Cement Concrete & Aggregates Australia is the voice of the heavy construction materials industry in Australia.

CCAA members produce the majority of Australia's cement, concrete, and aggregates, which are crucial to Australia's building and construction sectors. These materials support the development of our nation's transport, energy, water, housing, defence, and social infrastructure.

Nationally, the [industry contributes](#) \$20.7 billion to GDP and supports 112,970 jobs across Australia. It generates \$6.8 billion in direct value added and underpins activity across the broader economy through extensive supply chain and induced effects.