



Australian Government

**Department of Sustainability, Environment,
Water, Population and Communities**



Strategic Assessment Prospectus

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STRATEGIC ASSESSMENT PROSPECTUS

Overview

A strategic assessment under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) is a 'big-picture' tool that can provide conservation and planning outcomes for areas and regions where there may be multiple proposed developments. Strategic assessments remove the need for the assessment of individual projects, instead they mean a range of developments can proceed without further approval if undertaken under a policy, program or plan endorsed under the EPBC Act.

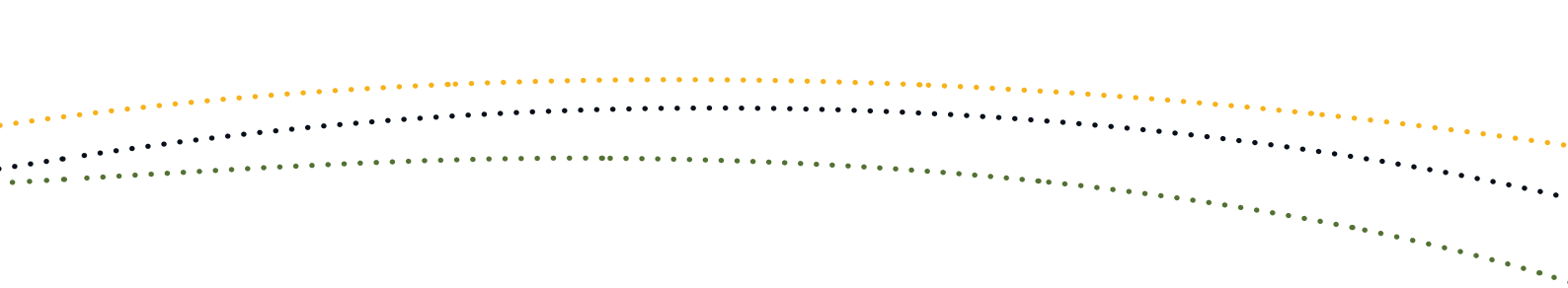
Once a strategic assessment has been approved, future projects in an area or region do not need to be referred for assessment under the EPBC Act provided they are undertaken in accordance with an approved policy, program or plan. The Western Sydney Growth Centres strategic assessment, for example, has removed the need for the individual assessment of approximately 500 future referrals under the EPBC Act.

Importantly, strategic assessments set clear goal posts for development in an area, identifying areas for conservation and areas suitable for development. They also reduce the administrative burden for industry and government and give the Australian community greater certainty about where sustainable development will occur in the future.

Purpose

The Australian Government is consulting with stakeholders in 2013 to plan for delivering the next phase of strategic assessments. The purpose of this paper is to explain how the Government is building an ongoing work program for strategic assessments and to provide stakeholders with an opportunity to inform how future strategic assessments will be prioritised, including through an expression of interest process. Further details on the consultation process are outlined on page 18 of this paper.





This paper also provides general information to help stakeholders understand how strategic assessments operate under national environmental law. Specifically, this paper:

- provides an introduction to national environment law and strategic assessments
- discusses the environmental, economic and social benefits of strategic assessments
- discusses the strategic assessments that have been completed under national environmental law
- outlines the Australian Government's current program for strategic assessments and
- discusses how the Australian community can be involved in shaping the future work program for strategic assessments.

Environment Protection and Biodiversity Conservation Act 1999

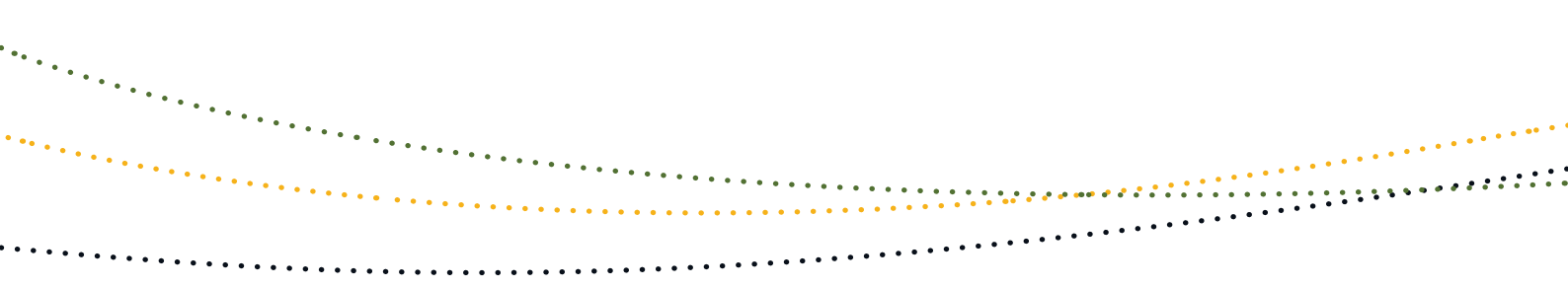
The *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) is the Australian Government's central piece of environmental legislation. It provides a legal framework to protect and manage nationally and internationally important flora, fauna, ecological communities and heritage places — defined in the EPBC Act as matters of national environmental significance.

The nine matters of national environmental significance are:

- world heritage properties
- national heritage places
- wetlands of international importance (often called 'Ramsar' wetlands after the international treaty under which such wetlands are listed)
- nationally threatened species and ecological communities
- migratory species
- Commonwealth marine areas
- the Great Barrier Reef Marine Park
- nuclear actions (including uranium mining)
- a water resource, in relation to coal seam gas development and large coal mining development.

The EPBC Act also regulates the behaviour of Australian Government agencies and actions that occur on Commonwealth land where there may be a significant impact on the environment (even if that significant impact is not on one of the nine matters of national significance).

For more information on the EPBC Act please visit:
www.environment.gov.au/epbc/index.html



Strategic assessment under national environmental law

In its response to the Independent Review of the EPBC Act, the Australian Government agreed to increase the use of strategic approaches. Strategic approaches under the EPBC Act include strategic assessments and conservation agreements for marine and terrestrial areas, and bioregional plans for Commonwealth marine and terrestrial areas.

What is a strategic assessment?

A strategic assessment is a high level assessment tool that enables the Australian Government to assess policies, programs and plans prepared by government agencies and private industry. A strategic assessment is a systematic process for evaluating the environmental consequences of proposed policy, program or plan initiatives in order to ensure they are appropriately addressed at the earliest stage in the planning process.

Unlike project-by-project assessments, which look at individual ‘actions’ at individual sites, strategic assessments are landscape-scale assessments that examine a much larger set of actions or ‘classes of actions’ across a broad landscape. This means that once a policy, program or plan is approved, future projects that are undertaken in accordance with that policy, program or plan do not need to be referred for assessment.

Examples of policies, programs or plans that can be approved by a strategic assessment include, but are not limited to:

- land use plans, schemes or policies at a local or regional scale
- environmental plans
- industry growth programs
- fire, vegetation or pest management policies, plans or programs
- water or mineral extraction/use policies
- building design policy guidelines, and
- infrastructure plans and policies.

For example, completed strategic assessments to date have considered the ACT Government’s *Molonglo and North Weston Structure Plan*; *Western Sydney Growth Centres Strategic Assessment: Program Report*; *Delivering Melbourne’s Newest Sustainable Communities: Program Report*; and the *Water Access Program, Midlands Water Scheme*, Tasmania.





What are the benefits of a strategic assessment?

Benefits for the environment

A strategic assessment is an important tool for protecting Australia's unique environment while achieving sustainable development. It enables the Government and strategic assessment partners to consider how best to protect matters of national environmental significance early in the planning process.

Rather than looking at environmental impacts at the site level, a strategic assessment offers the opportunity to closely examine cumulative impacts on the environment that occur when there are many projects being undertaken either in a single area or across a region. This allows for the assessment of broad scale environmental impacts that would not normally be in the scope of an individual project assessment.

Strategic assessments allow the Australian Government and its strategic assessment partners to look closely at:

- developing appropriate environmental management approaches across a landscape
- identifying how impacts to the environment can be avoided or mitigated
- the consideration and consolidation of environmental offset options for impacts that cannot be mitigated, and
- developing ongoing adaptive management of conservation areas identified as part of the strategic assessment process.



What are environmental offsets?

The term 'environmental offsets' refers to measures that compensate for the residual adverse impacts of an action on the environment. Offsets provide environmental benefits to counterbalance the impacts that remain after avoidance and mitigation measures. These remaining, unavoidable impacts are termed 'residual impacts'. For assessments under the EPBC Act, offsets are only required if residual impacts on matters protected under the EPBC Act are significant.

An offsets package is a suite of actions that a proponent undertakes in order to compensate for the residual significant impact of a project. It can comprise a combination of direct offsets and other compensatory measures. Direct offsets are those actions that provide a measurable conservation gain for a matter protected under national environment law (known as 'protected matters'). For example a conservation gain may be achieved by improving existing habitat for a threatened species listed under the EPBC Act. Other compensatory measures are those actions that do not directly offset the impacts on the protected matter, but are anticipated to lead to benefits for the impacted protected matter, such as funding for research or educational programs.

Where possible, the impacts on matters of national environmental significance of a policy, plan or program should be avoided or mitigated. If this is not possible, or if this outcome can only be achieved in part, the policy, plan or program might still be acceptable if the residual impacts can be offset.

In October 2012 the department released the *EPBC Act environmental offsets policy* and *Offsets assessment guide*. The policy outlines the Australian Government's approach to the use of environmental offsets under the EPBC Act. The guide gives effect to the requirements of the policy regarding the suitability of offsets for threatened species and ecological communities listed under the EPBC Act. While the guide is intended to be a departmental expert user tool, it is also available to proponents and other stakeholders to assist with planning for future development proposals and estimating future offsets requirements. Where appropriate, the guide can be used to inform the suitability of offsets for strategic assessments.

The policy and guide are available at:

www.environment.gov.au/epbc/publications/environmental-offsets-policy.html





Benefits for businesses and the community

A strategic assessment can provide approvals under national environmental law for the development of a region through a single assessment process, rather than potentially hundreds of site-by-site processes. Not only can this result in significant time and cost savings for industry, as they no longer need to refer individual projects for assessment, but it also provides greater certainty to developers and local communities regarding future development and conservation in an area.

Since the strategic assessment happens early in the planning process, clear requirements for the protection of matters of national environment significance in an area are established upfront. For businesses, this information is important for effective early project scoping processes and site selection.

Through the public comment process, strategic assessments provide for effective public participation in environmental impact assessment at the strategic level. Instead of considering individual projects, strategic assessments enable the community to consider cumulative environmental impacts in a broad area at the assessment stage and provide input on where they think development should occur and what areas should be protected.

Benefits for strategic assessment partners and government

Throughout the strategic assessment process, the Australian Government works closely with state and territory agencies to avoid potential duplication by different levels of government. For example, in considering offset approaches for a geographical region, the Australian Government will work with its state and territory counterparts to secure shared conservation protection for the same environmental values.

Strategic assessment can result in reduced administrative burden for strategic assessment partners and all levels of government through the substantial reduction in the number of environmental assessments required for an area.

Increasingly the Australian Government is also collaborating directly with industry through strategic assessments, to provide greater certainty for future development and avoid the need for multiple referrals and assessments.

How many strategic assessments have been completed?

To date four strategic assessments have been completed and endorsed under the EPBC Act.

Table 1: Environmental strategic assessments completed under the EPBC Act

ENDORSED BY FEDERAL MINISTER FOR ENVIRONMENT	STRATEGIC ASSESSMENT	STATE
February 2010	Melbourne's Urban Growth Boundary: Strategic assessment of the expansion of Melbourne's urban growth boundary to provide for 284 000 new homes and 15 000 hectares of new reserves under the <i>Melbourne Urban Growth Boundary Program</i> .	VIC
April 2011	Tasmanian Midlands Water Scheme: Strategic assessment of the impacts of the Tasmanian Government's Water Access Program which will deliver 47 500 mega-litres of water per annum to approximately 15 800 hectares of farmland under the <i>Midlands Water Scheme</i> .	TAS
October 2011	Molonglo Valley Urban Development: Strategic assessment of urban development to house 55 000 people over the next 20–30 years in Molonglo and North Weston under the <i>Molonglo and North Weston Structure Plan</i> .	ACT
December 2011	Western Sydney Growth Centres: Strategic assessment of proposed development in growth centres in western Sydney to accommodate for 181 000 new homes over the next 30 years under the <i>Sydney Growth Centres Strategic Assessment Program</i> .	NSW

These strategic assessments have delivered significant environmental, economic and social benefits. The following case studies take a closer look at the types of benefits and savings achieved by these assessments.





Case study 1: Melbourne Urban Growth Boundary

Overview: The Victorian Government, in partnership with the Australian Government, has completed a strategic assessment of a program to provide for Melbourne's population growth to 2030 (*Delivering Melbourne's Newest Sustainable Communities*). Four new growth precincts, allowing for over 284 000 new homes, will be established to the west, north and south-east of the city. Where development in these precincts is undertaken in accordance with the approved program, approval of individual developments under the EPBC Act will no longer be required.

Benefits for the private sector: Access Economics (2011) estimated that the Melbourne strategic assessment will deliver cost savings in net present value in excess of \$3.2 billion for the private sector over its lifetime to 2039. These savings are made by reducing delay and bringing forward project approvals. The Melbourne strategic assessment has removed the need for referral of approximately 252 projects over the life of the approved program, and has also saved the substantial associated monitoring and compliance costs for those individual projects (Access Economics 2011).

Benefits for the environment: The strategic assessment identified the highest quality habitat at the landscape scale for protection. This resulted in establishment of a new 15 000 hectares grassland reserve to the west of Melbourne and a new 1200 hectares grassy woodland reserve north-east of Melbourne. The 15 000 hectares reserve includes 10 000 hectares of critically endangered grasslands.

The conservation outcomes of this strategic assessment are a quantum shift in sustainable planning and protection of native vegetation. Rather than requiring individual developers to set aside *ad hoc* fragments of native vegetation, often with limited long term conservation benefits, offset funding will be used by the Victorian Government or proponents within the consolidated reserve on the outskirts of the city. The new reserve will conserve 20 per cent of remaining threatened native grasslands on the 2.4 million hectares Victorian Volcanic Plains Bioregion (compared to the current two per cent) ensuring meaningful protection at a landscape and ecosystem scale for native grasslands and associated threatened species, such as the striped legless lizard.



Case study 2: Tasmanian Midlands Water Scheme

Overview: In February 2010 the Australian and Tasmanian governments signed an agreement to undertake a strategic assessment of the Tasmanian Government's Water Access Program for the Midlands Water Scheme. The Scheme proposed to deliver 47 500 mega-litres of water per annum to approximately 15 800 hectares of farmland in the Midlands of Tasmania (involving 491 farmers).

Benefits for the private sector: Over 2011 and 2012, the federal minister for the environment approved classes of actions associated with the Water Access System component of the Midlands Water Scheme. As a result, approvals are not required for irrigation projects for actions associated with on farm use of water, under the water access system, as described in the program, *Strategic Assessment for the Water Access Program, Midlands Water Scheme, Tasmania—Program Report*, saving approximately 100 referrals by individual farmers.

Benefits for the environment: The areas within and surrounding the Midlands Water Scheme area have significant environmental values. The Midlands Water Scheme contains 42 per cent of the remaining critically endangered grasslands of Tasmania. Because of this area assessment, all clearance, conversion and indirect impacts on these grasslands have been avoided. Furthermore:

- Farm plans apply to all farms taking up irrigation water, which ensures all significant impacts on all matters of national environment significance are avoided.
- Habitat of the nationally protected freshwater fish occurring in the region will be managed to avoid significant impacts through barriers and weirs to protect them from invasive species.
- There has been a commitment to 100 years of monitoring, auditing and adaptive management for the matters of national environmental significance in the area.





Case study 3: Western Sydney Growth Centres

Overview: In late 2009 the Australian and NSW governments signed an agreement to undertake a strategic assessment of the western Sydney growth centres. These new growth centres accommodate for 181 000 new homes. The strategic assessment examined NSW Government proposals to manage and protect matters of national environmental significance as part of development planning and implementation.

Benefits for the private sector: In December 2011 the federal minister for the environment endorsed the *Sydney Growth Centres Strategic Assessment: Program report* and in February 2012, the minister approved classes of actions associated with implementing it. Approval of the program means individual projects described in the program report do not need any further approval under the EPBC Act as long as they are taken in accordance with the program. It is estimated that the strategic assessment removed the need for the referral of approximately 500 projects under the EPBC Act.

Benefits for the environment: Several matters of national environmental significance protected under the EPBC Act are found within the growth centres, including the Cumberland Plain Shale Woodland and Shale-Gravel Transition Forest, which is listed as a single critically endangered ecological community under the EPBC Act and as two separate endangered ecological communities under the NSW *Threatened Species Conservation Act 1995*. The strategic assessment allowed environmental impacts of all future development in the growth centres, whether large or small, to be considered, as well as assessing the combined impact of all these developments (known as cumulative impacts).

Significantly, under the approved program the NSW Government provided \$530 million for a biodiversity offsets package to protect high conservation value areas both within and outside the growth centres. Raised through NSW Government levies on development in the growth centres, this funding will be used to purchase land and manage for conservation within the growth centres and to obtain offsets outside the growth centres. The conservation levy applies to all developable land within the growth centres (excluding public services and utilities). This means that the costs of conservation outcomes will be equitably shared across the growth centres. As a first preference, the funding will be used to conserve 'priority conservation lands' on the Cumberland Plain.

What is the current program for strategic assessments?

Strategic assessments are currently underway in every state and the Australian Capital Territory, and all jurisdictions have expressed in-principle support for their increased use. The following table provides an overview of the types of strategic assessments currently being undertaken.

Table 2: Environmental strategic assessments currently under way		
EXPECTED DATE OF COMPLETION	STRATEGIC ASSESSMENT	STATE
June 2013	1. Gungahlin Urban Development: Strategic assessment of the proposed urban development at Gungahlin under the <i>Gungahlin Development Plan</i> .	ACT
June 2013	2. Heathcote Ridge Housing Development, West Menai: Strategic assessment of the proposed development at Heathcote Ridge under the <i>Heathcote Ridge Draft Program Report</i> . The development will entail the rezoning of 850 hectares to allow for conservation, residential and employment land.	NSW
June 2013	3. Melbourne Growth Corridors: Approval consideration for three new corridors proposed in the endorsed Melbourne Urban Growth Boundary Program.	VIC
TBA	4. Browse Basin LNG Precinct: Strategic assessment of the proposal to develop a common-user liquefied natural gas (LNG) precinct in the Browse Basin under the <i>Plan for a Common-User Liquefied Natural Gas Hub Precinct</i> and its associated activities.	WA
September 2013	5. Fire management on conservation lands policy: Strategic assessment to ensure matters of national environmental significance are protected under the South Australian Government's Fire Management Policy.	SA
October 2013	6. Mount Peter Master Planned Area: Strategic assessment of the proposed urban, infrastructure and light industrial development of Mount Peter under the <i>Mount Peter Structure Plan</i> . This plan provides for a growth centre to cater for 45 000 people over 25 years.	QLD



Table 2: Environmental strategic assessments currently under way

November 2013	7. Great Barrier Reef: Strategic assessments of the 344 400 square kilometres Great Barrier Reef World Heritage Area and adjacent 2300 kilometres long coastal zone to protect the World Heritage Area and to determine areas of sustainable development.	QLD
December 2013	8. Lower Hunter Regional Sustainability Plan: Strategic assessment of high growth urban development areas and associated infrastructure corridors in the Lower Hunter region under the Australian Government's <i>Sustainable Regional Development Program</i> . The Australian Government is working with the NSW Government to support their update of the NSW Lower Hunter Regional Strategy and Lower Hunter Regional Conservation Plan.	NSW
February 2014	9. BHP Billiton mining iron ore in the Pilbara region: Strategic assessment of the impacts of the company's plan for future mines and associated infrastructure on matters of national environmental significance.	WA
March 2014	10. Perth Coastal Plan Urban Development ('Perth to Peel'): Strategic assessment of impacts of urban development outlined in the Western Australian <i>Directions 2031 and Beyond—Metropolitan planning beyond the horizon</i> .	WA
August 2014	11. Hamersley Iron Ore Pty Ltd (Rio Tinto) iron ore mining in the Pilbara: Strategic assessment of the impacts of the company's plan for mining and transporting iron ore and developing and maintaining related infrastructure in the Pilbara region on matters of national environmental significance.	WA
September 2014	12. Upper Hunter Biodiversity Plan for Coal Mines: Strategic assessment of the biodiversity impacts of future coal mining activities in the Upper Hunter region.	NSW



Case study 4: The Great Barrier Reef strategic assessment and its environmental, economic and social benefits

Overview: The Great Barrier Reef region is an area of high growth and significant environmental assets. The Great Barrier Reef strategic assessment encompasses the whole of the Great Barrier Reef World Heritage Area as well as the adjacent Queensland coastal land from the low water mark to five kilometres inland. The strategic assessment of the Great Barrier Reef and adjacent coastal zone will ensure the protection of the highest value environmental assets while at the same time enabling sustainable, long-term development in the Great Barrier Reef coastal area.

Benefits for the private sector: The strategic assessment will also assist in future planning for the Great Barrier Reef World Heritage Area and adjacent coastal zone by determining where sustainable development can occur, the type of development that will be allowed and the conditions under which development may proceed. Where industry proposes to take actions that are consistent with the final plan (once endorsed), they will no longer need to seek approvals for individual projects within that area. The Australian community and environment will benefit from the protection of the unique environmental values of the Great Barrier Reef and adjacent coastal land.

Benefits for the environment: The Australian and Queensland governments are committed to ensuring the Great Barrier Reef retains the values for which it was declared a world heritage area and it continues to be one of the best managed marine protected areas in the world. The strategic assessment will allow for the appropriate balance of sustainable development and environmental protection. The assessment will identify priority conservation areas where future development will be restricted or excluded.





Undertaking a strategic assessment

A genuine commitment of time and resourcing is required by all strategic assessment partners to contribute to a successful assessment process that is focused on the best possible outcomes for the environment, business partners, the economy and community. This includes working with different levels of government, business, and the community cooperatively throughout the course of the assessment.

The department can provide advice to interested assessment partners on the likely impacts and resourcing requirements during early planning discussions. Each assessment is likely to require varying levels of resourcing commitment depending on the type of project, potential impacts and known information of the environment and proposed impacts.

The department makes significant effort to ensure that stakeholders have access to the right tools and information to make informed decisions about strategic assessments. We are continuing to develop public guidance material that is progressively available on the department's website.

We are also exploring how to engage with potential assessment partners through other available avenues. This includes participating in industry seminars or workshop events that bring together environmental consultants, business groups, and state/local government organisations. These events can provide the opportunity to consider planning priorities for different tiers of government, and to share ideas and knowledge about future development proposals and how they should be assessed.

More information

The department has published *A guide to undertaking strategic assessments* to help stakeholders understand the strategic assessment process. The guide provides an introduction to strategic assessments and outlines the environmental and planning outcomes that can be achieved. The guide also discusses the necessary elements for a successful strategic assessment and the fundamentals that need to be in place to conduct the assessment. The guide is available at:

www.environment.gov.au/epbc/publications/guide-to-strategic-assessments.html



Prospectus for strategic assessments beyond 2013

Strategic planning that considers both development and ecological needs on a landscape scale has the potential to deliver increased regulatory efficiency, business certainty and better protection of matters of national environmental significance. The existing strategic assessment work program has already demonstrated positive outcomes on all of these fronts for business, the environment and community.

While there is a significant amount of work being undertaken on the existing work program, the department is seeking to plan its work beyond 2013 for the next phase of strategic assessments.

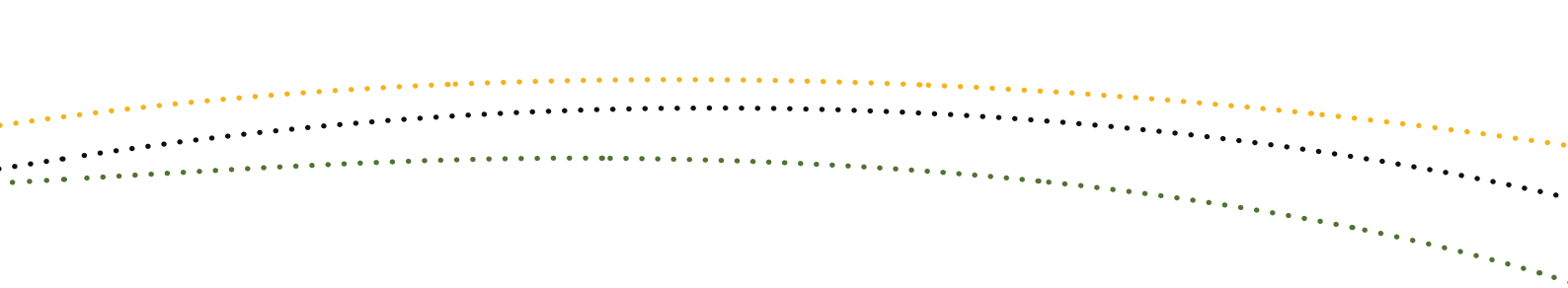
Help inform future strategic assessment priorities

During 2013, the department intends to run an expression of interest process inviting stakeholders to submit proposals for potential strategic assessments. The department will also be discussing potential assessment priorities with state and territory governments and other stakeholders during the course of 2013.

There are general characteristics that will assist in prioritising areas to be included in the strategic assessments work program. The strategic assessments completed to date demonstrate that strategic assessments deliver the greatest environmental, economic and social benefits, consistent with the objectives of the EPBC Act, by:

- targeting areas which are under development pressure and are anticipating a high number of referrals under the EPBC Act
- removing the need for future EPBC Act referrals in an area, particularly where large numbers of referrals can be avoided
- managing broad scale cumulative impacts on multiple matters of national environmental significance
- involving broad scale developments to stimulate significant local or regional economic activity
- aligning, in terms of timing, with state or territory processes, where assessment partners are also at an early stage of planning, and
- being supported and managed with senior level engagement, providing certainty for all investors and assessment partners.





These characteristics form a set of principles that the Australian Government will use to determine priorities for the strategic assessment work program. In addition, the department has identified areas of emerging pressure for assessments. These include:

- Department of Defence lands
- master plans of major development companies, where a company is planning for broad scale development in a range of states
- ports master plans, and
- agribusiness—for example, new irrigation in the Gulf country of north-west Queensland or the Northern Territory.

This is not an exhaustive list and stakeholders will have the opportunity to contribute their views and provide feedback on other areas for future strategic assessments.

How can you contribute your views?

In addition to the expression of interest process, the department is inviting stakeholders to provide their general views on how additional strategic assessments could be prioritised and included in the future work program. The department will be seeking views from stakeholders throughout the course of 2013 in a number of ways.

- Feedback or submissions that provide a summary of relevant views. Stakeholders may consider including their views on the principles for prioritising strategic

assessments, in addition to other relevant information such as industry sectors or regional centres that could be included in the forthcoming work program. Please send your feedback to EPBC.reform@environment.gov.au.

- Early planning discussions with interested business or industry groups that would like to discuss development proposals. Pre-assessment discussions will continue to be a focus for providing advice early in the planning process during 2013 to help inform future strategic assessment priorities.

All stakeholders are welcome to provide comments and other relevant information in this process. The department will compile a final work program in late 2013. All input will be considered and will inform the future investment priorities and decisions on strategic assessments.

Contact us

If you are considering a strategic assessment, contact the Strategic Approvals Branch in the Department of Sustainability, Environment, Water, Population and Communities on (02) 6274 1111 or EPBC.reform@environment.gov.au early in your planning and design phase.

