



27 May 2014

Senator John Williams
Chair, Legislation Committee
Standing Committee on Environment and Communications
Parliament House, Canberra ACT 2600
(e) ec.sen@aph.gov.au

Submission – Inquiry into the Environmental Protection and Biodiversity Conservation Amendment Bills 2014.

The Australian Forest Products Association (AFPA) welcomes the opportunity to provide comment on the Environmental Protection and Biodiversity Conservation Amendment (Bilateral Agreement Implementation) Bill 2014 and Environmental Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014.

AFPA is the peak national body for Australia's forest, wood and paper products industry. We represent the industry's interests to governments, the general public and other stakeholders on matters relating to the sustainable development and use of Australia's forest, wood and paper products.

AFPA supports the proposed amendments to the *Environmental Protection and Biodiversity Conservation Act 1999* to improve the implementation of bilateral agreements – changes that will ensure that bilateral agreements operate effectively and efficiently as well as providing greater certainty for proponents.

It is suggested that the strategic assessments and bioregional approaches adopted in the RFAs are a useful model in the context of bilateral agreements for assessment and approval processes for other classes of activities or projects in a defined area, where they have met the appropriate Commonwealth conditions and national standards.

Yours sincerely

Ross Hampton
Chief Executive Officer





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The Australian forest, wood and paper products industry is a sustainable industry that relies on extensive Commonwealth and State cooperation and integration of regulatory processes to ensure that the right balance is struck between ecologically sustainable management and economic development.

AFPA supports the proposed amendments to the *Environmental Protection and Biodiversity Conservation Act 1999* to improve regulatory efficiency, increase certainty and reduce costs for business, while maintaining high environmental standards.

Bilateral Agreements

As noted, the EPBC Act already allows for bilateral agreements. Bilateral agreements are an important, though to date rarely used, vehicle for achieving improved regulatory efficiency and reduction in costly environmental approvals double-handling between the Commonwealth and State governments. Indeed, greater use of assessment and approval bilateral agreements was recommended by the independent Hawke review of the EPBC Act.

Bilateral agreements streamline assessment and approval processes and reduce compliance costs. They offer a practical option for the Commonwealth and State governments to work together to deliver outcomes on matters of national environmental significance, within the stringent requirements of the EPBC Act.



The Regional Forest Agreements (RFAs) provide a good example of the role of strategic assessments and bilateral arrangements for achieving high level environmental outcomes. Indeed, given the comprehensive landscape approach to achieving environmental, biodiversity and socio-economic outcomes in RFA regions, forestry operations are recognised as having met or exceeded the requirements of the EPBC Act. Such arrangements highlight the benefits of well-crafted inter-governmental arrangements, as a basis for more efficient and cooperative environmental regulation.

Regional Forest Agreements

The RFA process provided a strategic approach to environmental management in each of the RFA regions, through the undertaking of Comprehensive Regional Assessments (CRAs) that resulted in:

- the establishment of the comprehensive, adequate and representative (CAR) forest reserve system of formally protected areas (i.e. national parks) based on regional conservation planning criterion; and
- accreditation of state level ecologically sustainable forest management (ESFM) principles, legally enforceable codes of practice, and adaptive ESFM plans and zoning arrangements (e.g. to accommodate new information on species and habitat conditions) in forest areas where timber harvesting may be permitted. The net result of these codes and ESFM plans has been that around 1% of the area zoned available for timber production is actually harvested each year.

The RFAs and underlying CRA processes ensured that all requirements under the EPBC Act were fully met, which enabled administrative efficiencies and assured compliance with environmental standards via accredited state processes.

Prior to the establishment of the RFAs, timber harvesting operations were subject to EPBC requirements on a 'coupe by coupe' basis, which effectively triggered an environmental assessment and approval process whenever a parcel of wood was harvested in an area that contained a matter of national environmental significance (e.g. a listing of a threatened species that occurred in the region). This piecemeal approach to the environmental assessment of harvesting operations made it a highly costly and administratively burdensome process across the regions where native forestry operations were occurring on a routine basis. This led to significant costs to industry in terms of the time and resources needed to comply with both State and Commonwealth approval processes.



The RFAs addressed this duplicative and piecemeal approach by undertaking the CRAs and accrediting state processes that met the appropriate Commonwealth standards, thereby removing the need for Commonwealth approvals over the life of the RFAs. This has significantly reduced the administrative and compliance costs for designated forestry operations in the RFA regions.

The 2009 Hawke review into the EPBC Act recommended that the Commonwealth work with the States and Territories to improve the efficiency of environmental impact assessments and expand the role of strategic assessments and bioregional plans. AFPA suggests that the strategic assessments and bioregional approaches adopted in the RFAs are a useful model in the context of bilateral agreements for assessment and approval processes for other classes of activities or projects in a defined area, where they have met the appropriate Commonwealth conditions and national standards.

A bilateral approach to environmental approvals, such as that taken with the RFAs, could reduce the timeframes for approvals and administrative costs incurred by businesses and other stakeholders for defined classes of activities, while meeting the requirements of the EPBC Act to deliver environmental outcomes. The existing provisions of the EPBC Act for bilateral arrangements include the rigorous requirements and prerequisites under sections 45, 46, 48, 49, and 51-55 of the Act, to ensure delivery of agreed environmental outcomes on matters of national significance.

Streamlining environmental regulation

As an overriding policy principle, AFPA supports the Coalition Government's commitment to reduce unnecessary environmental regulation while maintaining appropriate environmental standards. In particular, the one stop shop for environmental approvals has significant scope to simplify the approvals process across federal, state and local jurisdictions while maintaining environmental standards.

It is important that environmental regulation is undertaken in accordance with efficient and best practice public policy by:

- streamlining approval processes where relevant;
- removing unnecessary duplication and bureaucracy; and
- reducing compliance costs on projects and businesses across the economy.

With respect to land management activities such as forestry, there can be a lot of overlap between state and Commonwealth environmental regulation such as species management requirements. In this regard, the one stop shop offers significant benefits to industry from a



single environmental assessment and approvals process that includes a single lodgement and documentation system. The benefits of such a streamlined process would include reduced duplication between state and Commonwealth laws, reduced bureaucracy and the removal of unnecessary administrative costs.

Conclusion

AFPA welcome the proposed amendments to the EPBC Act to improve the implementation of bilateral agreements, changes that will ensure that bilateral agreements operate effectively and efficiently as well as providing greater certainty for proponents.

It is suggested that the strategic assessments and bioregional approaches adopted in the RFAs are a useful model in the context of bilateral agreements for assessment and approval processes for other classes of activities or projects in a defined area, where they have met the appropriate Commonwealth conditions and national standards.