

15 January 2007

Hon. Ian Macdonald, MP Minister for Natural Resources Level 33, Governor Macquarie Tower 1 Farrer Place Sydney NSW 2000

Dear Minister,

I refer to your letters dated 2 and 21 November 2006, which requested the Natural Resources Commission (NRC) to provide advice on the suitability of proposed amendments to the Environmental Outcomes Assessment Methodology (Assessment Methodology).

We consider that the proposed amendments will improve the quality of the Assessment Methodology. Most are minor in nature, consisting of corrections for typographical errors, corrections to ensure consistency and accuracy, and other small corrections that have been identified within various chapters of the Assessment Methodology.

The NRC recommends that all of the proposed amendments are adopted. In the instances where the proposed amendments could be considered ambiguous, we specifically note that:

- the second proposed amendment for page 5 does not include a reference to a web address as is indicated in the *Basis for Changes* column of the proposed amendments table, it is recommended that an updated web address is included with this proposed amendment
- the NRC agrees with the first proposed amendment for page 17 provided that the amendment listed in the *Suggested Changes* column is the only change to be made to the Assessment Methodology and that the additions listed in the *Basis for Changes* column are only made within the appropriate tool
- the NRC agrees with the proposed amendment for page 34 provided by the Minister for the Environment as listed in the table titled *Changes to the Proposed Amendments to the EOAM from the Minister for the Environment*
- the NRC agrees with the first proposed amendment for page 35 provided by the Minister for the Environment as listed in the table titled *Changes to the Proposed Amendments to the EOAM* from the Minister for the Environment
- the proposed amendment for page 67 has already been made within the latest version of the Assessment Methodology as a result of previous recommended changes from the Invasive Native Scrub review.

Review process

In undertaking this review, the NRC posted the proposed amendments on the NRC website and invited comment from key stakeholders which included agencies, Catchment Management

Authorities (CMAs), and environment and landholder groups. In addition, the NRC internally reviewed the proposed amendments and submissions. The NRC did not undertake a scientific review in this instance because the proposed amendments to the Assessment Methodology did not incorporate scientifically based changes.

Summary of submissions

Three submissions were received during the NRC review period from Northern Rivers Catchment Management Authority (NRCMA), Falbrook Wildlife Refuge in Singleton and NSW Farmers Association. The submissions are available on the NRC website. The submission from NRCMA noted that they do not have any concerns with the proposed amendments.

The submission from Falbrook Wildlife Refuge raised two issues. One of the issues was related to the thinning tool which is no longer addressed in this review. The other issue raises a concern that if offsets are allowed outside a property, the potential to locally offset the biodiversity being lost through any clearing on that property will be reduced (refer to the proposed amendment for page 8).

However, the proposed amendment also states that 'benefits from any offset whether the same property or elsewhere will improve or maintain environmental outcomes for each environmental value'. Offsets are calculated using the Threatened Species Tool, which assesses the habitat requirements of each threatened species in the area being cleared. It assesses these requirements against the benefits that will be derived for those threatened species from the offset site. In this respect, even though the Assessment Methodology will allow offsets to occur outside a property where clearing occurs, assessment using the Threatened Species Tool will ensure that offsets are appropriate for the impact.

The submission from NSW Farmers Association also raised two issues, with one of the issues related to the thinning tool which is no longer addressed in this review. In addition, NSW Farmers Association supported the exclusion of salinity hazard assessment associated with the removal of paddock trees (refer to the first proposed amendment for page 17).

General comments

The presentation of the proposed amendments may have made it difficult for stakeholders to understand, and comment on, the improvements to the Assessment Methodology. We found that the use of two documents (an original submission and a corrected submission) to propose the amendments created ambiguity and made the proposed amendments difficult to review. The information provided within the corrected submission was not clearly presented and was further complicated by cross referencing to the original submission.

The NRC recommends that particular care be taken to ensure that future proposed amendments are presented in such a way that allows stakeholders to easily understand the proposed amendments, so that they may be encouraged to participate in improving the Assessment Methodology.

Yours sincerely

John Williams **Commissioner**

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