



## **Consultation on the National Environmental Standard for Environmental Offsets**

18 May 2026

On 08 May 2026, the federal government opened consultation on the draft of the National Environmental Standard for Environmental Offsets (Environmental Offsets Standard). This follows a previous release of a draft Environmental Offsets Standard which was published for consultation from November 2025 to January 2026. The current exposure draft has been developed based on feedback from previous consultations with stakeholders and the public.

Previous environmental reforms require that proponents seek to avoid and mitigate environmental harm before resorting to offsets. This draft seeks to create laws which ensure that approved offsets genuinely compensate for environmental damage. The review reflects the government's aims to ensure that environmental law reform delivers environmental outcomes, while also ensuring that the new arrangements are appropriate for the industry and that they have time to adjust to them.

### **Content of the Standard**

The current draft, based on eight stated Principles, requires that there is a high level of confidence that offsets will contribute to recovery or enhancement of the environment, result in net gain for it, and achieve these outcomes in a relevant timeframe. It also requires mechanisms to ensure that the offset will deliver net gain, can be maintained for an appropriate period, and provide legal protections. They must provide a measurable benefit and must generally be a direct offset unless an indirect one is considered higher priority.

The offsets must also be likely to deliver an additional benefit that would not have occurred without the offset. They must deliver a like-for-like outcome, that is protection, conservation, or restoration for the same kind of environmental feature that will or may be damaged, unless otherwise determined by the relevant decision-maker. These offsets must be delivered in an area relevant to the damage where practical and commenced before residual significant impact occurs.

These requirements must be demonstrated through appropriate evidence. This may include suitable expert evidence, peer reviewed science or other relevant evidence.

### **Scope of the review**

The review is focused solely on the exposure draft of the Environmental Offsets Standard that was released on 08 May 2026. The Department of Climate Change, Energy, the Environment and Water is seeking input from all stakeholders, including the community, and proponents.

Feedback is being sought on:

1. Protection statements
  - Law reforms will allow the minister to make Protection Statements to declare that certain environmental impacts cannot be offset when it is not ecologically feasible.
  - They may also prioritise a particular offset activity.
2. Rulings
  - The minister can rule on the use of offsets and restoration contribution payments when offset measure are not ecologically feasible.
3. Definition of unacceptable impacts
  - The minister can only approve offsets for activity that does not have an unacceptable impact.
  - The Regulations will prescribe some impacts which cannot be compensated as offsetting would be inconsistent with Australia's international obligations or is not possible.
  - Impacts in this situation would need to be avoided, mitigated, or repaired.
4. Minor or preparatory works while controlled action is under assessment
5. New reconsideration provisions
6. Lapsing not controlled actions
7. Other relevant changes (wildlife trade, heritage, Ramsar, listing threatened species)

### **Consultation on the Draft**

The Department of Climate Change, Energy and Water is seeking feedback on the exposure draft of the Environmental Offsets Standard. Responses can be submitted through the Department's website through the provided survey or as an uploaded submission. Contributions must be provided by 09 June 2026.

The draft of the National Environmental Standard for Environmental Offsets can be found [here](#).

Feedback can be submitted through the Department of Climate Change, Energy and Water [here](#).

### **Further Information**

For more information, please contact Hawker Britton's Partner [John Jarrett](#) on +61 434 384 745.

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