

Biodiversity Offset Report

CSSI 9371 North Star to NSW/QLD
Border - Minister's Conditions of
Approval E26

April 2024

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1 Introduction

This report has been developed to report on all activities completed in compliance with the Biodiversity Offset Package through to April 2024 to ensure compliance with Minister’s Conditions of Approval (MCoA) E26.

This report should be read in context of ARTC’s intention of seeking a modification to the MCoA as it relates to the Biodiversity Conditions.

1.1 Purpose

This document has been developed to comply with CSSI 9371 MCoA E26. Table 1 indicates where these requirements have been addressed.

Table 1: Biodiversity Offset Report Requirements.

CONDITION NUMBER	CONDITION	WHERE THIS CONDITION IS ADDRESSED
E26	<p>All activities completed in compliance with the Biodiversity Offset Package must be reported to the Planning Secretary every three months in a Biodiversity Offset Report.</p> <p>The Biodiversity Offset Report must include:</p> <ul style="list-style-type: none"> (a) evidence of specific biodiversity offset measures that have been delivered, including retirement of credits and payment into the Biodiversity Conservation Fund; (b) progress of remaining biodiversity offset measures and the preparation and implementation of the project plans required by Condition E24; (c) the residual biodiversity offset obligation; and (d) confirmation that the residual biodiversity offset obligation will be satisfied no later than two years from the date of this approval. 	<p>Section 2</p> <p>Section 3</p> <p>Section 4</p>

2 Evidence of biodiversity measures delivered

2.1 Scoping & Engagement

In the lead up to the finalised approved Package, ARTC has undertaken a range of scoping discussions with both the Australian Botanic Gardens and ERM to inform the compensatory measures proposed within the Offset Package and detail out what the scope of each measure will contain.

ARTC has formally commenced the procurement of the Royal Botanic Gardens to continue the delivery of this compensatory measure. Following discussions with the Department, it is understood this measure will be required irrespective of any changes to the proposed MCoA.

ARTC has continued to secure credits towards the NS2B obligation, including through landowner partnerships, ARTC owned land and purchases from the NSW Credit Supply Taskforce. The current status of credits secured towards the NS2B obligation is outlined in **Table 2 and 3**.

Table 2: Summary of Ecosystem Credits

PROJECT SEGMENT	DESCRIPTION IN BDAR	ECOSYSTEM CREDITS OBLIGATION	INCLUDING REDUCTION FOR COMPENSATORY MEASURES	CREDITS SECURED	RESIDUAL CREDIT OBLIGATION
North Star Corridor (C2)	Brownfield Alignment	4,297	4,297	3,164	1,133
Macintyre Floodplain (C3)	Greenfield Alignment	1,354 Plus 1 scattered tree credit	1,355	511	844
Laydown area, temporary accommodation and setup areas	Early Works	1,398	1,398	923	475
Borrow Pits (BP)	BP1, BP2, BP4, BP5, BP7, BP8, BP9, BP13, BP25	1,518 Plus 5 scattered tree credits	1,449 (-69 credits for BP1)	394	1,055
	TOTAL	8,567 Plus 6 scattered tree credits	8,498	4,992	3,506

Table 3: Summary of Species Credits

PROJECT SEGMENT	DESCRIPTION IN BDAR	SPECIES CREDITS	INCLUDING 10% REDUCTION FOR COMPENSATORY MEASURES	CREDITS SECURED	RESIDUAL CREDIT OBLIGATION
North Star Corridor (C2)	Brownfield Alignment	7,670	7,670	1,984	5,686
Macintyre Floodplain (C3)	Greenfield Alignment	7,746	7,746	225	7,521
Laydown area, temporary accommodation and setup areas	Early Works	1,963	1,844 (- 119 credits for Koala)	412	1,432
Borrow Pits (BP)	BP1, BP, 2, BP4, BP5, BP7, BP8, BP9, BP13, BP25	3,698	3,698	257	3,441
	TOTAL	21,077	20,958	2,878	18,080

3 Progress of remaining biodiversity offset measures and Confirmation residual biodiversity offset obligation will be satisfied no later than two years from date of approval

3.1 Inland Rail Review

In April 2023, the Commonwealth Government released the independent report into the delivery of Inland Rail that included 19 recommendations. A key outcome of the review is a revised approach to the delivery of Inland Rail, taking a staged approach, with the priority being the delivery of the project sections south of Parkes. This means that construction will no longer commence within two years (of the date of approval) for the NS2B project.

In late 2023, ARTC received direction from its Commonwealth Shareholding Ministers, to explore avenues to change the arrangements within the approved Biodiversity Offset Package, specifically to pursue the release

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the funding contained in the Security Account. Commencement of any project works for the NS2B project, is subject to further decisions by the Commonwealth Government, being greater than two years away, and therefore the current Offset Package and Security arrangements no longer achieve the desired outcomes.

ARTC has held discussion with the Department to explore what options are available to modify the MCoA and Security Account arrangements and following this meeting is preparing a request for to modify the project's MCoA's.

4 Residual biodiversity offset obligation

The Security Account remains funded with a total of \$115,462,953.99, with a bank statement extract included at **Figure 1**. Noting the Department has access to view this account.

The Biodiversity Offset Security Deed, section 4.2, allows for a Financial Assurance Review to be undertaken 12 months after the date the cash advance was transferred into the account. ARTC hereby confirms that no review will be required at this time, as no biodiversity offset credits have been retired against this project, and the full biodiversity offset credit liability (calculated at the BCF Charge Amount) remains funded within the security account, therefore there would be no change.

Figure 1: Security Amount Bank Statement



ACCOUNT SUMMARY

All accounts

2 accounts

Total debit balances

\$ 0.00 AUD

Total credit balances

+ \$ 115,462,953.99 AUD

Net position**

+ \$ 115,462,953.99 AUD

BalanceCurrent			
Account	Current balance*	Available balance	Currency
Account number			
ARTC AGENCY 082-001 / 91-001-0443	0.00	0.00	AUD
ARTC AGENCY 082-001 / 32-161-8346	+ 115,462,953.99	0.00	AUD

2 of 2 accounts found as at 10:50 AMAEST, Tuesday 30 April 2024

*Current balance may include uncleared funds, e.g. a deposited cheque.

5 Conclusion

In conclusion, this report highlights efforts made by Inland Rail to adhere to the requirements outlined in the Biodiversity Offset Package, specifically CSSI 9371 Minister's Conditions of Approval (MCoA) E26. The document outlines reporting requirements required in Condition E26.

ARTC will continue to progress the engagement of the Royal Botanic Gardens.

Due to the significant shift in Inland Rail project's delivery approach which has prompted a reconsideration of the current Biodiversity Offset Package and Security arrangements and the directive from Commonwealth Shareholding Ministers to explore avenues for releasing funding from the Security Account, ARTC will continue to progress discussions with the Department regarding a modification to the approval.

ARTC acknowledges the limited progress that can be made within the existing framework during this transitional period.