



MCA VICTORIAN DIVISION

INQUIRY INTO ECOSYSTEM DECLINE IN VICTORIA

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1. EXECUTIVE SUMMARY

The Victorian minerals industry is committed to the protection of Victoria's unique environment. This includes upholding high standards of environmental protection based on the use of sound science and robust risk-based approaches in the assessment and management of potential environmental impacts.

The extractive industry's footprint represents 0.1 per cent of Victoria's land area.¹ Resurgent exploration indicates more than one third of the state is covered by exploration leases. The vast majority of exploration activities are considered low impact. As stated in the *Code of Practice for Mineral Exploration*, 'well-planned and managed exploration projects should have little or no lasting impact on the environment and impose minimal disruption to other land users and the community'.² The Victorian State of the Environment report 2018 makes no specific mention of the impact of mining or exploration on the current condition of Victoria's biodiversity.³

The industry's approach to biodiversity assessment and management centres on prevention and management of biodiversity impacts from mining and the identification of opportunities to enhance biodiversity conservation. The minerals industry has contributed to the conservation and recovery of a number of threatened species in Australia and provides extensive data and resources to national biodiversity research. Conservation objectives and modern mineral resource development are not mutually exclusive outcomes – the two can, and do, successfully co-exist.

The industry operates within a regulatory landscape that is comprehensive and extensive. Minerals developments are subject to local, state and federal government regulation and planning regimes. These cover a range of issues, including stringent environmental approvals which consider biodiversity and conservation requirements.

While environmental regulation is comprehensive, opportunities exist to better support biodiversity outcomes through improved policy settings and greater linkages with non-regulatory conservation initiatives. The Victorian minerals industry is well placed and willing to contribute to improved ecosystem outcomes across the state.

Recommendations

MCA Victoria recommends that opportunities identified in this submission be further explored. These include:

- Consistent application of native vegetation removal guidelines to ensure industry can contribute to conservation objectives
- Flexible offset arrangements that allow for more strategic and enduring environmental outcomes
- Support knowledge sharing across different sectors and stakeholders including showcasing best practice environmental performance, and developing and promoting leading practice tools and guidance
- Better leveraging environmental data collected by project proponents across different sectors to enhance knowledge and inform planning and decision making.

These opportunities contribute to regional biodiversity management and conservation efforts across both crown and private land to build a more connected and resilient environment. These opportunities can be collectively progressed by industry and government to ensure that Victoria's ecosystem decline and biodiversity objectives are met at the same time as promoting (rather than restricting) future mineral discoveries and the benefits that stem from their development.

¹ Commissioner for Environmental Sustainability Victoria, *Victorian State of the Environment 2018 Report*, [Scientific Assessments](#), 2018, p 216-217

² Department of Jobs, Precincts and Regions, Earth Resources, [Code of Practice for Mineral Exploration](#), 2014

³ Commissioner for Environmental Sustainability Victoria, *Victorian State of the Environment 2018 Report*, [Scientific Assessments](#), 2018

2. INDUSTRY COMMITMENT TO BIODIVERSITY AND CONSERVATION

Victorian minerals industry commitment to biodiversity and nature conservation

MCA member companies are signatories to *Enduring Value – the Australian Minerals Industry Framework for Sustainable Development*.⁴ Key framework principles relevant to biodiversity include:

- Principle 6 – Seek continual improvement of our environmental performance
- Principle 7 – Contribute to the conservation of biodiversity and integrated approaches to land use planning.

Wherever possible, the Victorian resources sector aims to avoid, minimise and mitigate its impact on environmental values. This concept is articulated in the MCA Land Stewardship Policy, and is particularly relevant for the industry's management of conservation and preservation of biodiversity.⁵

Companies may also undertake voluntary conservation initiatives to offset residual impacts or augment their social licence to operate through partnership with government, conservation organisations or local communities. These include species recovery programs, habitat restoration and the establishment of conservation reserves. These initiatives can have a significant positive effect on environmental and community values.

Biodiversity initiatives commonly supported by the industry include flora and fauna research, community education programs and initiatives to capture and apply traditional ecological knowledge.

In some circumstances, offsets may be used for significant residual loss of conservation values. Offsets are an important tool for minerals sector operations, which are constrained by the location of the geological resource. The MCA has developed principles to guide the development and application of biodiversity offset measures.⁶ Offsets enable a company to deliver an overall conservation outcome that improves or maintains the viability of the aspect of the environment protected by Commonwealth and/or Victorian law.

To illustrate industry achievements, examples of successful/leading practice in biodiversity and conservation management are provided in the following boxes.

⁴ Minerals Council of Australia, [Enduring Value Framework](#), 2015 Edition, MCA, Canberra, 2015

⁵ Minerals Council of Australia, [MCA Land Stewardship Policy](#), October 2012, viewed August 20 2020

⁶ Minerals Council of Australia, [MCA Biodiversity offsets policy](#), October 2014

Box 1: Case study - leading practice rehabilitation and partnering with communities to enhance conservation outcomes

Mandalay Resources' Costerfield Operation is partnering with local conservation volunteers to rehabilitate degraded farmland opposite the mine's evaporation ponds. Mandalay Resources purchased the 3.7 hectare site in 2015, and is working with local community representatives and environmental volunteers to design and develop community wetlands. A planting day in September 2017 was attended by more than 40 local volunteers – some travelling more than 150 kilometres to participate.⁷

The mine also supports the '1000 Hollows' nest box program – a volunteer-run initiative now in its eleventh year. The program has built and installed 1100 nest box habitats for endangered species including the Brush Tail Phascogale in Box Iron Bark forests extending from Heathcote, Costerfield and Graytown to Rushworth. While targeting the phascogale, other animals including sugar gliders, antechinus, geckos and insects also use the nests, which make up for a lack of natural hollows in the trees due to clearing of old growth forests. These hollows can take up to 100 years to be created naturally through termites, rotting and the action of fungi. Population numbers are increasing, and the nest boxes currently boast more than 60% occupation, with 28% occupancy by phascogales.⁸

EnergyAustralia's rehabilitation program at Yallourn Mine is more than 20 years old. Planned final landforms include grasslands, woodlands and wetlands, as well as a pit lake interconnected with local rivers. 25,000 Strzelecki gums have been planted in drainage corridors and floodplain areas which contributes to habitat for locally significant koala populations. Within a constructed wetlands development, over 140 bird species have been recorded over the past decade.⁹

Navarre Minerals began working with the experienced Project Platypus team in 2017 so that its gold exploration activities are undertaken in a way that protects local flora and fauna and safeguards soil and water quality. The not-for-profit community conservation group also undertakes vegetation and rehabilitation activities at Navarre's exploration sites. This approach supports host community confidence in the explorer's approach while protecting Victoria's unique environment.¹⁰

The aim of Fosterville Gold Mine's rehabilitation plan, which is still quite broad as the mine is in full operational mode, is to return sites to a similar vegetation function and structure as existed prior to mining. If the new landform is significantly different, then the species selection will be appropriate for the final landform rather than what existed previously. The mine aims to return areas of native forest back to self-sustaining conditions while increasing the amount of indigenous species and linking biodiversity corridors where possible.¹¹ Fosterville is committed to undertaking progressive rehabilitation and to date has planted 75 ha of indigenous vegetation within the mining licence area.¹²

Active rehabilitation is transforming Stawell Gold Mine's Davis Pit, a 3.4 hectare area mined from 1987 to 1988. Using inert waste rock from the underground mine, the once 80 meter deep pit is being reshaped to match surrounding slopes. The final landform will be urban parkland populated with pre-European settlement vegetation types including box iron-bark community species. Close proximity of adjacent urban infrastructure will inform vegetation density requirements to assist with bushfire mitigation.¹³

⁷ Bendigo Advertiser, *Volunteers put down roots in wetland*, Bendigo Advertiser, 12 September 2017

⁸ Mandalay Resources Costerfield Mine correspondence with MCA Victoria, August 25 2020

⁹ Latrobe Valley Express, *Koala plan gets thumbs up*, 26 July 2018; Yallourn Mine [Sustainability Report 2015-2016: EnergyAustralia Yallourn Social and Environmental Performance 2017](#)

¹⁰ Navarre Minerals and Project Platypus MOU, [navarre.com.au](#), viewed August 20 2020 and MCA publication [Partnerships in Action](#) series, viewed August 2020

¹¹ MCA Publication [Mine Rehabilitation](#) August 2018

¹² Fosterville Gold Mine correspondence with MCA Victoria, August 25 2020

¹³ Stawell Gold Mines, [Facebook post August 13 2020](#), MCA interview August 24 2020

Box 2: Case study - Kalbar's restoration of species-rich native grassy woodland in Eastern Gippsland¹⁴

Kalbar is in the pre-approval stage for a mineral sands development in Eastern Gippsland. As a voluntary commitment to go beyond regulatory restoration requirements, over the 15-20 year mine life, the company proposes to restore:

- 200 hectares of species-rich native Redgum Grassy Woodland aiming for pre-European condition/state in an area that currently supports bluegum plantation forestry
- 350 hectares of slopes and gullies to complex native vegetation to increase faunal habitat value and improve stabilisation
- 700 hectares of grazing pasture to pre-mined condition, with the inclusion of native grasses to improve resilience to drought and fire.

Restoration will be supported by extensive faunal mitigation and landscape augmentation works to create habitat for recolonising or reintroduced faunal species. If the project is approved, this will be the single largest restoration of this type undertaken in Victoria and probably Australia, creating a major ecological asset for the region.

Although approval is still to be determined, a dedicated team has undertaken one season of scouting the region for seed sources (remnant populations) and collection of small amounts of seed from more than 100 species which will be propagated and grown as seed production crops.

Establishment of a seed production facility is underway, which is intended to provide seed for a second stage. The 15 hectares seed production facility is planned to be fully established within five years. If successful, the seed production facility will be one of the largest and most complex in the country and will also be a key resource for community engagement (e.g. education and training).

This scale of restoration demonstrates a commitment to environmental values that goes well beyond regulatory or community expectations.

¹⁴ Minerals Council of Australia, [Submission to the Independent Review of the EPBC Act](#), Appendix A – Industry Conservation Initiatives, p. 61-62, May 2020

3. POLICY AND REGULATORY FRAMEWORKS PROTECTING BIODIVERSITY

Mainstreaming biodiversity in the Australian mining sector

Within Australia, modern mining environmental practice is highly regulated and widely held to account. The MCA considers that conservation of biodiversity is already well ‘mainstreamed’ within the Australian environmental policy and regulatory landscape.

The management and conservation of biodiversity cascades from international commitments under the United Nations *Convention on Biological Diversity* (CBD) through to national strategies and state-based initiatives. These commitments are also reflected in Commonwealth and Victorian regulation (outlined in subsequent sections).

Australia’s Strategy for Nature 2019-2030 and Australia’s Nature Hub outline the actions and commitments that Australia (as a signatory to the CBD) is taking to meet its obligations. The Strategy provides ‘the overarching framework for all national, state and territory and local strategies, legislation, policies and actions that target nature’.¹⁵ The Victorian Government’s *Protecting Victoria’s Environment – Biodiversity Plan 2037* represents the state’s commitments, and is aligned with the national and international biodiversity programs noted above, as well as other frameworks including the United Nations Sustainable Development Goals.¹⁶

Environmental legislative framework and approvals processes

The industry operates within a regulatory landscape that is comprehensive and extensive.

Minerals developments are subject to local, state and federal government regulation and planning regimes. These cover a range of issues, including stringent environmental approvals which consider biodiversity and conservation requirements.

The industry has been at the forefront of developing leading practice approaches to environmental impact assessment. The MCA’s Cumulative Environmental Impact Assessment Guide provides industry guidance on how to successfully undertake these complex assessments.¹⁷

National legislation

The *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) provides a legal framework to protect and manage nationally and internationally important flora, fauna, ecological communities and heritage places. The framework of the EPBC Act is guided by Australia’s international environmental obligations including the CBD.¹⁸ The EPBC Act applies to nine matters of national environmental significance (MNES). If a mining proposal is deemed likely to have a significant impact on any one of nine MNES, the proposal must, in addition to all other required approvals, refer to the Commonwealth for assessment and approval.

A common feature of environmental approvals for mining projects is the requirement for the proponent to provide an environmental impact assessment (EIA) report (also known as an environmental impact statement or EIS in some jurisdictions) for public consultation and assessment by the regulator. The regulator sets (or approves) the terms of reference for the review based on its understanding of the potential for the project to impact different environmental values.

Victorian framework

In Victoria, environmental protection is enshrined through the *Minerals Resources (Sustainable Development) Act 1990* (MR(SD) Act) as well as the *Environment Effects Act 1978* (EES Act), *Environment Protection Act 1970* (EP Act 1970), *Environment Protection Act 2017* (the 2017 Act)

¹⁵ Australian Government, [Australia's Strategy for Nature 2019 - 2030](#) and [Australia's Nature Hub](#), viewed August 20 2020

¹⁶ Victorian State Government, [Protecting Victoria's Environment - Biodiversity 2037](#), 2017, viewed August 20 2020

¹⁷ Minerals Council of Australia, [Cumulative Environmental Impact Assessment Guide, July 2015](#)

¹⁸ Department of Environment and Energy, [Final Report of the Independent Review of the Environmental Protection and Biodiversity Conservation Act 1999](#), Chapter 2, page 12, Dr Allan Hawke, October 2009, viewed August 20 2020

and the *Flora and Fauna Guarantee Act 1988* (FFG Act). In addition, there are 40 Minerals Guidelines and Codes of Practices on the Earth Resources website, many of which relate to environmental management.¹⁹

In July 2021 the Victorian Government will enact its new approach to environmental protection centered on the General Environmental Duty. Under the new laws, any person conducting activities that pose a risk to human health and the environment must understand those risks and take reasonably practicable steps to eliminate or minimise them.²⁰ Businesses must also respond if pollution does occur.²¹ MCA Victoria supports the new regime which is outcomes based and prevention focused.

Rigorous approvals processes

Victoria's current project approval framework is rigorous in identifying potential environmental impacts of projects. It is underpinned by a risk-based assessment process that is applicable on a case by case (and location by location) basis.

To commence activity, Victorian operators must obtain:

- Approval under the MR(SD) Act (Work Plan)
- Approval under the Planning and Environment Act (Planning Permit) or the Environment Effects Act (EES)
- Ministerial consents required for restricted Crown Land.

In addition, comprehensive permitting (and offsetting) requirements under both the FFG Act and the federal EPBC Act also apply where the action intersects with relevant matters.

As provided above, environmental regulation is comprehensive. However, there may be opportunities to better support biodiversity outcomes through improved policy settings and greater linkages with non-regulatory conservation initiatives.

¹⁹ Department of Economic Development, Jobs, Transport and Resources, Earth Resources, [Guidelines and Codes of Practice](#), viewed December 4 2018

²⁰ EPA Victoria, [New environmental laws and the community](#), New environmental laws, viewed August 20 2020

²¹ EPA Victoria, [General environmental duty \(GED\)](#), New environmental laws, viewed August 20 2020

4. OPPORTUNITIES

Opportunities exist to contribute to regional biodiversity management and conservation efforts across both crown and private land to build a more connected and resilient environment. These opportunities can be collectively progressed by industry and government to ensure that Victoria's ecosystem decline and biodiversity objectives are met at the same time as promoting (rather than restricting) future mineral discoveries and the benefits that stem from their development.

Consistent application of native vegetation removal guidelines

Victoria's native vegetation removal guidelines were extensively reviewed and updated in 2017.²² Consistent application of these guidelines, combined with flexible environmental offset requirements, can enhance industry's contribution to environmental outcomes.

Strategic approaches to biodiversity offsets

Regulatory settings should allow biodiversity offsets to be strategically developed to enhance the connectivity and resilience of conservation values within the landscape. This may include the establishment of protected areas for conservation, the establishment of wildlife corridors, developing new or improved habitat on degraded land and/or the control of threatening processes including feral animals, fire and weeds.

Offsets could be better harnessed to drive enduring and strategic environmental outcomes. A mechanism that enables other biodiversity priorities to be considered in offset contributions (not necessarily 'like for like') should also be considered. This would provide governments with the flexibility to direct resources to more strategic or urgent conservation matters, priority species or biodiversity values.

The [Interim Report](#) to the Independent Review of the EPBC Act was released on 20 July 2020. One of the recommendations included development of a market mechanism for environmental offsets. An effectively functioning market-based approach has the potential to contribute to improved environmental outcomes and help simplify offset requirements for industry. MCA Victoria encourages the Victorian Government to work with the Federal Government on this recommendation.

The Victorian Government's initial adoption of EcoMarkets during the 2000s, including the EcoTender, BushTender and BushBroker initiatives, followed by transition to the current Native Vegetation Credit Market from 2017, provides a series of insights into the effectiveness of various market mechanisms. Lessons learned and opportunities for improvement from the Victorian experience could be shared to inform the Commonwealth's offset markets recommendation.²³

Knowledge sharing to support leading practice across different industries

The Australian minerals industry has developed a range of leading practice tools and guidance materials which may be useful for other land users and managers. Examples include:

- The [Leading Practice Sustainable Development Program \(LPSDP\) for the Mining Industry](#) provides practical guidance to assist with the implementation of leading practice, and encourages continual improvement in social and environmental performance. This series includes the [Biodiversity Management](#) handbook, which was developed with industry and MCA input.²⁴
- The MCA's [Cumulative Environmental Impact Assessment Guide](#) provides industry guidance on how to successfully undertake these complex assessments, and is an example of the sector's commitment to environmentally responsible mining.

²² Victoria State Government, Department of Environment, Land, Water and Planning, [Native vegetation removal regulations](#)

²³ Victoria State Government, Department of Environment, Land, Water and Planning, [EcoMarkets](#) and [Native Vegetation](#), viewed August 25 2020

²⁴ Department of Industry, Innovation and Science, [Leading Practice Sustainable Development Program \(LPSDP\) for the Mining Industry and Biodiversity Management](#) handbook 2016, viewed August 24 2020

- At an international level, the [Good Practice Guidance for mining and biodiversity](#) was developed in 2006 by the International Council on Mining and Metals with input from the International Union for Conservation of Nature.²⁵

Sharing land management and restoration expertise within the minerals industry and between different sectors would support improved management practices.

Accordingly, MCA Victoria recommends that the Victorian Government leverage knowledge by showcasing best practice environmental performance and developing and sharing leading practice tools and guidance across different sectors and stakeholders.

The opportunity to share knowledge and support leading practice extends to information captured and lessons learned from Victoria's extensive network of parks and forests. Public land in Victoria covers one third of the state - approximately eight million hectares. 50 per cent of this crown land is National parks and other conservation parks (managed by Parks Victoria) and 40 per cent is State forest (managed by the Department of Environment, Land, Water and Planning).²⁶ Achieving positive biodiversity outcomes needs access to appropriate land (which Victoria has) and effective management of that land to ensure endangered and threatened species can thrive (for example the use of conservation fencing excludes non-native predators including feral cats and red foxes from populations of threatened eastern barred bandicoots, as well as restricting the spread of infectious disease among the remaining bandicoot population²⁷).

Examples showcasing successful management of invasive species and control of introduced/feral animals on crown land should be shared. Conversely, lessons learned from less successful attempts also provide important learning platforms to improve the design and implementation of future initiatives.

Scientific data and research

Robust and accessible biodiversity datasets will underpin improved environmental management and support development.

The acquisition of new scientific knowledge is one of the biggest contributions mining makes to biodiversity in Australia.

Western Australia has implemented the 'Index of Biodiversity Survey Assessments' as a mandatory requirement for all biodiversity data collected under the *Environmental Protection Act 1986*. This captures all baseline surveys that get completed as part of EIAs.²⁸ In remote parts of Western Australia, much of the information available about the region's unique biodiversity is understood because mining companies have surveyed an area. Mining companies regularly discover entirely new species in Western Australia. Victoria could consider adopting a similar approach.

Due to the scale of project baseline environmental assessments and site-based and regional environmental monitoring programs, the mining industry hosts extensive data relating to a range of environmental values, including water and air quality and flora and fauna.

There is significant potential for this and other untapped baseline data to be more broadly captured and shared to enhance knowledge about nature. Steps to improve the availability and sharing of data should be developed in consultation with all land based sectors, including mining, that collect and analyse environmental data. This opportunity supports Australia's Strategy for Nature Goal 3: Share and build knowledge.²⁹

²⁵ ICMM, Good Practice Guidance for mining and biodiversity [website](#) and [guidance](#), viewed August 24 2020

²⁶ Victoria State Government, Department of Environment, Land, Water and Planning, [Land Management](#), viewed August 26 2020

²⁷ Wikipedia, Eastern barred bandicoot, [Recovery efforts](#), viewed August 27 2020

²⁸ Government of Western Australia, Department of Water and Environmental Regulation, <https://www.dwer.wa.gov.au/programs/ibsa>, viewed August 20 2020

²⁹ Australian Government, [Australia's Strategy for Nature 2019 - 2030](#), p 29, viewed August 20 2020

5. CONCLUDING REMARKS

The Victorian minerals industry is committed to the protection of Victoria's unique environment. This includes upholding high standards of environmental protection based on the use of sound science and robust risk-based approaches in the assessment and management of potential environmental impacts.

Conservation objectives and modern mineral resource development are not mutually exclusive outcomes – the two can, and do, successfully co-exist.

The industry's approach to biodiversity assessment and management centres on prevention and management of biodiversity impacts from mining and the identification of opportunities to enhance biodiversity conservation. The industry seeks to partner with communities and not-for-profit organisations to support local conservation initiatives.

The industry operates in a regulatory landscape that is comprehensive and extensive. Increasing regulatory control is not needed in order to adequately protect Victoria from further environmental harm because the existing approvals process provides adequate environmental safeguards.

The Victorian minerals industry is well placed and willing to contribute to improved ecosystem outcomes across the state. Opportunities to improve policy settings and to work collaboratively through non-regulatory conservation initiatives should be supported.

MCA Victoria thanks the Standing Committee for the opportunity to participate in the public consultation process and to submit these comments for its consideration.