



Instructions on how to prepare *Environmental Protection Act 1986* Part IV Impact Reconciliation Procedures and Impact Reconciliation Reports

Purpose of these instructions

To assist proponents in preparing an Impact Reconciliation Procedure (IRP) and Impact Reconciliation Report (IRR) as required by an Implementation condition in a Ministerial Statement published under Part IV of the *Environmental Protection Act 1986* (EP Act). IRPs and IRRs will usually be required when an offset condition specifies that funds are to be paid based on the clearing of vegetation at a specified rate per hectare in order to counterbalance a significant residual impact.

Impact Reconciliation Procedure

Purpose

The primary purpose of the IRP is to advise the Chief Executive Officer (CEO) of the Department of Water and Environmental Regulation (DWER) on the methodology that will be used to calculate the area of vegetation cleared (or the area of clearance of any other environmental values listed in the Implementation conditions).

An IRP is to be submitted prior to the commencement of ground disturbing activities and usually only once for a proposal, unless the proponent requests or the CEO requires this document to be updated. Once approved by the CEO, the IRP will be published on the Western Australian Environmental Offsets Register (www.offsetsregister.wa.gov.au).

Impact Reconciliation Report

Purpose

Impact Reconciliation Reports are usually required to be submitted biennially once an IRP is approved. The purpose of the IRR is to advise the CEO on the amount of clearing that has been undertaken within each year of the biennial reporting period.

Indexation

Most Ministerial Statements require that the real value of the contributions is subject to indexation. This indexation will be achieved by applying the Percentage Changes in the All Groups Consumer Price Index for Perth (CPI), as published by the Australian Bureau of Statistics unless other specified in the Ministerial Statement. The DWER will also publish the rates.

Each year of the reporting period will be indexed using the CPI rate applicable for the year in which the clearing is undertaken. For example, a proponent submits an IRR to the DWER in the 2016–17 financial year for clearing undertaken in the biennial reporting period of 2014–15 and 2015–16. In this example, the CPI rate that will be applied to clearing undertaken in 2014–15 is 1.8 per cent and the CPI rate that will be applied to clearing undertaken in 2015–16 is 0.9 per cent. Proponents will not be required to calculate the CPI or amount owed as this will be undertaken by the DWER.

Payments

Following submission and acceptance of the IRR, the DWER will invoice the proponent with the amount owing, inclusive of CPI. The proponent will be issued a receipt once the money has been received.

The Pilbara Environmental Offsets Fund

Since 2012, proposals located within the Pilbara for which a significant residual impact has been identified have conditions which require the contribution of moneys to a government established conservation offset fund. This fund is called the Pilbara Environmental Offsets Fund (the Fund). Implementation conditions within these Ministerial Statements require the preparation of IRPs in order to determine the quantum of money owed to the Fund.

How to prepare an Impact Reconciliation Procedure and Report

Template

The template provides flexibility for proponents to prepare an IRP that addresses offsets required for more than one Ministerial Statement. However, IRPs prepared for multiple Ministerial Statements must clearly delineate the offsets required for each proposal and include relevant proposal-specific information. An IRR must be developed for each Ministerial Statement and be submitted by the proponent identified on the Ministerial Statement (i.e. not a parent company). This is to ensure clear accounting with Implementation conditions.

Advice

The DWER encourages proponents proposing to develop an IRP that covers more than one Ministerial Statement to consult with the DWER to ensure that regulatory requirements are met.

Spatial data, maps and figures

The IRP and IRR requires the provision of maps, figures and spatial data. Maps and figures should be clear and legible, of appropriate scale, in either jpeg or pdf format and of good resolution (> 300 ppi).

Information used to support the identification of environmental values, such as aerial imagery or remote sensing data, is to be supplied. Aerial imagery is to be georeferenced and the coordinate system is to be GDA94 (datum) and supplied in one of the following formats: Enhanced Compressed Wavelet (ECW), Joint Photographic Experts Group (JPEG), JPEG 2000, or Geo Tagged Image File Format (GeoTIFF). Remote sensing data is also to be georeferenced to GDA94 and be in a format compatible with the ESRI suite of software.

The following spatial data is required:

1. Vegetation condition within the development envelope, attributed in accordance with the Vegetation Condition Scale (Table 2) in the Environmental Protection Authority's (EPA) [Technical Guidance - Flora and Vegetation Surveys for Environmental Impact Assessment](#). For example, degraded, good, very good, excellent etc.
2. Any additional areas of environmental value identified in the Ministerial Statement, attributed by type, for example riparian vegetation, ghost bat habitat etc.
3. Any areas within the development envelope that are not subject to offsets delivered through the IRP.

Topologically correct spatial data is required in GIS format, that is georeferenced and conforms to the following parameters:

- Data type: closed polygons that represent the proposal boundary/s (development envelope/s) and the environmental attribute/s that are referred to in the Ministerial Statement.
- Attribution: name the vegetation condition, the environmental value, and areas not subject to offsets via the Fund in the attribute table of the spatial data.
- Format: ESRI geodatabase or shapefile.
- Coordinate System: GDA94 (datum) and projected into the appropriate Map Grid of Australia zone.

Please include a reference number on the spatial data to ensure it is easily identifiable in future.

Submitting Impact Reconciliation Procedures and Reports

The DWER prefers that documents are emailed but will also accept documents submitted by post.

Email: Registrar@dwer.wa.gov.au or Manager, Compliance (Ministerial Statements)
Department of Water and Environment Regulation
Locked Bag 33, Cloisters Square WA 6850

Enquiries:

Telephone: 6364 7000

Email: compliance@dwer.wa.gov.au

Post Assessment Forms are available on www.epa.wa.gov.au

Content of an Impact Reconciliation Procedure

Document control
Include a table at the front of the IRP with version, date and authorisation (name and signature).
1. The Proposal and condition requirements
1.1. The Proposal
Identify the proposal/s and Ministerial Statement Number/s that the IRP has been developed for.
1.2. Condition requirements
Identify the Implementation condition requirements for the IRP.
2. Procedure
<p>The IRP procedures are the key component of an IRP and are the legal requirements to be met by the proponent in implementing the IRP.</p> <p>The provisions in the IRP are primarily regarding a <i>methodology</i> to determine how much clearing of project-specific environmental values is undertaken within the reporting period. For some environmental values, there may be a requirement to determine the spatial extent and/or condition.</p> <p>The provisions in the IRP can be in tabular format and/or as succinct text.</p> <p>Where the IRP is a requirement of a condition, this section must include the provisions that are specified in the condition.</p>
2.1 Identification of the biodiversity values requiring offsets
<p>The IRP is to outline the values specified in the Ministerial Statement/s that are required to be offset.</p> <p>The biodiversity survey information that establishes the pre-clearing extent and condition of the environmental values is to be included in the IRP, unless the DWER confirms that it has already been provided. A condition may also require other biodiversity survey information to be provided in the IRP. The spatial data is to be provided to the DWER in accordance with the parameters described above.</p> <p>Where there is an existing approval and this area is not required to be offset via the IRP and IRR, this area needs to be accurately documented and clearly delineated from the those being addressed by the IRP. Other approvals can include existing Ministerial Statements or Native Vegetation Clearing Permits. Spatial data identifying the existing approval area and evidence of the existing approval are required to be provided to the DWER.</p>
2.2 Methodology to determine clearing
2.2.1 Direct impacts
<p>The IRP is required to outline how the proponent intends to document and calculate the amount of clearing of those environmental values that require offsets. The methodology therefore needs to document how comparisons will be made between the 'baseline' condition that existed prior to clearing and at the end of each year within the reporting period. This methodology should use appropriate survey techniques that may include aerial photography and ground-truthing and should be clear and repeatable. The methodology must specify that the surveys will be undertaken on an annual basis as the CPI rate that will apply will be based on the financial year in which the clearing is undertaken.</p>

2.2.2 Other impacts

Some Ministerial Statements also specify offset requirements for other reasons, such as a requirement to offset indirect impacts.

Where a Ministerial Statement specifically requires an offset for indirect impacts, the monitoring methodology is to outline the criteria that will be used to detect change. The criteria are to be developed consistent with the EPA's published Policy and Guidance on the EPA website < www.epa.wa.gov.au > or as otherwise approved by the CEO.

3. Reporting

The IRP should indicate the content of the IRR.

3.1 Frequency and timing

It is the DWER's preference that the biennial reporting is done on a financial year basis unless otherwise specified in the Ministerial Statement or as agreed with the CEO.

The first biennial reporting period may be less than 24 months in order to align with the financial year, or other practical reporting period approved by the CEO. However, the first biennial reporting period must commence prior to the date on which the impacts to the environmental value subject to offsets begins unless otherwise approved by the CEO. All subsequent biennial reporting periods should be 24 months and the IRP should indicate the reporting periods.

The DWER expects that the IRR will be submitted no later than four months after the conclusion of the biennial reporting period.

3.2 Clearing and reconciliation

Provide an indication of the clearing and corresponding reconciliation information to be provided in the IRR, including but not limited to the relevant environmental values, associated clearing of that environmental value, the corresponding rate and/or IBRA region, and a forward estimate of likely clearing in future reporting periods.

Figures, tables, schedules and appendices

Include the following where relevant to support the information in the IRP:

- Figures – maps, figures and diagrams for context and to explain provisions (e.g. location of environmental values that require offsets etc.).
- Tables – biodiversity values requiring an offset, reporting timeframes etc.
- Appendices (optional) – for IRPs that cover more than one operation or Ministerial Statement or other relevant information.

Content of an Impact Reconciliation Report

1. Objective and condition requirements
1.1 The Proposal
Identify the proposal that the IRR has been developed for, and the approved IRP that the IRR has been developed in accordance with. Please include appropriate document references for the IRP and the date it was approved by the CEO.
1.2 Condition requirements
Identify the Implementation condition requirements for the IRR.
2. Reporting
2.1 Clearing undertaken during the reporting period
<p>Proponents are to identify how much clearing has been undertaken in each year of the biennial reporting period and for each environmental value for which an offset is required. This calculation is to be supported by spatial data and other supporting information used to calculate the areas, such as aerial images.</p> <p>The DWER will apply the CPI rate and calculate the total amount of money owed.</p>
2.2 Clearing proposed for the following reporting periods
For Ministerial Statements that require contributions to the Fund, proponents are requested to provide a forward estimate of clearing. This will facilitate successful implementation of the Fund and allow the DWER to plan project selection based on potential future cash flows. Forward estimates will be used as a guide only and will not constrain proponents from implementing their proposal as required. Proponents will not be invoiced on forward estimates, only on clearing reported in accordance with item 2.1 above.
Figures, tables, schedules and appendices
<p>Include the following where relevant to support the information in the IRR:</p> <ul style="list-style-type: none">• Figures – maps, figures and diagrams for context and to explain provisions (e.g. location of environmental values that require offsets etc.).• Tables – clearing undertaken, forward estimate of clearing etc.• Spatial data