

Submission to Department of Climate Change, Energy, the Environment and Water

Amendment to the Nature Repair Rules 2024 to enable the Nature Repair Market to supply environmental offsets, and other measures

Submitted by: Regenerative Food and Farming Alliance (RFFA)

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To the Department of Climate Change, Energy, the Environment and Water,

The Regenerative Food and Farming Alliance (RFFA) welcomes the opportunity to respond to the Department of Climate Change, Energy, the Environment and Water's exposure draft of the Nature Repair Amendment Rules 2026 and accompanying summary paper.

RFFA is a national alliance of organisations across Australia working to regenerate Australia's landscapes and food systems through long-term, integrated and outcome-based national policy. We have a direct interest in the Nature Repair Market's capacity to recognise and reward the biodiversity, soil and whole systems landscape outcomes that farmers regenerating their landscapes create, and to ensure the design of the Nature Repair Market gives genuine access to farm-scale participants, not only large aggregated project developers.

Through the eight recommendations below, our response and focus is on the following two issues and opportunity raised in the summary paper: (1) the Rules enabling the Market to supply environmental offsets and strengthening Market operation and integrity; and (2) the timing of proclamation of the environment protection reforms' amendments to the Nature Repair Act 2023.

1. Supporting the Market's capacity to supply environmental offsets

RFFA supports the department's intent to enable Nature Repair Market projects to be used as environmental offsets, and we welcome the stated design principles of streamlining administration, reducing barriers to participation for land stewards, and delivering high-integrity biodiversity outcomes. Increasing the supply of accessible, timely and robust environmental offsets can, if designed well, create a genuine revenue pathway for farmers already undertaking landscape repair work and is a welcomed avenue to strengthen the future of farming in Australia.

Our concern, and opportunity for consideration, is that the value of this pathway will be determined less by the offsetting provisions themselves than by whether the landscape has enhanced production (in particular with the Enhancing Native Vegetation methods), has recognised and recorded progress and demonstrated outcomes achieved within productive agricultural landscapes. Rather than solely through land set aside from primary production. Farmers and other land managers are custodians of more than half of Australia's landmass, and research done by Farming For The Future demonstrates a statistically significant relationship between improved on-farm ecological function and financial performance. Both points suggest that working landscapes are not a lesser category of biodiversity outcomes, but the largest available pool of verifiable outcomes the Market could draw on.

Recommendation 1: Ensure offset-capable methods recognise working primary production landscapes.

As the ENV method and future methods are developed, we ask the department and the Nature Repair Committee to ensure that biodiversity project characteristics can be met through a regenerative whole systems approach, for example, time and pressure controlled grazing, silvopasture, riparian and rehydration implementations integrated with continued agricultural production. Not only through exclusion-style revegetation or conservation set-asides. As stewards of over 55 per cent of Australia's land mass, farmers and land managers are best placed to deliver the scale of biodiversity outcomes this reform seeks to unlock.

2. Recognising landscape rehydration outcomes within the Market

RFFA has separately raised with the department the case for formally linking verified landscape and floodplain rehydration outcomes to natural capital market eligibility, so that farmers investing in water-cycle repair (for example through leaky weirs, contour banks and riparian rehydration works, consistent with established Natural Sequence Farming and Keyline design approaches already in use across Australian catchments) can access these markets on the same footing as revegetation or conservation projects. The exposure draft's new definitions of protected matter and registered as offset-capable, and the forthcoming ecosystem score and NBAS/PLANR provisions in Schedule 2, provide a natural vehicle for this.

Recommendation 2: Confirm landscape rehydration is an eligible outcome pathway.

We ask the department to confirm, either in the Rules or in accompanying method guidance in farmer appropriate language, that verified landscape and water-cycle rehydration outcomes are eligible to be scored as ecosystem outcomes under NBAS and registered as offset-capable, and to clarify how such outcomes will be measured where they are not purely vegetation-based.

Recommendation 3: Align NBAS scoring with soil and landscape-function indicators, and recognise existing outcome-verification methods.

As the National Biodiversity Assessment System (NBAS) is developed, we ask that ecosystem scores be capable of reflecting soil health and landscape hydrological function alongside vegetation condition, consistent with the National Soil Strategy and Soil Action Plan and noting that Australian soils are estimated to deliver up to \$930 billion annually in ecosystem services (Soil CRC, 2022) against ongoing soil loss nationally. We also ask the Nature Repair Committee to have regard to existing outcome-based verification methods already operating at scale in Australia, such as Ecological Outcomes Verification (EOV), when designing NBAS-compatible monitoring approaches for working landscapes. Ecological Outcomes Verification monitors the landscape function on productive land, offering a monitoring program nationally that enables Nature Repair methods to extend to productive food and fibre operations.

3. Significant reversals: a proportionate, ecosystem-specific approach

RFFA supports the department's intention to introduce clear, objective rules for identifying and managing significant reversals. We agree with the department's own observation that the risk of reversal will vary across ecosystems, methods and permanence periods, and we support proposed section 75B's requirement that the Regulator have regard to the time needed for an indicator to regenerate, the likelihood of recovery or regeneration, and the remaining permanence period before determining a reversal is significant. RFFA's members have case studies of the resilience of landscapes demonstrating the regeneration of a farming landscapes drought state condition to recovery within eight weeks should the Department wish to review.

Recommendation 4: Retain and strengthen ecosystem-specific flexibility in the reversal test. We support the multi-factor test in proposed section 75B and encourage the department to ensure guidance material makes clear that short-term indicator fluctuations consistent with adaptive, regenerative management (for example planned cool fire burning) are not automatically treated as reversals, provided the underlying management regime supports long-term recovery and regeneration.

4. Certificate equivalency should not disadvantage smaller-scale projects

Proposed section 75D sets out relinquishment equivalence requirements based on similarity of activities, IBRA subregion proximity, and project area, permanence period and biodiversity benefits being equal to or greater than the original project. We support the objective of certainty for market participants, but note that a requirement to relinquish a certificate of equal or greater project area could disproportionately affect smaller, farm-scale offset-capable projects if they are drawn on to satisfy relinquishment obligations for larger projects.

Recommendation 5: Monitor the practical impact of equivalence settings on smaller participants. We ask the department to monitor, and if necessary review, whether the equivalence requirements in section 75D create an effective barrier to smaller or family-farm-scale projects participating in, or being drawn on within, the relinquishment equivalence framework, consistent with the department's stated goal of reducing barriers to participation. We also note that the cost of the ecological monitoring needed to support NBAS scoring and reporting is itself a barrier to entry for smaller-scale proponents, and would welcome the department's consideration of low-cost, remote-sensed monitoring pathways as part of the Market's broader integrity and reporting settings.

5. Reducing regulatory overlap for landscape and water-cycle works

RFFA has advocated for a dedicated review of the regulatory settings, including water, land-use and environmental approval requirements, that currently constrain farm- and catchment-scale landscape rehydration works. We raise this again in this submission because the value of Market-supplied offsets will be limited if proponents undertaking legitimate rehydration and revegetation works continue to face uncoordinated approval requirements across the EPBC Act, state vegetation clearing laws and water regulation.

Recommendation 6: Coordinate offset-enabling reforms with wider regulatory settings. We encourage the department to continue coordinating the Market's offset-enabling amendments with any parallel review of water, vegetation and land-use approval settings, so that farmers seeking to register offset-capable rehydration or revegetation projects do not face duplicative or conflicting approval pathways.

6. Proclamation timing

RFFA supports the department's proposal to seek an earlier proclamation date, before October 2026, ahead of the default 1 December 2026 commencement. Bringing forward commencement so that it aligns with the operation of the ENV method would allow project proponents to begin early planning and starting state assessments in Spring 2026, which matters for a sector where assessment and planning work is naturally tied to the growing season.

Recommendation 7: Support early proclamation, ahead of Spring 2026.

We support the department's proposal to commence the environmental offsetting amendments to the Act before October 2026, to align with the ENV method and allow proponents to commence starting state assessments within the Spring 2026 window.

7. Early engagement guidance

We support the department's proposal to develop guidance for project proponents on early engagement with the relevant offset decision-maker. We ask that this guidance be developed with input from farmer and grower representative bodies, and that it be written in plain language accessible to landholders who may not have prior experience with environmental approval processes.

Recommendation 8: Co-design early-engagement guidance with grower and farmer bodies.

We ask that guidance on engaging the relevant offset decision-maker be developed in consultation with landscape stewards and regenerating food and farming organisations, and be written for a diverse food and farming audience rather than assuming familiarity with environmental approvals processes.

RFFA supports the department's broader objective of enabling the Nature Repair Market to supply high-integrity environmental offsets while strengthening market integrity and administration. Realising the full value of this reform for the farmers and regional communities our member organisations represent will depend on ensuring that offset-capable methods recognise outcomes generated within working agricultural landscapes, that certificate equivalency and reversal settings do not disadvantage smaller-scale participants, and that the reforms are coordinated with the wider regulatory environment in which landscape stewards operate.

We thank the department for the opportunity to comment and would welcome the opportunity to discuss any aspect of this submission further.

Yours sincerely,

Georgina Johnson