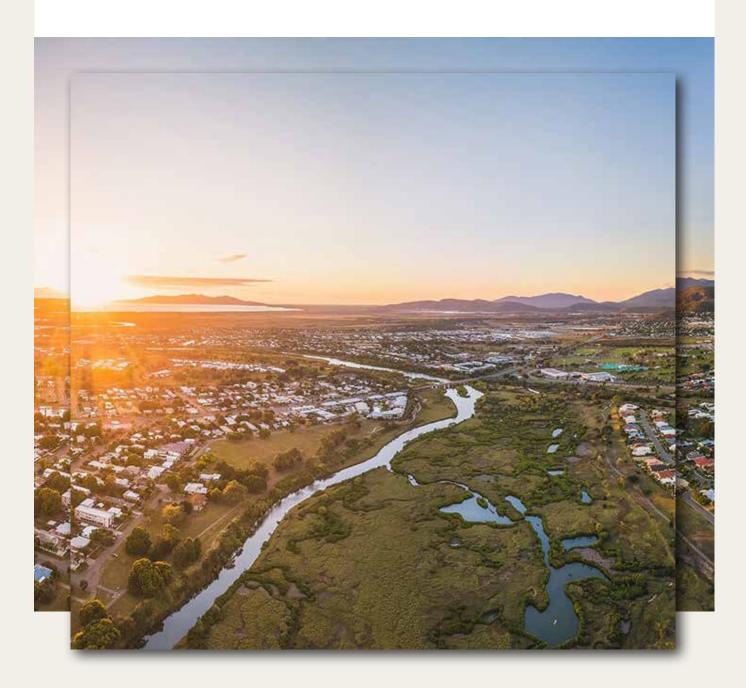


Environmental Offsets Land Strategy



Disclaimer

This Strategy covers the period from September 2025 to October 2029. Whilst we have made every reasonable effort to ensure all the information contained within this document is both accurate and current, users should contact the Townsville City Council if they have any concern in relation to information presented. Townsville City Council does not accept any liability for any statements or opinion, or for any errors or omissions contained within this document. All users accessing this document are responsible for assessing the relevance and accuracy of its content.

No reliance should be placed on information contained or to be implied or inferred from this document without checking out the details with an authorised officer of Townsville City Council.

The information contained herein is the property of the Townsville City Council. Information may be downloaded, displayed, printed and copied in an unaltered form only. It is not to be distributed or used for commercial purposes without the written permission of the Chief Executive Officer of the Townsville City Council. Apart from any use as permitted under the Copyright Act 1968, all other rights are reserved.

Guiding Legislation

Townsville City Council is governed by the Queensland Local Government Act 2009 and the Local Government Regulation 2012 and operates in line with the following principles:

- Transparent and effective processes and decision making in the public interest
- Ethical and legal behaviour of Councillors and local government employees
- Sustainable development and management of assets and infrastructure, and delivery of effective services
- Good governance of, and by, local government.

Contact us

If you would like further assistance or information in relation to this document, please contact us via one of the following:

% 13 48 10

PO Box 1268, Townsville QLD 4810

@ enquiries@townsville.qld.gov.au

www.townsville.qld.gov.au

Cover: Townsville City Source: Townsville City Council







Content

Executive Summary		
Purpose of this Document	6	
Townsville's Proposed Projects	7	
Lake Ross Storage Area Offset Area	7	
Strategic Framework	8	
Implementation	8	

1. Introduction and Context 9 Why is it Important? **Protecting Biodiversity** 9 **Protecting Water Resources** 9 **Environmental Management** Legislative Framework 10 **Environmental Offsets Land** 11 **Environmental Offsets Land Policy** 12 Purpose of this Document 12 **Strategy Development** 12 **Strategy Objectives** 12

2. Strategic Alignment	13
Commonwealth Legislation, Strategies and Policies	14
Queensland Legislation, Strategies and Policies	15
Local and Regional Legislation, Strategies and Policies	16

3. Situational Context	17
Matters of Environmental Significance	17
Bioregions of Townsville	17
First Nations Land Management	18
Townsville Water Quality Management	19
Demand for Offset Land	20
Advanced Offset Planning	21
Proposed Offset Areas	22

4. Strategic Framework	23
Strategic Principles	25

5. Implementation	30
Implementation Approach and	
Governance	30
Monitoring and Evaluation	30
Action Plan	31

6.	References	32

Executive Summary

Townsville is one of the most biologically diverse regions in the country, and it is this biodiversity that has shaped the region's heritage, culture, lifestyle and economy.

This strategy is tailored to consider the unique ecosystems and natural environment of the Townsville region. The strategy's central purpose is to establish a sustainable growth model that ensures economic and social prosperity can continue whilst intentionally protecting, restoring and nurturing the Townsville and the broader North Queensland environmental bioregions.

To support this imperative, a comprehensive, multi-tiered legislative framework exists to protect and manage the nation's natural landscapes and ecosystems. Responsibility for environmental regulation resides primarily with the Commonwealth and State/Territory Governments concurrently, however, local Governments also play a critical role in the implementation of the framework.

The Townsville City Council (the Council) recognises the importance of its role in protecting the region's

biodiversity and meeting the requirements set under the current environmental regulations. In August 2023, the Council established the Environmental Offsets Land Policy (the Policy) that represents a first step towards implementing a comprehensive program focused on protecting, conserving and enhancing the ecological value of the region through the identification, designation and management of Environmental Offsets Land (Offsets).

Environmental Offsets Land

A mechanism used by the Commonwealth and State Governments to achieve the balance between continued urban development and the protection and preservation of sensitive natural ecosystems and environments.

Offsets typically take the form of a parcel of land that is designated and managed to provide a specified conservation outcome.

Purpose of this Document

Established by the Policy, this document outlines the Environmental Offsets Land Strategy (the Strategy) which outlines the Council's approach to supporting the long-term, sustainable development of Townsville while ensuring the ecological value and biodiversity of the region is protected and enhanced.

The Strategy sets the Council's vision and priorities for the designation, allocation and management of Offsets and outlines a strategic framework that will guide the activities for delivering the outcomes sought from the Strategy.

The Strategy is informed by relevant Commonwealth, State and Local Government legislation, policies and

planning initiatives, and reflects the perspectives of key stakeholders engaged through the development of the document.

It is acknowledged that the Strategy outlined in this document is not restricted to only the species mentioned within it. While certain species and environmental matters are currently prioritised for protection and regeneration, the Strategy is designed to be adaptable. As the need arises, the Strategy can be adjusted to include additional species and different land areas as required during the Strategy's implementation stage.

Townsville's Proposed Projects

The demand for Offset land is rapidly increasing, driven by major infrastructure, development projects and regional growth. As urban areas, industrial precincts and new projects emerge the need to compensate for environmental impacts becomes

more critical. Currently, Offsets form an essential part of maintaining the balance of ecological and economic values. Figure 1 presents several key infrastructure and development projects proposed for the Townsville region.



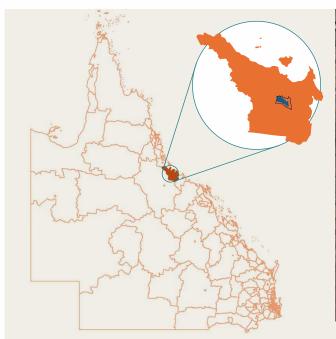
Lake Ross Storage Area Offset Area

The management of water resources is a critical element in the protection and preservation of the natural ecosystems. As such, the integration of water and land management practices is a key enabler for ensuring the protection of biodiversity across the region.

Recognising the importance of this relationship, the Council has designated the Lake Ross Storage Area

(LRSA), as outlined in Figure 2, as the initial preferred location for the development of Offsets to support the identified major projects in the region.

While the LRSA has been identified as the priority area for Offsets for the current pipeline of projects, the Council will investigate areas beyond the LRSA to meet the demand of future projects proposed for the region.



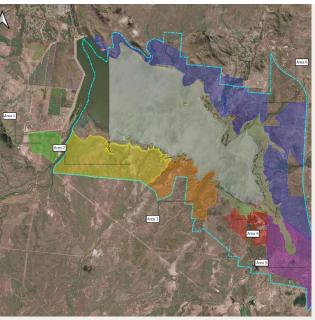


Figure 2 - Lake Ross Storage Area

Strategic Framework

The Strategic Framework is designed to support the delivery of the Offsets Program and sets the vision, priorities and principles that will guide the activities undertaken by Council. The Strategic Framework

has been developed based on research, analysis and engagement with Council stakeholders. The framework underpinning this Strategy is detailed in Figure 3.

Be the exemplar region for integrating economic and **NOISI** industrial development with the restoration and regeneration of ecological value and water quality **INTEGRATION OF OFFSET ENVIRONMENTAL** COMMERCIAL **MANAGEMENT** FIRST NATIONS **STEWARDSHIP RETURN** STRATEGIC PRIORITIES **VALUES FRAMEWORK** Develop and Adopt and embed **Deliver optimal** Deliver a implement a robust environmental environmental and sustainable and flexible stewardship water quality commercial return approach to offset practices that outcomes whilst to council and the land allocation and prioritise the integrating first Townsville management enhancement of nations values community that biodiversity across through the design incorporates new the region and delivery of revenue and cost management optimising practices outcomes Supports the advancement of First Nations Fosters robust consultation and ongoing people and communities engagement Integrates with strategic priorities and Supports the economic development and growth of Townsville and North Queensland planning for North Queensland

Figure 3 - Strategic Framework

There are four key priority areas outlined as part of the Strategic Framework that will guide the delivery of the vision. Within each priority area, there are specific initiatives and actions that provide clear direction regarding future activities to support the designation, allocation and management of Offsets. The Strategic Principles communicate the key values of the Council for the region and reflect those matters that are important for consideration when agreeing upon actions associated with the Strategy.

Implementation

A separate Implementation and Action Plan has been developed that provides specific information that will guide the commitment of resources, and the level of effort needed to successfully deliver the Strategy. Specifically, the Implementation and Action Plan presents key activities that will be completed by the Council over the short, medium and long-

term and outlines the governance arrangements that will be established to support the delivery of the Offsets Program. An annual evaluation process will be undertaken to ensure the Strategy outcomes are monitored and refined to deliver optimal outcomes for the Townsville community.

1. Introduction and Context

Townsville is one of the most biologically diverse regions in the country. It is this biodiversity that shapes the region's heritage, culture, lifestyle and economy.

To sustain the future growth and prosperity of the region, it is essential that coordinated efforts are undertaken to ensure that the biodiversity of Townsville and the broader North Queensland region is protected, restored and nurtured.

What is Biodiversity?

'Biodiversity' refers to the variety of living species including plants, animals and micro-organisms and the habitats and ecosystems to which they are connected. Biodiversity underpins and supports everything in the natural world that is needed to maintain life. Biodiversity supports and enhances our health, wellbeing, culture, and lifestyle, while also boosting the economy.

Why is it Important?1

The natural environment enriches the Queensland community by enhancing the economy, quality of life and cultural identity of the state. Queensland's unique natural environment and ecosystems support an expansive agricultural industry and attract millions of visitors annually, generating revenue, employment opportunities and support for local businesses.^{2,3}

Beyond economic benefits, the natural environment provides communities with space and opportunities for outdoor activities, promoting physical and mental wellbeing.

First Nations communities have deep connections to land and water across Queensland which are central to their heritage and culture. Protecting and preserving the environment and overall biodiversity builds a sense of stewardship and responsibility, encouraging community engagement and education about conservation and the advancement of the delicate natural ecosystems that exist.

Protecting Biodiversity

Urban expansion has resulted in continued loss and change to the natural systems that exist in Townsville. This impact has accelerated over the last 50 years with the expansion of local population and industries across the region. Many natural species and ecosystems now face multiple threats in terms of shrinking habitat areas, impacts to water quality, reducing food availability and changes to species diversity.

To address the challenges faced, Commonwealth and State Governments have adopted comprehensive legislative frameworks, that seek to maintain the balance between the continued urban and industrial development of the regions. In line with these legislative frameworks Council must align itself with the prescribed principles whilst ensuring vulnerable species and habitats are protected into the future.

However, recent reports suggest that the current management practices are not delivering the outcomes needed to protect Australia's biodiversity, with the number of threatened species growing annually.⁴

Protecting Water Resources

The management of water resources in and around Townsville is a critical element in the preservation of the biodiversity of the region.

Protecting water resources, such as Lake Ross, from adverse impacts of development will ensure that natural watercourses are maintained and are available to support the flora and fauna that rely upon them. Secondarily, effective management of these resources will also ensure high quality water supply for the Townsville region.

The integration of water management activities with land management practices is a crucial enabler for nurturing biodiversity in the region.

Environmental Management Legislative Framework

Australia's environment is a vital part of the nation's natural identity, First Nations heritage and economy. It is for this reason that a comprehensive legislative framework exists to protect and preserve the environment across the country.

In Australia, responsibility for environmental regulation resides with the Commonwealth and State/Territory Governments concurrently. Local Governments also play a critical role in the implementation of the legislative framework. A key objective of the regulation is to protect those matters of environmental significance at a national, state and local level.

Australian Government

The Commonwealth's environmental responsibilities are principally to protect 'Matters of National Environmental Significance' (MNES), and this is achieved through the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act). The EPBC Act is the Commonwealth's primary legal tool to protect the environment and conserve biodiversity across the country. The Australian Government Department of Climate Change, Energy, the Environment and Water (DCCEEW) has primary responsibility for environmental management regulation at a national level.

Queensland Government

The Environmental Protection Act 1994 (EP Act) is the key legislative instrument used by the Queensland Government for environmental management. The objective of the EP Act is to protect the environment and sustain ecological processes while also allowing for development that improves the total quality of life for Queenslanders, now and into the future.

The EP Act is supported by subordinate legislation that provides a range of tools to ensure this objective is met. An example of such subordinate legislation is the Environmental Offsets Act 2014 (EO Act) which coordinates the delivery of environmental Offsets in Queensland. The EO Act seeks to protect 'Matters of State Environmental Significance' (MSES).

Queensland Government Department of Environment, Tourism, Science and Innovation (DETSI) has primary responsibility for environmental management at a state level.

Local Government

While the primary responsibility for regulating environmental management resides with the Commonwealth and Queensland Government's, it is often Local Government that oversees the delivery of services, planning and approvals that give effect to the legislative framework. A key mechanism used by Local Government is the state and local planning schemes that exist to manage the allocation of land for development. Importantly, through these schemes, Local Government may also prescribe 'Matters of Local Environmental Significance' (MLES) that are important to a particular local area.

Changing Legislative Environment

An Independent Review of the EPBC Act in 2021 concluded that Australia's natural environment law is outdated, ineffective and requires fundamental reform. The 2021 State of the Environment Report (SoE 2021) presented an alarming story of national decline with habitat loss, native species extinction and cultural heritage destruction accelerating.

As a response, the Commonwealth Government introduced the Nature Positive Plan that will guide future legislative changes for environmental regulation guided by three key principles as outlined in Figure 4.

Nature Positive Plan

Better Environmental Outcomes

- Partnerships with First **Nations**
- Conservation planning that targets resources and efforts to areas that have the greatest impact.

Faster Decision Making and Clear Priorities

- Regional plans to guide sustainable development and environmental restoration
- Nature repair market to make it easier to invest in natural capital
- **Environmental Offset** Agreements that deliver better environmental outcomes

Accountability and Trust

- An independent Environmental Protection Agency (EPA) to restore trust and integrity
- Better data to track progress
- Collaboration with states and territories
- Traditional Owners will have more control over Commonwealth National Parks

Figure 4 - Nature Positive Plan, The Principles

Environmental Offsets Land

Environmental Offsets Land is a key mechanism used by Commonwealth and State Governments to balance between continued urban development and protecting and preserving sensitive natural ecosystems and environments. With ongoing management and investment, Offsets offer a means of regenerating biodiversity in degraded, or in critical landscapes.

Offsets compensate for unavoidable impacts of 'prescribed activities' on 'prescribed environmental matters', such as highly vulnerable species and ecosystems, where these impacts cannot be mitigated or avoided. The relevant legislation identifies those matters considered to be 'prescribed activities' and 'prescribed matters'.

An Offset is characterised by a parcel of land being designated and managed to provide a conservation outcome for impacted matters. Land-based Offsets may be provided for an impact on any prescribed environmental matter.

Figure 5 outlines how Offsets are considered in Queensland.

Advanced Offsets

Unlike conventional Offsets, which are generally put in place to compensate for the residual impacts of an activity following approval, Advanced Offsets may be implemented prior to any impact occurring. With ongoing management and resource investments, this may increase the ecological benefit of the Offset; thereby reducing a proponent's overall liability.

Advanced Offsets need to be rigorously planned and monitored to demonstrate the conservation benefit that will be delivered for the relevant protected matter.

Advanced Offsets present several potential benefits, including improved environmental outcomes, efficient resource allocation and streamlining of management activities and the potential to incorporate third party participation into the management of land (such as Indigenous Rangers).

Advanced Offsets require specific approval by the relevant authority prior to being suitable for use in satisfying environmental approvals.

Local Government

May require offsets for matters of local environmental significance under a Planning Scheme and matters of state environmental significance if authorised under s. 15(4)(b) of the Environmental Offsets Act (2014)*.

State Government

May require offsets for matters of state environmental significance under the:

- Environmental Protection Act 1994
- Marine Parks Act 2004
- Nature Conservation Act 1992
- Planning Act 2016

Commonwealth Government

May require offsets for matters of national environmental significance under the Environment Protection and Biodiversity Conservation Act 1999 or Great Barrier Reef Marine Park Act 1975.

*Sections 15 and 25A of the Environmental Offsets Act indicates a preference for offset conditions to be imposed by the Commonwealth Government rather than State and local government where possible.

Development Proposal Legislative Requirements Impacts Reasonably Mitigated/ Avoided Acceptable Significant Impacts Remain Offset Condition Considered

Offsets to be Delivered in Accordance with Environmental Offsets Framework

Offsets must also reasonably avoid or minimise harm to Aboriginal and Torres Strait Islander cultural heritage to ensure the obligations under existing cultural heritage legislation are reflected.

Offsets must also comply with other relevant local, state and commonwealth standards and regulations.

Figure 5 - Offset Considerations in Queensland

Environmental Offsets Land Policy

The Council recognises the importance of its role in protecting the region's biodiversity and meeting its obligations under its current and future environmental regulation. In August 2023, the Council established the the Policy that represents a first step towards implementing a comprehensive program focused on protecting, conserving and enhancing the ecological value of the region through the identification, designation and management of Offsets.

Purpose of this Document

Established by the Policy, this document outlines the Strategy which outlines the Council's approach to supporting the long-term, sustainable development of Townsville while ensuring the ecological value and biodiversity of the region is protected and enhanced.

The Strategy sets the Council's vision and priorities for the designation, allocation and management of Offsets and outlines a strategic framework that will guide the activities for delivering the outcomes sought from the Strategy.

Strategy Development

The Strategy reflects the priorities of the key stakeholders within the Council and was developed considering the collective views shared through targeted consultations. The Strategy also reflects the advice provided to the Council by key strategic, commercial and technical advisors.

Strategy Objectives

Informed through collaborative engagement with Council teams, advisors and Government agencies the key objectives of the Strategy are to:

- **Support long-term economic development** of the Townsville and North Queensland Region.
- Raise the profile of Council as a leader in dynamic restoration and environmental stewardship in the eyes of the regulatory authorities such as the Commonwealth Government DCCEEW and the Queensland Government DETSI.
- Support and enhance the ongoing management of Townsville's primary water source, Lake Ross, and the programs focused on improving water quality.
- Identify and develop opportunities for collaboration with the local First Nations People as a means of advancing economic and employment opportunities and outcomes.
- Maintain and develop genuine ongoing engagement with stakeholders and affected parties (such as landholders, residents and industry) to ensure transparency and awareness of approach, activities and outcomes.
- **Consider and integrate the priorities** of current and future strategic plans for Townsville and broader North Queensland region.
- Integrate with existing strategic frameworks within the Council, ensuring alignment of priorities, outcomes and activities.



2. Strategic Alignment

The Strategy is informed by relevant Commonwealth, State and Local Government legislation, strategies, policies and planning initiatives.

This document should be read considering the strategic frameworks set for the protection of biodiversity and management of Offsets across the

state and nationally. Figure 6 outlines key documents which directly influence the contents of this Strategy.



Townsville City Council Strategic Framework

- Environmental Offsets Land Policy
- *Corporate Plan 2025-2029*

Figure 6 - Strategic Alignment Framework

Australian Government Strategic Framework

- Australia's Strategy for Nature 2024-2030 (2024)
- Australia's National Biodiversity Strategy and Action Plan (2024)
- Environment Protection and Biodiversity Conservation Act (1999)
- Environment Protection and Biodiversity Conservation Regulations (2000)
- Nature Positive Plan (2022)

Queensland Government Strategic Framework

- Environmental Protection Act (1994)
- Environmental Offsets Act and Regulations (2014)
- Environmental Offsets Policy (2023)
- The Biodiversity Conservation Strategy for Queensland (2022)





Commonwealth Legislation, Strategies and Policies

Australia's Strategy for Nature 2024-2030

This strategy offers a framework for decision-making to protect and enhance the nation's natural environment over the next decade.¹

Australia's Strategy for Nature outlines a suite of national objectives including:

- Respect and maintain Indigenous Ecological Knowledge and First Nations stewardship of nature
- Use and develop natural resources in an ecologically sustainable way
- Protect water and land catchments by improving the planning, regulation, and approvals process.

The strategy acknowledges the role of conservation management in protecting Australian landscapes, waterways, wetlands and seascapes.

Australia's National Biodiversity Strategy and Action Plan

In 2022, Australia agreed to adopt the Global Biodiversity Framework (GBF) targets and to integrate them within the nation's National Biodiversity Strategy and Action Plan.² The GBF aims to halt and reverse biodiversity loss by 2030 and to live in harmony with nature by 2050. To achieve this, the GBF recommends key actions focused on:

- Conserving land and marine areas
- Restoring priority degraded areas
- Improving the management of natural resources.

Environment Protection and Biodiversity Conservation Act 1999 and Regulations 2000

The EPBC Act and Regulations provide a legal framework to protect and manage nationally significant flora, fauna, ecological communities, and heritage locations.³

The EPBC Act and Regulations seek to conserve Australia's biodiversity by protecting the environment from significant development impacts and promoting the sustainable management of natural resources.

The EPBC Act highlights the importance of taking a cooperative approach to environmental management, working with the State and Local Governments to integrate environmental considerations as part of development projects in the region.



Nature Positive Plan

The Nature Positive Plan (NPP) presents the Commonwealth's priorities towards reversing the loss of natural environments across the country.⁴ The plan promotes a cooperative approach to balancing development with ecosystem health, whilst improving the decision-making process and increasing compliance.

The Council's Strategy aligns with the NPP recommendations as it establishes a streamlined process to deliver faster and more efficient environmental outcomes. The Council and the Commonwealth Government through DCCEEW are working closely to prioritise areas that have high biodiversity values and experiencing development pressures.



Queensland Legislation, Strategies and Policies

Environmental Protection Act 1994

The Environmental Protection Act has the objective of protecting Queensland's environment while allowing for development that improves the total quality of life, both now and in the future, in a way that maintains ecological processes on which life depends.⁵ The EP Act provides a range of tools to deliver on this objective and is supported by a range of subordinate legislation that delivers regulations across specific environmental matters.

Environmental Offsets Act and Regulation 2014

The Environmental Offsets Act and Regulations presents the legislative framework for determining when offset conditions can be applied and how offset obligations are managed and delivered in Queensland. The framework mandates that activities likely to have a significant environmental impact must be offset by providing equivalent benefits elsewhere. The EO Act and Regulations ensure a consistent approach to environmental management is used across state jurisdictions to enable net environmental benefits by requiring compensation where unavoidable environmental impacts are in development.

Environmental Offsets Policy

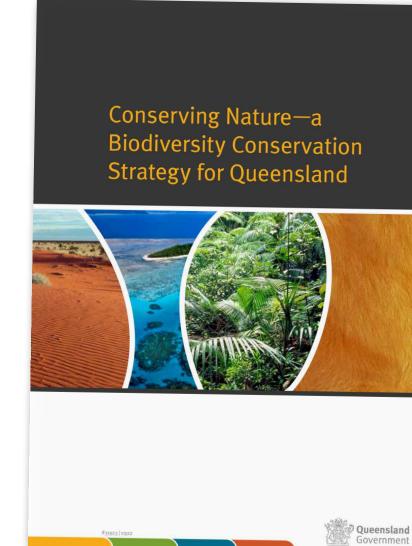
The Environmental Offsets Policy ensures development activities do not compromise environmental values. It provides a 'decision-support tool' for offsetting unavoidable environmental impacts by requiring developers to invest in compensatory actions.⁷

The policy balances environmental protection with sustainable economic growth, maintaining biodiversity and ecosystem services while enabling economic diversification. The policy states that Offsets may involve habitat restoration, protecting of existing habitats, or measures that provide equivalent or greater environmental benefits. By integrating offsets into planning, it promotes long-term ecological sustainability.

The Biodiversity Conservation Strategy for Queensland

The strategy aims to reverse biodiversity decline, increase species and ecosystem resilience, and promote sustainable resource use. Community engagement and collaboration between government, industry, and the community are encouraged to achieve the strategy's goals. It places emphasises on multi-level government cooperation and working with industry and community to achieve its goals.

The strategy recommends a suite of actions including implementing regulatory measures and enforcing the elements of the Queensland Environmental Offsets Policy (as discussed above). The Council's approach by establishing this Strategy is aligned to the broader state objectives, contributing positively to Townsville, the region and the state.



Local and Regional Legislation, Strategies and Policies

Environmental Offsets Land Policy

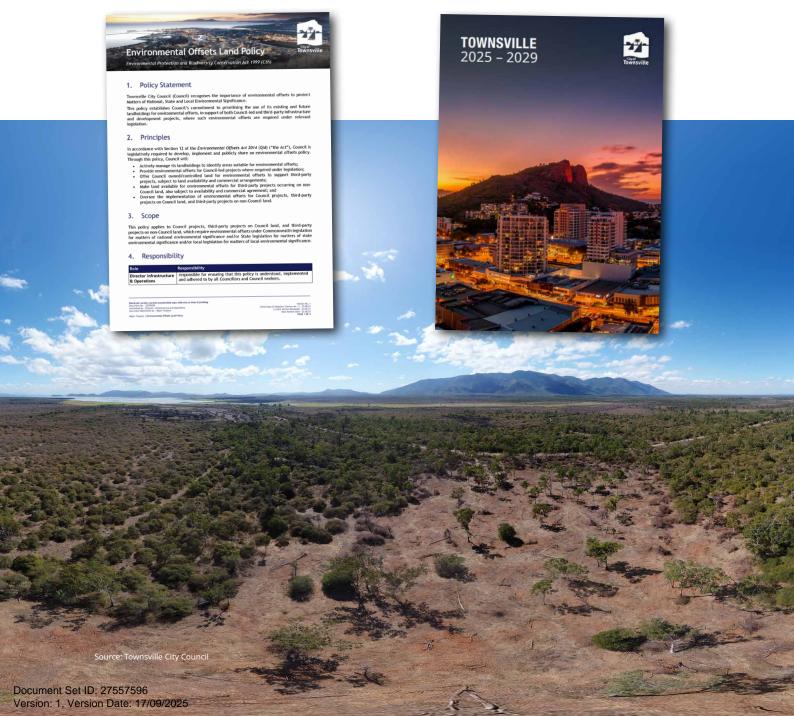
The Policy is the Council's primary guiding material for advancing efforts towards the delivery of a comprehensive Offsets program. Council's Offset policy establishes the basis for this Strategy.⁹

The Policy was informed by the various strategies, policies, regulations of the Commonwealth and State Governments (as previously outlined). The Council recognises the importance of environmental Offsets as a means of protecting Matters of National, State and Local significance and the Policy represents the first step towards delivering a comprehensive program focused on protecting and conserving the biodiversity of Townsville.

Corporate Plan 2025-2029

The Corporate Plan is a five-year plan outlining the Council's priorities for the region. The goals in the current plan include creating a hub for modern industry, encouraging business innovation and facilitating the master planning for Council-led industrial precincts and projects.¹⁰

The corporate plan emphasises sustainable development and enhancing the natural environment in Townsville. The Offsets Strategy would help by integrating conservation efforts and ensuring that development projects can be delivered in a way that prioritises the protection and restoration of the local environment into the future.



3. Situational Context

Townsville is situated at the intersection of the northern and southern tropics of east coast Australia. The region has a unique and large variety of local ecosystems and supports a diverse range of flora and fauna.

Bioregions of Townsville

Townsville is located within the Queensland dry tropics region, and it is the largest city in Northern Australia. Townsville is the commercial hub for the North Queensland region, servicing a diverse range of industries.

Unlike other areas in Australia, Townsville has four distinct bioregions:

- Northern Brigalow
- Wet Tropics
- Einasleigh Uplands
- Central Queensland Coast.¹

Each of these provide habitats upon which a unique collection of plants and animals depend. The region also sits on the edge of one of the greatest environmental icons in the world, the Great Barrier Reef.

The continued growth of industries across Townsville will invariably continue to impact the region's natural biodiversity.

Matters of Environmental Significance³

The term 'Matters of Environmental Significance' is used to group and identify the natural areas or values of national and state interest in land use planning and development. MES includes biodiversity that is considered to be of environmental importance:

- either nationally or internationally is termed a 'Matter of National Significance'
- at a state level is termed a 'Matter of State Significance'
- at a local level is termed a 'Matter of Local Significance'.

The MES can include values like national parks, fish and marine habitats, wetlands, waterways, and protected species.⁴

Within these habitats there are several threatened species and ecological communities that exist and that are classified as MES. Matters of relevance to the Strategy are the species captured species captured in Figure 7.

Coordinated and collaborative environmental management and planning are crucial for the protection, management and preservation of MES across the region.



Figure 7 - Key Matters of Environment Significance

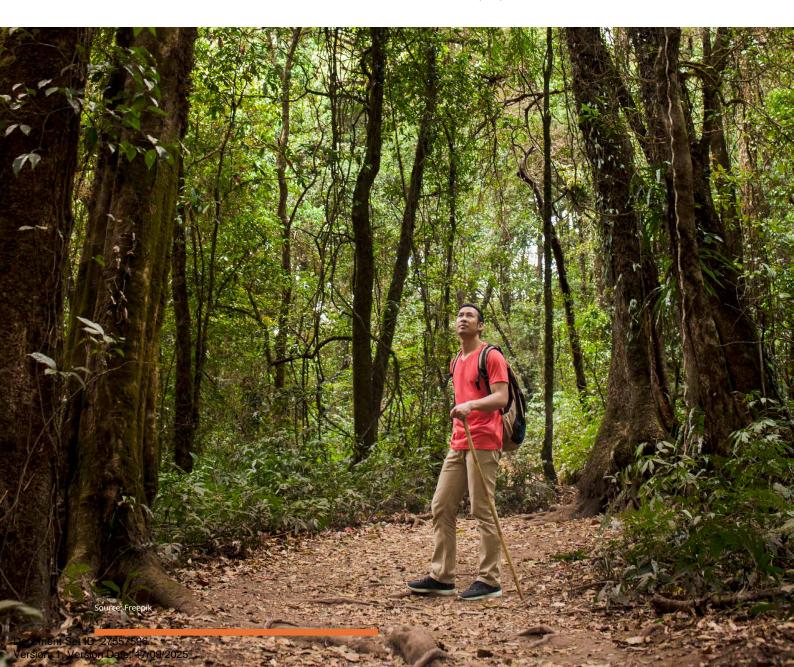
It is acknowledged that the Strategy outlined in this document is not restricted to only the species mentioned above. While certain species and environmental matters are currently prioritised for protection and regeneration, the Strategy is designed to be adaptable. In the future, the Strategy will be adjusted to include additional species and different land areas as required during the implementation stage.

First Nations Land Management

First Nations people have been caring for country for tens of thousands of years and their knowledge of biodiversity protection and management is unprecedented. Adopting the land and environmental management practices used by the Wulgurukaba of Gurambilbarra and Yunbenun, Bindal, Gugu Badhun and Nywaigi Traditional Owners has the potential to yield improved biodiversity outcomes for the region and preserve the delicate ecosystems that exist within it.

Furthermore, engaging First Nations people in this process offers other benefits, including:

- Cultural preservation preservation and transfer of cultural knowledge and practices, including protection of sacred sites and transition of traditional land management practices to younger generations.
- **Economic advancement** employment and career development opportunities to support the advancement of First Nations communities.
- **Health and wellbeing** engaging in meaningful work on country can enhance a sense of purpose, cultural identity, and community cohesion.
- Community empowerment involving First Nations communities in decision-making processes and land management activities fosters a sense of ownership and responsibility.
- Adopting the 'Stretch Reconciliation Action Plan' active and genuine engagement with the local Traditional Owner groups will demonstrate Council's ongoing commitment to the values of unity and strengthening relationships with First Nations people.



Townsville Water Quality Management

Water is a crucial ecological requirement for sustaining the biodiversity of the Townsville region. Notably, water access is critical to support the populations of the identified threatened and endangered fauna species present in the region.

The Council is striving to embed responsible water management through positive improvements in land use planning and management processes to enhance water quality across its key water assets and resources.

Water Quality Management

Changes to land use and varying climatic conditions have impacted the quality of Townsville's primary water supplies. This has resulted in significant additional treatment and processing to ensure optimal water quality and safety for the residents of Townsville.

The Council is actively working to manage and control water quality. Reducing nutrient runoff into Lake Ross, the primary water source for Townsville, is one such measure that is crucial for minimising the need for extensive water treatment and protecting the aquatic ecosystem.

The Council has identified that effective land management, retention of existing vegetation, natural vegetation regeneration and ongoing weed management has a significant positive impact on delivering improved water quality outcomes.

Lake Ross Storage Area Management Plan

The LRSA Management Plan was established to provide a structured and integrated approach to coordinating individual water and environmental management plans within the storage area. The integrated approach outlined below, at Figure 8, ensures that individual management plans are not performed in isolation but are integrated and implemented in a holistic manner thereby reducing the potential for adverse impacts to Lake Ross. This approach aims to strengthen ecological systems whilst simultaneously protecting water quality values.

This Strategy is designed to complement the existing LRSA management plans to ensure the delivery of high-quality water to the region, whilst also prioritising leading environmental and biodiversity management practices.

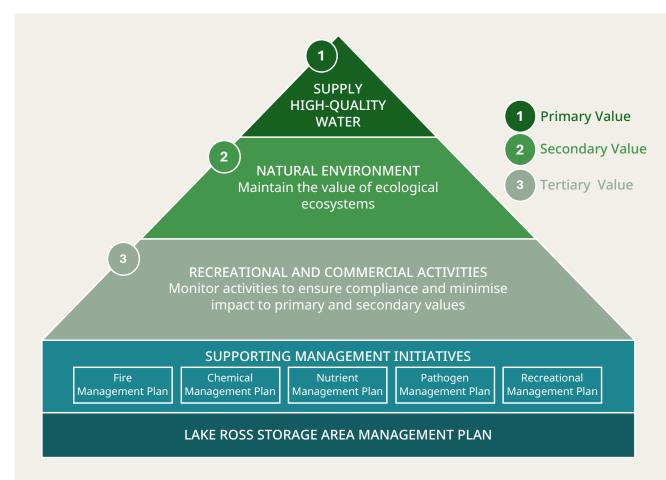


Figure 8 - Lake Ross Storage Area Management Plan

Demand for Offset Land

The demand for Offset land is rapidly increasing, driven by major infrastructure development projects and regional growth. Major infrastructure projects are classified as those involving complex and diverse programs, support for critical services, jobs and enhancement of the Queensland lifestyle. As urban areas, industrial precincts and new projects emerge as part of this, the need to compensate for environmental impacts becomes more critical. Currently, Offsets form an essential part of maintaining the balance of ecological and economic values.

In Townsville, several significant projects are on the horizon. Figure 9 illustrates some of the key projects proposed for the region. These projects promise to transform the city's landscape bringing economic growth and new opportunities. However, they also highlight the pressing need for suitable Offset land that may support in mitigating the impacts on the natural environment.

As we look into the future, a coordinated and integrated approach to planning for the development of major projects and the designation of environmental conservation areas, such as for Offsets, is essential. This approach will help balance development needs with environmental sustainability, ensuring that the Council can meet development goals without compromising the health of the region's biodiversity.

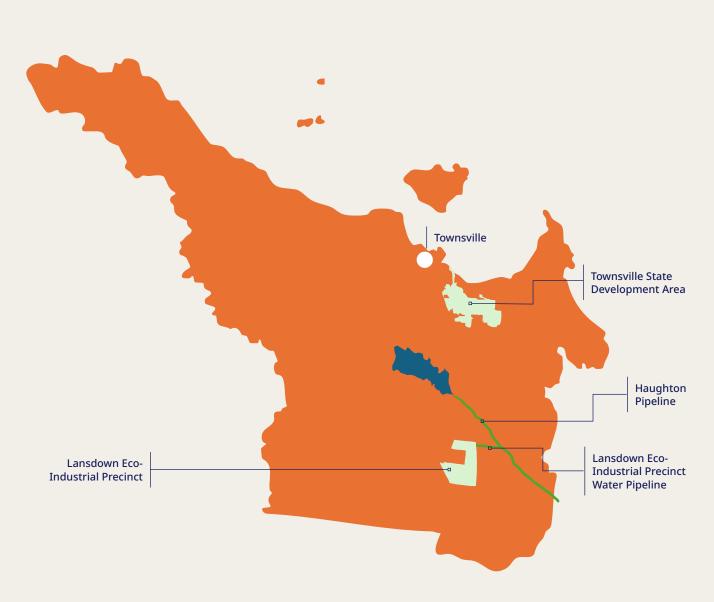


Figure 9 - Townsville Region Proposed Project Examples (not to scale – indicative mapping)

Advanced Offset Planning

Coordinated planning for Offsets offers several benefits, particularly in the context of environmental conservation outcomes and sustainable development more broadly.

An integrated and coordinated framework for the designation, allocation and management of Offsets has the potential to multiple benefits as outlined in Figure 10.



Greater Certainty and Predictability

5

- regulatory authorities
- Improved certainty regarding Offset availability, management requirements and ultimately costs

Enhance Biodiversity Outcomes

- Establishing conservation measures prior to impact allows for proactive planning
- Integrating various environmental considerations into a single cohesive plan

Improve Efficiency & Cost Effectiveness

- Efficient resource allocation / coordination
 - Reducing duplication of conservation efforts
 - Conservation actions are cost-effective

First Nations Peoples and Opportunities

- Meaningful engagement with First Nations
 - Create business and employment opportunities
 - Engage younger First Nations generations

Third Party-Participation

- Engaging broadly to ensure alignment with
 - Opportunities for others to participate, yielding new commercial opportunities and employment



Proposed Offset Areas

To balance the growing demand for development land, the Council is committed to adopting a coordinated approach to the delivery and management of Offsets.

To support this commitment and to inform the development of this Strategy, the Council commissioned a preliminary investigation into potential Offset land areas around Townsville that may support future conventional and Advanced Offsets.

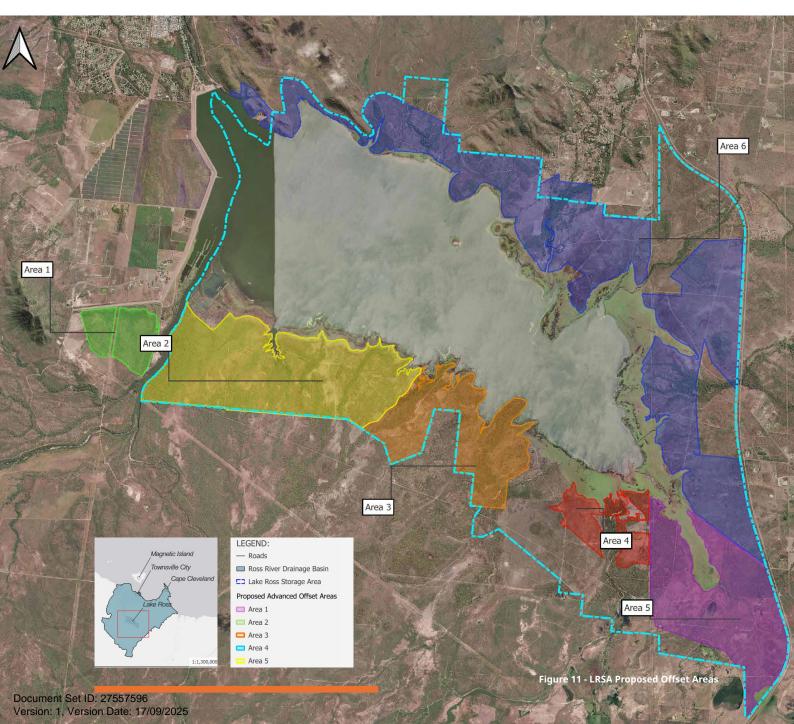
Several areas within the Townsville LGA were assessed for suitability and it was from this investigation that LRSA was identified as yielding the greatest potential to support the development of suitable conventional and Advanced Offsets for the current project pipeline.

Lake Ross Storage Area

The proposed LRSA Offset investigation area includes several adjoining land parcels and encompasses a total of over 3,000 ha. The LRSA catchment provides the opportunity for development of land-based Offsets for identified environmentally significant species in the region. Furthermore, tenure of the land area is predominantly held directly or indirectly by the Council.

While the LRSA has been designated as the priority Offset area for the current pipeline of projects, the Council is committed to investigating further areas beyond the LRSA in the future, as the demand for Offsets grows.

Figure 11 outlines the LRSA and proposed Offset areas.



4. Strategic Framework

The Strategic Framework is designed to support the delivery of the Council's vision to "be the exemplar region for integrating economic and industrial development with the restoration and regeneration of ecological value and water quality".

The Council proposes to deliver this vision through the development of a coordinated and collaborative approach to the designation, allocation and management of Offset land in the Townsville region. This Strategic Framework has been developed based on research, analysis and engagement with Council stakeholders. The framework is detailed in Figure 12.

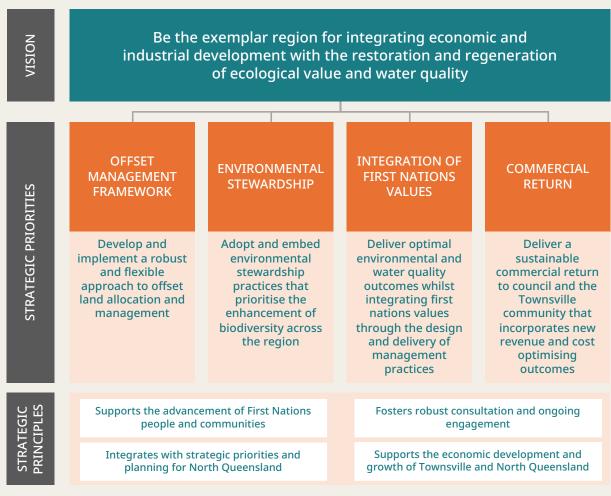


Figure 12 - Strategic Framework

There are four key priority areas outlined as part of the Strategic Framework that will guide the delivery of the vision, including:

- Offset management framework
- Environmental stewardship
- Integration of First Nations values
- Commercial return.

Within each priority area, there are specific initiatives and actions that provide clear direction regarding

future activities to support the designation, allocation and management of Offsets. Overall, the priorities and initiatives provide a sound basis for detailed tasks which will form part of the Offset program. The Offset program will be monitored, evaluated and reviewed annually to allow for refinement and improvement of the approaches and activities undertaken as part of the program. This Strategic Framework is further explained on the following pages.



Strategic Principles

The Strategic Principles communicate the key values of the Council for the region and reflect those matters that are important to the community in relation to advancement of this Strategy.

The principles should be considered when identifying, deciding upon and agreeing actions and activities for each of the Strategic Priority areas.

Supports the Advancement of First Nations People and Communities

The Strategy must prioritise the identification and development of opportunities for First Nations people in North Queensland to participate in the delivery of the actions and initiatives of the Strategy. This in turn will support the various First Nations communities that exist in the region to advance through the development of economic and employment opportunities and outcomes.

2 Integrates with Strategic Priorities and Planning for North Queensland

The Strategy must consider and, where appropriate, align with the strategic priorities for Townsville and

broader North Queensland region, as set at a national, state and regional level, specifically related to economic development, environmental management and community advancement.

Fosters Robust Consultation and Ongoing Engagement

Ongoing consultation and engagement with stakeholders and affected parties (such as landholders, residents and industry) will be critical to the success of the Strategy. A robust approach to engagement will ensure transparency and awareness of the delivery approach, activities and outcomes, and will ensure stakeholder requirements may be suitably addressed.

Supports the Economic Development and Growth of Townsville and North Queensland

The Strategy must balance the advancement of environmental outcomes while supporting the delivery of major urban, industrial and infrastructure projects and developments that will support the economic and social advancement of the region.



STRATEGIC PRIORITY 1:

Offset Management Framework

Develop and implement a robust, coordinated and flexible approach to Offset land allocation and management.

What is it?

An Offsets management framework will incorporate the various guidelines, assessments, analyses, tools and approaches that will be adopted by the Council to deliver the vision, priorities and objectives outlined in this Strategy. The framework will set the overarching approach that will be adopted by Council for managing all aspects of the work associated with Offsets.

The framework will be supported by appropriate governance arrangements that foster accountability and responsibility for the delivery of activities.

Implementation of the framework will rely upon collaborative efforts across the Council and key stakeholders and will require adaptability and flexibility to cater for changes to the legislative environment, market conditions and requirements of project proponents.

Why is it Important?

Due to the complexity of the legislative environment pertaining to environmental management and biodiversity protection and coupled with the desire to balance environmental and water quality outcomes with economic advancement, a coordinated and robust approach to Offsets is required.

Given the rapidly evolving nature of this area, flexibility and adaptability in the approach will allow for prompt responses to changing regulatory and market requirements.

As the pipeline of major industrial, urban and development projects proposed for Townsville and the broader North Queensland region continues to grow, it is imperative that action towards establishing an appropriate management approach occurs promptly. This will also ensure that the economic, social and community outcomes associated with the delivery of activities can be optimised.

Key Initiatives

Offset Land Suitability

A comprehensive bio condition assessment of LRSA will be a priority requirement in order to identify potential areas that may be suitable for Offsets. The bio condition assessment will be grounded by a rigorous scientific methodology, ensuring that the ecological value and biodiversity of the land are thoroughly evaluated.

Offset Demand

To assess the future need for Offsets, a comprehensive demand assessment for the current and forecast project pipeline for Townsville and broader North Queensland will be completed. This assessment will consider those projects that are Council managed or located on Council lands. The assessment may also consider those third-party projects that are considered significant for Townsville and will influence the broader environmental, biodiversity and economic outcomes for the region.

Land Allocations

Prioritisation and designation of future Offset land will be guided by clear, transparent criteria that consider ecological significance, connectivity to existing protected areas and potential for long-term preservation and restoration. Allocation and management plans will be developed with a focus on maintaining and enhancing the ecological functions of the Offset area. This involves setting measurable conservation targets, monitoring progress, and implementing adaptive management strategies to address unforeseen challenges.

Engagement and Consultation

Engagement with internal and external stakeholders, including Indigenous and community groups is crucial to ensure that the selected Offset areas align with social and cultural values. This approach will foster trust and collaboration among stakeholders, ensuring the successful delivery of strategically important projects while safeguarding areas of high biodiversity value.

STRATEGIC PRIORITY 2:

Environmental Stewardship

Adopt and embed leading environmental stewardship and practices that prioritise the enhancement of biodiversity across the region.

What is it?

The environmental stewardship priority reflects the imperative for the Council to go beyond simply managing its environment and waterways. The priority mandates the adoption of innovative practices and approaches that will enhance natural areas beyond the state that they exist today, as a means of optimising biodiversity outcomes.¹

This strategic priority advocates for the engagement of research, analysis and testing to develop new planning approaches and management techniques, such as Advanced Offsets, that will create improved habitats and ecosystems to support the expansion of native populations.

The collaborative efforts between environmental and water quality management, through land restoration activities will be a critical enabler for this priority.

Why is it Important?

The natural environment and the unique biodiversity of Townsville enriches the community by supporting the population's needs and enhancing the quality of life and cultural identity of the region. Protecting and preserving biodiversity is critical for the region to continue to prosper.

Urban and industrial expansion has resulted in continued loss and change to the natural systems in the region. Many natural species and ecosystems now face multiple threats in terms of shrinking habitat areas, impacts to water quality, food availability and changes to species diversity.

To sustain, restore and regain these natural systems and habitats areas, a new approach to environmental protection and preservation is required. Recent and proposed legislative changes, such as the Nature Positive Plan, have reinforced this imperative.

Conventional approaches to environmental management must make way for new and innovative methods that adopt a holistic approach to biodiversity preservation and protection.

Key Initiatives

Offset Regeneration Framework

An Offset Regeneration Framework (ORF) will be developed to support the delivery of land and water management activities specifically related to the Offsets program. The framework will consider the legislative, regulatory and other requirements as they apply to the restoration and management of conventional and Advanced Offsets.

Advanced and Stacked Offset Investigations

The Council will continue investigations relating to the development of Advanced and Stacked Offsets, allowing the possibility of investigating other offset possibilities into the future (i.e. Reef or Carbon Credits) and binding these to this Strategy. It is critical that this work continues through the completion of trials and collaborative engagement with regulatory authorities, First Nations representatives and related stakeholders to refine land management methodologies.

Research, Government and Advisory Partnerships

Establish and extend partnerships with leading research and advisory organisations specifically to support in the development of Offset management methodologies.

In parallel, establish and advance working relationships with key government agencies to collaboratively develop methodologies that optimise environmental outcomes and adhere to current and future legislative and regulatory requirements.

Delivery Models

Investigations will be undertaken in relation to potential delivery models for Offset management activities that may be adopted throughout the course of the Offsets program. Delivery models may include internal resourcing or contracted arrangements, or a combination of both.

STRATEGIC PRIORITY 3:

Integration of First Nations Values

Deliver optimal environmental and water quality outcomes through the integration of First Nations values as part of the design and delivery of management practices.

What is it?

This priority advocates for a holistic approach to environmental and water management through the integration of the values and knowledge of the Wulgurukaba of Gurambilbarra and Yunbenun, Bindal, Gugu Badhun and Nywaigi Traditional Owners. It emphasises the importance of incorporating traditional ecological knowledge and cultural practices into modern land management practices. This approach is expected to advance improvements in sustainability and the health of the natural environment as well as respecting and honouring the deep connection that First Nations people have with the land and waterways.

This priority seeks to create management practices that are both effective and culturally inclusive, fostering collaboration and mutual respect between different knowledge systems.

Why is it Important?

For tens of thousands of years, First Nations people have adopted land management practices that have sought to protect, preserve and promote the natural ecosystems. Amongst other things, these practices have included natural resource management, threat abatement and erosion control. These practices have been refined over time through observation and custodianship, with knowledge passed down through the generations.²

First Nations people have extensive local and historical knowledge of environmental conditions and trends, that are increasingly vital for enhancing ecological practices today. With advancements in technology, these practices have been further understood and refined, and today form an integral part of the many management practices adopted by land and water managers.

The inclusion of First Nations people in the development and delivery of biodiversity conservation also presents the opportunity for new business, economic and employment opportunities that will benefit local communities. Furthermore, the program has the potential to enhance knowledge exchange and cultural learning across generations within First

Nations communities, ensuring that these practices are sustained for generations to come.

Engaging with local Traditional Owner groups will also demonstrate the Council's ongoing commitment to the 'Stretch Reconciliation Action Plan' formally adopted in January 2022. The Plan aims to strengthen professional and social relationships with Traditional Owner groups and meaningfully integrate the knowledge and experiences of First Nations people and businesses into Council practice and decisions.

Key Initiatives

First Nations Engagement

Undertake robust and open engagement between the Council and local First Nations communities to understand perspectives regarding involvement in the delivery of the Offsets program and assess the current capacity and capability to support the management practices now and into the future.

Management Approach and Engagement Programs

Through collaboration with local First Nations people, develop appropriate management practices and approaches that will enable the integration of First Nations values and methods within the broader work programs proposed by Council. To support the integration, and to enable growth in capacity within the local Indigenous communities to support the Offsets program, establish engagement programs that include First Nations people and contractor groups focused on delivering the required land and water management activities.

Knowledge Sharing and Management

In collaboration with First Nations people consider opportunities for research partnerships and knowledge sharing arrangements to support the development of improved information and knowledge regarding changing ecosystems and the practices needed to manage these.

STRATEGIC PRIORITY 4:

Commercial Return

Deliver a sustainable commercial return to the Council and the Townsville community that incorporates new revenue and cost optimisation outcomes.

What is it?

The Council is committed to delivering optimal value for money outcomes for the Townsville community through the generation of a sustainable commercial return from the investment into Offsets. Several positive financial impacts, through new net revenue generation and cost savings, are anticipated to be delivered by the Council, in addition to the many stated environmental benefits.

Commercialisation of Offsets will be achieved through the implementation of appropriate commercial models and structures, that adequately balance the risks and rewards for the Council and counterparties. Optimisation of broader economic and social outcomes will be critical to the long-term sustainability of the Offsets program.

The Strategy aims to ensure that the expansion of the Offsets program will not, in the long-term, give rise to any adverse financial impacts to Council or the ratepayers of Townsville.

Why is it Important?

Delivery of the sought after environmental benefits outlined in this Strategy is paramount. However, to ensure these benefits can be sustained, the Council is required to allocate ongoing funding towards assessing, researching and delivering the practices needed to enhance the biodiversity of the region.

Long-term sustainability of the program will be underpinned by recurring revenue streams that may offset the costs associated with the delivery of the program, and thereby removing the burden on the Council and the ratepayers of Townsville to fund the activities. Additional cost savings, through eased water treatment requirements due to reduced sedimentation runoff, will further support the financial viability of the program.

Due to the complexity of the regulatory environment related to Offsets, and the inherent challenges associated with large scale land and water management, the program is not without risk. It is therefore critical that the Council balances this risk with project proponents and stakeholders, ensuring commercial returns are reflective of risk allocations.

Key Initiatives

Market Engagement

The Council will continue to engage with external stakeholders and project proponents to further develop the demand profile for Offsets now and into the future. This engagement process will support the further refinement of parameters assumed by project proponents in securing Offset Land and funding ongoing Offset management activities.

Commercial Forecast

Working with technical advisors and land managers to develop a comprehensive financial forecast for the Offsets program and demonstrate its long-term commercial viability. The forecast will consider key revenue and cost inputs, resourcing requirements and delivery timeframes related to the Offsets program. The forecast will be used to secure funding commitments to establish the program and undertake preliminary Offset management activities.

Commercial Framework

Establish the core commercial principles and engagement framework that will underpin the transacting of Offset land between the Council and project proponents. The commercial framework will provide transparency to counterparties and regulatory authorities that will help in improving certainty for future project developments.

5. Implementation

A separate Implementation and Action Plan has been developed that provides specific information that will guide the commitment of resources, and the level of effort needed to deliver the Strategy.

Implementation Approach and Governance

Successful implementation of the Strategy is grounded on a coordinated and collaborative approach between the Council, major project proponents, industry representatives, Government and the community.

Leadership, advocacy and commitment will be key success factors influencing the Council's ability to achieve the vision, priorities and outcomes detailed in this Strategy.

Accountability and Responsibilities

Delegated accountability for the delivery of this Strategy resides with the Director – Infrastructure and Operations.

Responsibility for the delivery of actions and activities in relation to the Strategic Priorities and supporting initiatives will be shared by several teams within the Council.

The level of responsibility for each role will vary depending on the specific initiative, activity and action. Specific responsibilities have been outlined as part of the Implementation and Action Plan.

Advisory Groups

The Director – Infrastructure and Operations, and the various responsible department leads within the Council, will be supported in the delivery of the Strategy by an Internal Advisory Group (IAG) comprised of executive level representatives from across the Council. The IAG will provide ongoing guidance in relation to the implementation of the Strategy and will identify matters for consideration in relation to the management of Offsets by the Council.

An External Advisory Group will also be established, comprising of representatives from key stakeholder organisations, such as the Queensland Government Office of the Coordinator-General (OCG). The External Advisory Group will provide guidance in relation to prevailing legislative and market changes that may impact the implementation of the Strategy, and other relevant insights related to the delivery and management of Offsets for major projects.

Authority to Allocate Offset Land

The Council's Chief Executive Officer retains the authority for determining the allocation of land for Offsets and for agreeing the commercial terms upon which land may be allocated for Council and third-party projects. This authority aligns with the permissions established as part of the Policy.

Monitoring and Evaluation

Monitoring and evaluation are critical elements of the implementation approach. Tracking activities and monitoring key economic, environmental, and social metrics allows Council the opportunity to confirm agreed activities occurred and evaluate the broader outcomes of the Strategy.

The Council will provide annual updates on progress against agreed actions. Tracking progress on the implementation of the Strategy will allow annual forward plans to adapt and change over time, as needed.

The structure of this Strategy will provide ongoing guidance and direction in terms of overall implementation activities and efforts.

Consultation

Involving relevant stakeholders and the broader community in the identification, allocation and management of Offsets will be important to ensure a collaborative approach is adopted to advance the priorities and initiatives outlined.

This Strategy is underpinned by detailed research and analysis and was informed through consultation with key Council and related stakeholders. Once in effect, the implementation of the Strategy will be supported by an ongoing consultation and engagement process

that will be critical for delivering the key actions and for enabling ongoing refinement of the Strategy and Implementation and Action Plan. This consultation is recommended to be undertaken across a range of mediums and forums to ensure maximum exposure and engagement across the key stakeholder groups. A high degree of genuine engagement and transparent communication will have a higher likelihood of success and greater buy-in by stakeholder groups.

Action Plan

As part of the Implementation and Action Plan, a range of specific actions have been outlined that will be required to implement the various initiatives identified against each Strategic Priority.

In developing the list of actions and to support the Council in appropriately managing resource allocations, specific categorisation and prioritisation of each action has been provided.

The responsibility for delivering outcomes has been assigned and targeted measures have been reflected to enable monitoring and evaluation of performance.

The four categories against which each action has been categorised and prioritised are as follows:

■ **High** – High priority items are identified for shortterm implementation, within zero (0) to one (1) year. Actions are to be included in operational planning for Council (where applicable). These actions should address any time sensitive opportunities or risks for Council.

- Medium Medium priority items have a lower risk profile and lower urgency for action and should be included in the mid-term forward planning for implementation. These items should be addressed within a one (1) to three (3) year horizon.
- Low Low priority items may be dependent on the completion of other actions, require alignment with future projects or are longer term aspirations with the Strategy. These items should be included in long term forward planning and should be addressed within the three (3) to five (5) year horizon.
- Ongoing Ongoing priorities often correlate with consultation and engagement actions which are anticipated to continue for the duration of the Strategy. These actions will require ongoing attention and commitment of resources.



6. References

Introduction and Context

- Australia State of the Environment Key Findings, Department of Climate Change, Energy, the Environment and Water
- Growing ecotourism in Queensland, Queensland Audit Office
- 3. Environmental Scorecard 2023, Department of Tourism and Sport
- Australia State of the Environment Key Findings, Department of Climate Change, Energy, the Environment and Water

Strategic Alignment

- Australia's Strategy for Nature 2024 2030, Department of Climate Change, Energy, the Environment and Water
- Australia's National Biodiversity Strategy and Action Plan, Department of Climate Change, Energy, the Environment and Water
- Environment Protection and Biodiversity Conservation Act 1999 (EPBC), Department of Climate Change, Energy, the Environment and Water
- 4. Nature Positive Plan: better for the environment, better for business, Department of Climate Change, Energy, the Environment and Water
- 5. Environmental Protection Act 1994, Queensland Government
- 6. Legislation: Environmental offset framework, Queensland Government
- 7. Environmental Offset Policy, Queensland Government
- 8. Conserving Nature a Biodiversity Conservation Strategy for Queensland, Queensland Government
- Environmental Offsets Land Policy, Townsville City Council
- 10. Townsville 2021-2026: Corporate Plan, Townsville City Council

Situational Context

- Historical Archive Report 2003-2008 State of Environment, Townsville State of Environment
- 2 Ihid
- Advanced Biodiversity Offset Proposal: Ross Dam Advanced Biodiversity Offset Area, Terra Solutions (2024)
- Matters of state environmental significance
 mapping method, Department of the Environment, Tourism, Science and Innovation (2024)

Strategic Framework

- 1. The global assessment report on Biodiversity and Ecosystem Services, IPBES (2019)
- Australian Indigenous Peoples and Biodiversity, M. Nursey-Bray & R. Hill (2010), Social Alternatives (Vol. 29, 3), pp. 13-19.







