

**National
Farmers
Federation**

Nature Repair Market: Ongoing Development

May 2026



The National Farmers' Federation (NFF) is the voice of Australian farmers.

The NFF was established in 1979 as the national peak body representing farmers and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities across the breadth and the length of the supply chain. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

The NFF represents Australian agriculture on national and foreign policy issues including workplace relations, trade, and natural resource management. Our members complement this work through the delivery of direct 'grass roots' member services as well as state-based policy and commodity-specific interests.

NFF Member Organisations



Table of Contents

Executive Summary	5
Nature Repair Methods	6
Policy Settings to Enable Environmental Offsets	6
Environmental Offsets Regulation	7
Supporting Threatened Species and Threatened Ecological Communities	8
Rules to Support Integrity and Administration	10
Updates to the Rules to Streamline Administration and Support Participation	11
Conclusion	11

Executive Summary

The National Farmers' Federation (NFF) welcomes the opportunity to provide feedback on policy settings to enable the Nature Repair framework to supply environmental offsets. The government's environmental law reform package was passed on 28 November 2025, including consequential amendments to the Nature Repair Act 2023 to require methodology determinations under Nature Repair to specify whether biodiversity certificates issued for relevant registered projects can be used as environmental offsets under the Environment Protection and Biodiversity Conservation (EPBC) Act 1999.

As key stakeholders, the agricultural sector plays a central and critical role in ensuring the success of this initiative. The NFF supports the development of a high-integrity Nature Repair framework and accepts, in principle, that it may become one pathway for supplying environmental offsets. It is essential that final policy settings are designed around the practical realities of agriculture – landholder consent must remain real and informed; participation must remain commercially rational for farms; costs must be proportionate; and long-term stewardship, reversal and compliance risks must not be shifted onto landholders without a workable risk-allocation framework.

The NFF supports the framework's development and transition toward two linked yet distinct streams – a voluntary biodiversity stream and an offset-capable stream, provided clear safeguards are put in place for agriculture and there is a clear separation of remit and assessment responsibility across both legislative frameworks. The streams can share infrastructure and methods, but should not automatically share the same liability, publication, measurement, and security settings. Offset-capable projects will require more stringent evidentiary, monitoring, permanence, and compliance requirements than projects intended to support voluntary action on nature repair. Projects that are not seeking to be used as environmental offsets should not automatically inherit those requirements by default. That separation is implicit in the Issues Papers and should be made explicit in the final Rules and Methods.

The NFF also supports the development of both additionality-based methodologies for EPBC offset compliance, and separate methodologies suitable for voluntary biodiversity participation, recognising these pathways serve different objectives and should not automatically carry the same evidentiary or compliance burden.

Currently, the proposed policy settings to enable the Nature Repair framework to supply environmental offsets falls short of Government's intended vision. There are several instances where significant improvements can be made across policy settings to drive voluntary participation and reduce the administrative burden on landholders. Our comments are articulated in the proceeding pages of this submission.

Nature Repair Methods

The NFF's view on Nature Repair methodology has consistently emphasised that biodiversity methods must work on real farms, not idealised landscapes. A previous submission on the proposed Enhancing Native Vegetation (ENV) method supports a broader farm-appropriate biodiversity method, but seeks lower administrative burden, adaptive treatment of grazing, flexible monitoring, more realistic certificate issuance thresholds, fit-for-purpose baselines, and more flexible permanence settings. Additionally, a submission on Replanting Native Forest and Woodland Ecosystems supports the concept of a market-driven biodiversity method, while strongly criticising eligibility constraints, consultant-heavy assessment, platform immaturity, inflexible additionality rules, and the risk that participation may create practical restrictions on adjacent productive land.

The first step in developing policy settings to enable a market to supply environmental offsets is addressing these shortfalls in the proposed project methodologies.

Policy Settings to Enable Environmental Offsets

The NFF supports enabling the Nature Repair framework to supply environmental offsets under the EPBC Act, recognising the potential to increase investment in biodiversity outcomes and create additional income opportunities for agricultural landholders. However, the regulatory framework must remain practical, proportionate, and commercially viable for farmers, and avoid becoming an overly complex compliance mechanism that limits participation to large-scale or highly resourced proponents. In particular, offset requirements relating to additionality, like-for-like outcomes, permanence, security, and measurable improvements must recognise the realities of agricultural production systems, including climatic variability, mixed land-use, and the long-term stewardship activities already undertaken by farmers.

Clear delineation of responsibilities and sequencing between registration, assessment of offset capability, and certificate issuance between the National Environmental Protection Agency (NEPA), Clean Energy Regulator (CER), and the Restoration Contributions Holder is necessary to avoid duplication, inconsistent decision-making, and unnecessary administrative burden while providing much-needed implementation clarity for prospective proponents. NFF understands that there is a clear separation of roles being proposed – the CER will continue to administer the market while offset suitability will be determined separately by the relevant decision-maker (i.e. NEPA) against the National Environmental Standard for Environmental Offsets which remains under development and subject to consultation. Where restoration contributions form part of the broader offset framework, the interaction between Nature Repair projects, NEPA, CER, and Restoration Contributions Holder must be clearly explained to avoid confusion for landholders and buyers.

The final framework must also set out the expected timelines and interaction between both assessment processes. This should include whether information collected for CER purposes or otherwise required under the Nature Repair Act 2023 (i.e. periodic reporting requirements) will be accepted or relied upon for NEPA assessment. In essence, both processes should communicate with one another where possible to mitigate the risk of duplicative evidence requirements and unnecessary administrative

burdens arising. The NFF also reiterates the importance of avoiding duplicative assessment and evidentiary requirements across the Nature Repair, EPBC, and existing state-based environmental frameworks. This will be important to ensure participation in offset-capable projects remains genuinely voluntary, informed, and commercially rational, particularly for smaller landholder proponents undertaking long-term business case assessments and considering potential future land-use implications.

An adjacent requirement is the development of a transparent and tradeable biodiversity market capable of maturing over time and supporting broad participation. For a Nature Repair Market to operate effectively at-scale, participants must have confidence in market visibility, pricing transparency, regulatory consistency, and the long-term credibility of biodiversity certificates and offset-capable projects. The market will also require sufficient comparability and price visibility to support confidence in biodiversity certificates and avoid the emergence of fragmented or opaque project-by-project arrangements. Without these features, the market risks remaining fragmented, underdeveloped, and inaccessible to many agricultural landholders, particularly smaller and mixed-enterprise farming businesses.

The NFF believes government has a critical leadership role in establishing the foundational settings necessary to support market confidence and participation. This includes providing clear regulatory guidance, consistent market infrastructure, transparent register and certificate systems, practical interoperability with the Australian Carbon Credit Unit (ACCU) Scheme and offset frameworks, and accessible participation pathways for landholders. Government should prioritise the development of these market settings as a matter of urgency to ensure the Nature Repair framework can evolve into a credible, investable, and scalable market capable of delivering long-term biodiversity outcomes alongside sustainable agricultural production.

Environmental Offsets Regulation

The NFF supports the development of market settings to improve transparency, integrity, and investor confidence in offset-capable projects, provided additional requirements are proportionate and do not create unnecessary barriers to participation. Farmers require certainty regarding permanence obligations, reporting requirements, additionality tests, and future land-use implications before committing land to offset-capable projects.

The framework must ensure that participation remains genuinely voluntary in practice and effect, and does not unintentionally trigger broader regulatory restrictions, reduce flexibility for ongoing agricultural production, or expose landholders to uncertain compliance obligations under the EPBC Act. Participation in biodiversity or offset-capable projects should not become a prerequisite for regulatory compliance, market access, financing, land-use recognition or the continuation of agricultural production activities. Offset settings must also appropriately account for the environmental risks associated with drought, fire, flood, or other extreme climatic events that are beyond the control of landholders. Long-term offset obligations should also be supported by practical stewardship, insurance, or pooled risk mechanisms to avoid disproportionate reversal and permanence liability being borne solely by individual landholders. This position is consistent with previous NFF feedback on the proposed National Environmental Standard for Environmental Offsets, which emphasised the need for

offset frameworks to remain practical, proportionate, and workable for agricultural landholders.

The NFF also notes the absence of clear guidance on how offset-capable projects may affect agricultural production or land-use decisions beyond the project area. Any future requirements addressing displacement of production or land-use change should remain proportionate, evidence-based, and practical for mixed farming enterprises, and should not require farmers to account for every operational change across their entire farming operation.

The NFF supports the development of offset-capable methodologies, including the Enhancing Native Vegetation method, provided they remain outcome-focused, flexible, and accessible across a broad range of agricultural landscapes. Methodologies should encourage voluntary participation by recognising practical land management approaches and avoiding overly prescriptive requirements that increase cost and complexity without improving biodiversity outcomes. The NFF also reiterates that offset-capable projects and broader Nature Repair methodologies must continue to support active land management practices where they contribute to ecological resilience and landscape function, including grazing, fire management, weed control, and pest management. Greater clarity is also required regarding the interaction between the Nature Repair framework and the ACCU Scheme, particularly where landholders may seek to stack biodiversity and carbon outcomes. Additional reporting, notification, and security requirements should also be clearly defined and designed to minimise administrative burdens while maintaining market integrity and transparency.

Supporting Threatened Species and Threatened Ecological Communities

The NFF supports the development of the threatened species variable biodiversity project characteristic as a mechanism to recognise and quantify biodiversity benefits for threatened species and threatened ecological communities within the Nature Repair framework. The proposed framework has the potential to improve investment in biodiversity outcomes and support the development of offset-capable projects under the EPBC Act. However, it must remain practical, proportionate, and workable for agricultural landholders operating across highly variable landscapes and climatic conditions. Many farmers already undertake long-term stewardship activities that support habitat condition and species persistence, and the framework should recognise and build upon these existing management practices rather than imposing unnecessarily rigid or duplicative requirements.

Objectives of the Threatened Species Characteristic

The NFF supports the proposed focus on habitat condition and threat management as core indicator themes for assessing benefits to threatened species. However, the proposed assessment framework must remain sufficiently flexible to account for regional differences, seasonal variability, and the operational realities of agricultural systems. The use of thresholds, forecast values, and species-level scoring should not create unrealistic expectations that threatened species outcomes can be guaranteed in landscapes subject to drought, fire, flood, pest outbreaks, and other environmental pressures outside the control of landholders. Assessment methodologies should therefore support adaptive management approaches and allow the use of regionally

appropriate indicators, practical monitoring methods, and existing ecological datasets where appropriate. The proposed calculator tool and scoring framework may assist consistency and transparency, but the framework should avoid becoming overly complex or technically burdensome for proponents.

The NFF also recommends that invasive species management forms a recognised component of the threatened species characteristic and broader offset-capable project settings. In many agricultural landscapes, the control and eradication of invasive plants and pest animals is fundamental to improving habitat condition, supporting threatened species recovery, and protecting threatened ecological communities. The framework should therefore recognise measurable biodiversity benefits arising from invasive species management activities, including where these activities contribute directly to improved ecosystem condition and species persistence outcomes. This would align with Australia's Strategy for Nature 2024-2030 document, which identifies the eradication and control of invasive species in priority landscapes as a national target.

The NFF recognises the important role of suitably qualified persons in maintaining scientific integrity and supporting robust assessments. However, there is a significant risk that highly technical evidence requirements, repeated ecological surveys, and extensive documentation obligations could materially increase participation costs and reduce accessibility for smaller farming businesses. Assessment requirements should therefore remain proportionate to project scale and risk and should allow for the practical use of existing data sources and local ecological knowledge. The framework should also ensure that landholders are not required to repeatedly duplicate assessments or monitoring activities already undertaken through other environmental or carbon farming programs.

The NFF supports the proposed user pathway framework, including the distinction between high-confidence and potential benefit pathways, as a practical way to balance integrity with broader market participation. The high-confidence pathway may provide a suitable mechanism for projects seeking offset capability under the EPBC Act, while the potential benefit pathway offers a more flexible and cost-effective option for voluntary biodiversity projects.

The NFF acknowledges that the proposed 'green tick' overlay mechanism is a significant new concept, and we require time to digest and fully understand the impact of its implementation. While we recognise that the overlay feature may serve as a useful and optional point-in-time mechanism for recognising realised species outcomes while protecting landholder proponents from long-term risks beyond their control (i.e. natural species fluctuation and variability), there may also be unintended risks that need to be understood and worked through. We are primarily concerned that this may be seen as an additional compliance requirement for proponents to adhere to ahead of CER approval to apply for a certificate. Additionally, given its voluntary nature and status as separate to certificate issuance, the framework should clearly state (on the Department webpage or on the Biodiversity Market Register) that it is a voluntary measure, not a compliance requirement, and clarify liability risks for proponents as to the absence or removal of a 'green tick'.

The NFF also supports stronger safeguards for commercially sensitive farm information and location-sensitive threatened species data published on the Register, including appropriate redaction and confidentiality protections where disclosure may create ecological, commercial, or biosecurity risks.

Rules to Support Integrity and Administration

The NFF supports the government's objective of strengthening integrity and administration of the Nature Repair framework, provided the final Rules remain practical, proportionate, and commercially workable for agricultural landholders. The framework will only achieve broad participation if compliance obligations, reporting requirements and administrative processes are designed to reflect the operational realities of farming businesses and avoid unnecessary regulatory burden.

The NFF also reiterates that project methodologies, integrity settings, and compliance frameworks must support adaptive management and recognise the dynamic nature of Australian agricultural landscapes. Static assumptions regarding vegetation condition, species persistence, or ecological trajectories may not appropriately reflect the realities of drought, fire, flood, pest pressure, and seasonal variability across farming systems. Integrity settings should therefore remain sufficiently flexible to account for environmental variability while maintaining confidence in the market.

Significant Reversal of Project Biodiversity Outcomes After Biodiversity Certificate Issued

While the NFF supports the proposed significant reversal framework in principle, including the use of objective indicators and threshold values linked to Biodiversity Project Characteristics, we strongly oppose the treatment of deliberate non-compliance and natural disasters as equivalent cause for a reversal. Associating management failures and/or negligence with environmental events entirely outside the reasonable control of landholders imposes an unacceptable and disproportionate level of risk on project participants, which is likely to outweigh any potential benefits of participation and significantly deter engagement.

The Rules must clearly distinguish between deliberate non-compliance or management failure and environmental events outside the reasonable control of landholders. Biodiversity certificates should not be subject to relinquishment solely as result of drought, fire, flood, or other extreme climatic and natural events where proponents have otherwise complied with project requirements and undertaken reasonable adaptive management measures. In accordance with Departmental advice, the Rules should clearly stipulate that a relinquishment notice should remain a last resort after reasonable remediation pathways, adaptive management measures, and extensions to permanence periods have been properly considered.

Similarly, proposed certificate equivalency requirements should remain practical and proportionate to avoid creating unnecessary commercial and investment risk for both project proponents and certificate buyers. The Rules should establish clear and workable certificate equivalency criteria to provide certainty where relinquishment is required after a certificate has already been traded. Replacement certificates should, where reasonably practicable, reflect a comparable biodiversity outcome, permanence period, and ecological benefit without creating unnecessary barriers to compliance or secondary market participation. Equivalency settings should also provide sufficient flexibility to account for natural variability across landscapes while still preserving market integrity and transparency.

Updates to the Rules to Streamline Administration and Support Participation

The NFF strongly supports administrative reforms intended to streamline participation and reduce duplicated compliance burden. In particular, the proposed ‘tell us once’ framework, reduced statutory declaration requirements and support for re-stratification are positive developments that could materially improve usability for landholders. The ‘tell us once’ framework should extend beyond identity verification to include recurring project, consent, and entity information so proponents are not repeatedly required to resubmit unchanged material. However, cancellation powers where projects no longer meet eligibility requirements should remain proportionate and include practical cure pathways, project variations and area excision options before full cancellation is pursued. This is especially important in agricultural contexts where changes in land tenure, succession, refinancing, or project boundaries may occur over long project lifecycles without undermining the overall biodiversity outcome of the project.

The NFF also supports transparent updates to the National Biodiversity Assessment System (NBAS) and broader efforts to improve investment confidence in the framework. However, updated NBAS scores should remain informational only and should not retrospectively alter project registrations, certificate validity, or historical compliance outcomes. Likewise, any public listing of financial or in-kind contributions to projects on the Biodiversity Market Register should include appropriate safeguards and disclaimers, particularly where information is not independently verified by the CER. Overall, the final Rules should prioritise integrity while ensuring the Nature Repair Market remains accessible, workable, and attractive for voluntary participation by Australian farmers and landholders.

Conclusion

As the Nature Repair framework continues to take shape, it is essential that landholders remain central to its design and implementation. We look forward to continued collaboration as the framework is refined, ensuring that the market remains practical, inclusive, and grounded in the realities of working landscapes. For further discussion, please contact Warwick Ragg, General Manager – Natural Resource Management (e) wragg@nff.org.au.