

Productivity depends on healthy nature, liveable climate

Introduction

The Australian Conservation Foundation (ACF) welcomes the opportunity to provide feedback on the Productivity Commission's interim report *Investing in cheaper, cleaner energy and the net zero transformation*.

As a nature protection organisation, our priority is ensuring that Australia's clean energy transformation is delivered in ways that protect and restore biodiversity. Renewable energy is essential to tackling climate change, but productivity gains will only be lasting if they are matched with strong environmental safeguards. Fast-tracking renewable energy at the expense of nature would erode community trust, increase conflict, and ultimately slow the transition.

We strongly support the Commission's recognition that **productivity growth relies not only on faster approvals, but also on effective environmental laws**. With the right reforms, Australia can accelerate renewable energy projects, strengthen protections for threatened species and ecosystems, and deliver a transition that is efficient, enduring, and widely supported.

Key Comments on Recommendations

Recommendation 2.1 – Reform national environmental laws

- **National standards:** Support strong national environmental standards with clear outcome-based rules for protecting Matters of National Environmental Significance (MNES). This should include upfront “no-go” zones and clear specification of the outcomes the system should deliver at all scales for threatened species and other protected matters.
- **Regional planning:** Support if grounded in strong standards and subject to oversight and assurance by the proposed new independent regulator, Environment Protection Australia. Plans must identify areas off-limits, manage cumulative impacts, and provide clear guidance on siting for renewable energy infrastructure projects.
- **Environmental data:** Strongly support public investment in accessible, high-quality environmental information and past assessment decisions

- **Offsets:** We oppose the suggestion that offsetting arrangements should be made “more efficient” by enabling developers to meet their offset obligations by contributing to an Australian government offset fund, at least in the form as currently proposed by the government. Offset schemes have a very poor track record of delivering environmental outcomes, and their implementation in Australia has simply facilitated the loss of irreplaceable habitat.
 - Aggregating offset obligation into a fund is not of itself problematic, and can potentially enable investment in a more effective and strategic manner than case by case offsetting. However, developers must not be permitted to discharge their offset obligations by contributing to a fund in circumstances where an offset to compensate for that loss is not available – this just drives the destruction of irreplaceable habitat. This situation must be avoided by strict rules to ensure that approvals cannot be granted where an offset is not feasible or actually available.
- **Community and First Nations engagement:** Strongly support embedding consultation requirements in the reformed EPBC Act, backed by National Environmental Standards for First Nations engagement and community consultation.

Recommendations 2.1 & 2.3 – “Strike team” and Coordinator-General

- Not opposed to efficiency measures already in place, but strongly oppose Coordinator-General models that override protections or sideline regulators.
- Disappointed the report does not consider **Environment Protection Australia (EPA)**. A well-resourced, independent regulator is vital to deliver consistent decisions, improve outcomes for nature, and build public trust.
- Although it is not the current proposal, Coordinator General type approaches in other jurisdictions can involve overrides of legislative protections or the override or replacement of responsibilities of environmental regulators. We do not support these approaches.
- A well resourced, independent expert regulator is an important complementary measure to the proposed standards, and will improve nature protection outcomes increase community confidence in the administration and enforcement of the Act, and reduce variability and delay in decisions.

Recommendation 2.4 – Consider the energy transition in approval decisions

- Agree the EPBC Act’s failure to address climate change is a major weakness.

- Concerned the recommendation risks lowering standards of environment protection for renewable projects, which provided by the recommendation is partial and risks being interpreted as a basis for lowering standards of environmental protection for renewable energy projects which is unnecessary and not supported. Amongst other reasons, lowering standards of nature protection for renewable energy infrastructure will only exacerbate existing problems with social acceptance of renewable energy infrastructure
- Support reforms to add climate as a decision-making criterion under the EPBC Act, particularly to prevent approvals of fossil fuel projects that worsen climate impacts on MNES, a major failure in the current Act, and something that should be addressed by the reforms.

Future of Mapping Renewables Report

In support of the recommendations on EPBC reform in this submission, ACF has released a new report (attached), *The Future of Renewables Mapping Report*, produced with Professor Brendan Wintle and the Melbourne Biodiversity Institute. The report provides the first national-scale analysis showing how Australia can deliver renewable energy at speed and scale while safeguarding threatened species and critical habitats. It finds that by avoiding just 30% of the highest biodiversity-value land, we can still protect 70–90% of the habitat of our most endangered plants and animals — while leaving abundant areas available for renewable energy development. This research underscores that with strong national environmental standards and smart mapping, Australia can fast-track the clean energy transformation in a way that is efficient, scientifically sound, and widely supported by communities.

Conclusion

Australia can and must deliver a clean energy transformation that is **fast, fair, and nature-positive**. Reforms should:

- Establish strong national environmental standards;
- Support regional planning that identifies both opportunities and limits;
- Invest in high-quality environmental information;
- Strengthen requirements for community and First Nations engagement; and
- Establish an independent EPA to oversee and enforce decisions.

Crucially, reforms must also integrate climate change into environmental decision-making and prevent approvals of projects that worsen the crisis.

Fast approvals and strong protections go hand-in-hand. Weakening standards will not speed up the transition — it will erode trust, fuel opposition, and slow it down. With the right reforms, Australia can accelerate renewable energy while safeguarding the natural systems that underpin our prosperity and wellbeing.

Australian Conservation Foundation

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