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Department of Climate Change, Energy, the Environment and Water

GPO Box 3090,

Canberra ACT 2601

Australian Dairy Farmers Limited

Level 3, HWT Building

40 City Road

SOUTHBANK VIC 3006

Tel: +61 3 8621 4200

Fax: +61 3 8621 4280

www.australiandairyfarmers.com.au

ABN 76 060 549 653

Via: Have Your Say platform – Enhancing Native Vegetation Method Consultation

Subject: Submission on the Enhancing Native Vegetation (ENV) Method – Proposed Design

Australian Dairy Farmers (ADF) and Dairy Australia (DA) welcome the opportunity to comment on the proposed Enhancing Native Vegetation (ENV) Method under the Nature Repair Market.

The dairy industry supports the development of high-integrity biodiversity crediting mechanisms that deliver credible, measurable improvements in ecosystem health and ensure that farmers receive fair, high-value returns for their environmental stewardship.

However, achieving integrity should not come at the expense of accessibility. To ensure genuine uptake and equity across agricultural sectors, practical support mechanisms - such as establishment grants, technical extension, and regional delivery capacity - must accompany implementation so that farmers can overcome initial capital and knowledge barriers and participate meaningfully in the market.

About Australian Dairy Farmers (ADF)

Australian Dairy Farmers (ADF) is the national peak Industry Representative Body (IRB) representing all dairy farmers from across Australia's six dairy producing states. ADF's membership includes the State Dairy Farming Organisations from each State as well as direct farming members.

About Dairy Australia

DA is the national services body for dairy farmers and industry. Its role is to help farmers adapt to a changing operating environment, and achieve a profitable, sustainable dairy industry. As the industry's Research and Development Corporation, it is the 'investment arm' of the industry, investing in projects that cannot be done efficiently by individual farmers or companies.

Summary

ADF and DA are supportive of the proposed ENV method and considers it broadly fit-for-purpose.

The eligible area map aligns closely with Australia's major dairy regions, and the method's focus on restoring, enhancing, and maintaining existing native vegetation (rather than solely new plantings) makes it highly relevant to dairy production systems.

The method presents an opportunity to:

- Incentivise protection and enhancement of remnant vegetation, riparian corridors and native pastures already present on many dairy farms;
- Recognise and reward farmers who have historically maintained biodiversity values without compensation; and
- Strengthen alignment with the Australian Dairy Sustainability Framework's biodiversity goals.

ADF and DA strongly support the high-integrity design of the method, including its transparent reporting, monitoring requirements and consistent ecosystem condition indicators. High integrity is essential to ensure biodiversity certificates retain market confidence and deliver enduring value.

ADF emphasises that participation in the Nature Repair Market should remain voluntary, ensuring that dairy producers can choose to engage based on business circumstances, capability, and local environmental opportunity. Flexibility and choice are vital to build confidence and avoid undue administrative burden.

The method should also recognise the diversity of dairy farming systems across Australia – including pasture-based, irrigated, housed, and mixed systems – and ensure that participation settings are practical and accessible to all.

However, integrity must be balanced with usability and accessibility so that farmers can practically participate. To ensure equitable participation and meaningful uptake across the dairy sector, ADF and DA recommend that Government invest in complementary support mechanisms - such as establishment grants, concessional finance, and regional training and extension - to lower capital and capability barriers.

We also identify several areas where refinements could strengthen the method's integrity and accessibility without adding unnecessary complexity:

- Permanence incentives – Introduce financial or credit multipliers for projects exceeding 50 years to encourage long-term ecosystem protection.
- Double counting – Explicitly prevent double counting between the Nature Repair Market and other biodiversity or offset schemes, supported by clear cross-scheme eligibility guidance.

- Definition of ‘suitably qualified persons’ – Replace the prescriptive qualification and experience requirements with a skills-based competency framework. Greater flexibility around qualifications and experience would ensure farmers can access and afford competent professionals without compromising integrity.
- Up-front costs and delayed revenue – Provide or incentivise start-up grants, cost-share funding, or low-interest loans to offset the high initial costs and the five-year stand-down before certificate issuance.
- Integration and stacking – Clarify how ENV credits can coexist with carbon and stewardship programs to improve project viability and attract private investment.
- Reversals and remediation – Clarify how reversals (declines in ecosystem condition) will be defined, reported, and remediated, ensuring procedures are proportionate and flexible in the event of unavoidable natural events such as drought, flood, or fire.

These refinements should ensure that the method supports both environmental integrity and the economic viability of dairy enterprises, enabling producers to continue delivering affordable food while improving environmental outcomes.

With these refinements and accompanying government investment to support participation, the ENV method can deliver high-integrity, high-value biodiversity outcomes across productive dairy landscapes and enable farmers to be appropriately recognised and rewarded for their environmental stewardship.

Response to consultation questions

Question 1 – Will the method support the objective of restoring, enhancing, and/or maintaining native vegetation?

Yes, ADF and DA believe that the proposed ENV method will support biodiversity outcomes within dairy landscapes. Dairy farmers often retain and manage native vegetation, shelterbelts and waterways that provide substantial ecosystem services. Until now, these efforts have gone largely unrecognised. By allowing participation through maintenance and enhancement, the ENV method offers a credible entry point for the dairy sector.

ADF and DA particularly support:

- Inclusion of remnant and recovering vegetation as eligible project areas;
- Recognition of biodiversity improvement across all vegetation strata (canopy, mid-storey, and ground layer); and
- Inclusion of grasslands, herblands and shrublands, remnant areas of which are contained and protected by many southern dairy systems.

ADF further recommends that government guidance explicitly address how farms balancing intensive dairy production with biodiversity conservation can demonstrate compliance,

ensuring that practical coexistence between production and conservation remains achievable.

Question 2 – Does the method appropriately balance integrity and usability?

ADF and DA support the strong integrity settings - including transparent reporting through the biodiversity project register, consistent ecosystem condition indicators, permanence options, and monitoring requirements. These elements will underpin market confidence and ensure biodiversity certificates have enduring value.

ADF and DA suggest the following areas as opportunities for the method's integrity to be improved:

Permanence incentives

ADF and DA support the flexibility for landowners with the ability to select between 25-100 years as the permanence condition. This balances flexibility and long-term outcomes. However, to encourage extended ecosystem protection, DA and ADF recommend DCCEEW introduce financial or credit multipliers for projects with permanence periods greater than 50 years.

Double counting

ADF and DA recommend that the method explicitly prevent double counting between the Nature Repair Market and other biodiversity or offset schemes (such as the NSW Biodiversity Offsets Scheme, Accounting for Nature, or private nature stewardship credits).

ADF stresses that clear guidance is needed to prevent regulatory duplication and ensure consistency with existing state-based native vegetation, water, and offset frameworks. This will help farmers understand eligibility, reduce compliance complexity, and protect the credibility of biodiversity certificates.

Definition of 'Suitably qualified persons'

The definition of 'suitably qualified persons' is too restrictive. The requirements for specific qualifications and a minimum of five years of experience in assessing native vegetation condition, narrow the pool of suitable persons. Due to the limited supply, the accessibility and/or cost of "suitably qualified persons" will likely create a barrier to participation for dairy producers.

ADF recommends that DCCEEW consider developing a tailored training and accreditation pathway for agricultural advisers and agronomists so that dairy farmers can access affordable, locally available expertise. This would build regional capacity and support long-term integrity.

Up-front costs and delayed revenue

We acknowledge that the five-year stand-down before certificate issuance and ecological

assessments are designed to manage the integrity of the method and Nature Repair Market. However, the delayed revenue and high upfront costs may deter participation.

ADF and DA recommend the Government to provide or incentivise start-up grants, cost-share funding, or low-interest loans to offset establishment costs.

Integration and stacking

ADF and DA recommend that the Department clarify how ENV credits can coexist with carbon and other stewardship programs. Supporting stacking or complementary participation would improve project viability, attract private investment, and enhance landscape-scale environmental outcomes.

ADF notes that enabling responsible stacking between biodiversity, carbon, and water programs will increase participation and improve whole-of-landscape outcomes without imposing overlapping obligations.

Reversals and remediation

ADF and DA note that the consultation paper provides limited information on how reversals (where ecosystem condition declines after certificates have been issued) will be identified, reported, and addressed.

ADF and DA recommend that the Department clarify how reversals will be defined and measured; what obligations or timelines will apply for remediation; and whether replacement or cancellation of certificates would occur.

ADF also encourages proportionate and flexible approaches to reversals, recognising that dairy systems are subject to natural climatic variability, including droughts and floods. Farmers participating in good faith should not be penalised for unavoidable events.

Conclusion

Dairy Australia strongly supports the high-integrity design of the Enhancing Native Vegetation Method and its focus on measurable ecosystem improvement.

To ensure farmers can realise the full value of high-quality biodiversity credits, the government should pair this integrity with enabling support measures - practical guidance, accessible expertise, and targeted financial assistance.

Flexibility in defining suitably qualified persons and the avoidance of unnecessary administrative layers will keep the method practical, affordable, and scalable for working farms while preserving transparency and rigour.

ADF and DA would welcome the opportunity to work with DCCEEW to co-design practical implementation solutions that enable participation from productive agricultural systems such as dairy, build regional delivery capability, and ensure the method achieves genuine environmental and economic outcomes for both farmers and the broader community.