

APPENDIX Z – BIODIVERSITY COMPENSATION SCHEDULE

The following criteria must be met for an action to qualify as biodiversity compensation:

1) **Adherence to effects management hierarchy:**

Biodiversity compensation is a commitment to redress more than minor residual adverse effects and should be contemplated only after the management hierarchy steps in Policy 5 have been demonstrated to have been sequentially exhausted.

2) **When biodiversity compensation is not appropriate:**

Biodiversity compensation is not appropriate where indigenous biodiversity values are not able to be compensated for, including where:

- a. The indigenous biodiversity affected is irreplaceable or vulnerable;
- b. There are no technically feasible options by which to secure gains within acceptable timeframes; and
- c. Effects on indigenous biodiversity are uncertain, unknown or little understood, but potential effects are significantly adverse.

3) **Scale of biodiversity compensation:**

The extent or values to be lost through the activity to which the biodiversity compensation applies are addressed by positive effects on indigenous biodiversity that outweigh the adverse effects on indigenous biodiversity.

4) **Additionality:**

Biodiversity compensation achieves gains in indigenous biodiversity above and beyond gains that would have occurred in the absence of the compensation, such as gains that are additional to any remediation, mitigation or offsetting undertaken in relation to the adverse effects of the activity.

5) **Leakage:**

Biodiversity compensation design and implementation avoids displacing harm to indigenous biodiversity in other locations and existing indigenous biodiversity at the compensation site.

6) **Landscape context:**

Biodiversity compensation actions are undertaken where this will result in the best ecological outcome, preferably close to the impact site or within the same ecological district. The actions consider the landscape context of both the impact site and the compensation site, taking into account interactions between species, habitats and ecosystems, spatial connections and ecosystem function.

7) **Long-term outcomes:**

The biodiversity compensation is managed to secure outcomes of the activity that last at least as long as the effects, and preferably in perpetuity. Consideration must be given to long term issues around funding, location, management and monitoring.

8) **Time lags:**

The delay between loss of indigenous biodiversity at the impact site and the gain or maturity of indigenous biodiversity at the compensation site is minimised.

9) **Trading up:**

When trading up forms part of biodiversity compensation, the proposal demonstrates that the indigenous biodiversity values gained are demonstrably of higher indigenous biodiversity value than those lost. The proposal also shows that the values lost are not to Threatened, or At Risk species (as defined in the New Zealand Threat Classification System but excluding matagouri and manuka) or species considered vulnerable or irreplaceable.

10) **Financial contribution:**

A financial contribution is only considered if it directly funds an intended indigenous biodiversity gain or benefit that complies with the rest of these principles.

11) **Science and mātauranga Māori:**

The design and implementation of biodiversity compensation is a documented process informed by science and mātauranga Māori where available.

12) **Tangata whenua and stakeholder participation:**

Opportunity for the effective and early participation of tangata whenua and stakeholders is demonstrated when planning biodiversity compensation, including its evaluation, selection, design, implementation, and monitoring.

13) **Transparency:**

The design and implementation of biodiversity compensation, and communication of its results to the public, is undertaken in a transparent and timely manner.