

Helping volunteers make a difference: The need for full disclosure in offset programs

In brief

People who volunteer their time, resources or land for environmental restoration projects typically want to make a difference to the environment. They should therefore be aware of whether the restoration they are participating in is part of an environmental offset. An offset, after all, is a condition of approval for a permitted loss. When mandated as an offset, restoration work must take place whether volunteers contribute to it or not, so in that case volunteers' contributions might be replacing work that would otherwise be done by a commercial provider.

When restoration work is funded by offsets, the net environmental outcome is usually intended to be neutral, not an environmental gain, because the benefit of the restoration is tied to a loss elsewhere. Volunteers generally only see the gain that they help achieve, not the corresponding loss it may be designed to offset, and so it is not always clear that their efforts result in no net gain.

We argue, therefore, for transparency and full disclosure to volunteers, donors and landholders about mandated offsets.

Well-informed volunteers might have valid reasons for willingly subsidising offset provision. They might also prefer to contribute to an alternative project where they can contribute to a net environmental gain. But they can only make this choice if fully informed.

We recommend that all environmental charities and non-government organisations, developers, offset funders and brokers commit to transparency, particularly to landholders, donors and volunteers, about the environmental impact that is to be offset and the fact that their involvement will not necessarily generate additional environmental benefit.



Tree planting volunteers in Queensland. Volunteers should know if the project they are working on will contribute to an overall improvement to the environment or not. Photo: Greenfleet Australia CC BY-NC-ND 2.0 Flickr

Case study: Justice Robert Hope Park

Volunteers replanted Endangered grassy white box woodland over several years in the Justice Robert Hope Park in the Australian Capital Territory. The benefits generated were used as part of an offset for a residential development. However, the decision about this was made after the replanting work was complete, and without consultation or consent from the volunteers (<https://citynews.com.au/2014/volunteers-feel-duped-land-greed/>).

Presumably many may not have donated their time if they were aware that their efforts would be used to allow a developer to clear elsewhere. And if the volunteers did not donate their work, the developer in this case would have been required to do additional restoration work elsewhere, and presumably also pay for it.

The consequence of this alternative scenario would have been more woodland than there is now, as the development offset would have been required in addition to the benefits the volunteers created.

Restoration for offsets

Native vegetation and valuable habitat continue to be lost and degraded at rates that far outstrip the repair work that restoration practitioners and volunteers do. Recognising this, governments have supported and incentivised restoration work for several decades. Some of the early programs included the National Landcare Programme in the 1990s and, since then, programs such as the Natural Heritage Trust, Caring for our Country and the Environmental Stewardship Program.

However, a relatively new source of financial support for on-ground restoration work is biodiversity offsetting. Biodiversity offsets involve producing an environmental benefit that is at least equivalent to

an environmental loss caused by a development. The aim is for “no net loss”; however, the reference scenario against which no net loss is generally measured is one of decline, so even a “no net loss” outcome means less biodiversity over time.

Biodiversity offsetting is controversial around the world. There are good reasons for this, with many risks and failures documented. However, well-designed and well-governed offset programs have the potential to focus our attention on accounting for environmental gains and losses, and striving to ensure that the full replacement cost of biodiversity is no longer absorbed solely by the public.

The role of volunteers

The restoration work of volunteers – who may include farmers and graziers, not-for-profit environmental organisations (ENGOS) and community groups – achieves important outcomes for the environment and biodiversity. Volunteers may have multiple and complex motivations for doing this work. Some of these include increasing the productive capacity of their land, providing habitat for particular species, improving the aesthetic quality of landscapes, participating in community activities and being good environmental stewards.

These days, the work of volunteers is sometimes used to generate offset credits – and sometimes those volunteers are not aware of this or of its implications. It is important that all stakeholders have the knowledge they need to make informed choices about participating in providing offset credits (see case study). And this is not simply a question of principle: giving volunteers the information they require to decide whether or not to participate in restoration for offsetting can mean the difference between no net loss, and a biodiversity gain.



LEFT: Volunteers are generally motivated by wanting to create an improvement in the environment. Photo: Greenfleet Australia CC BY-NC-ND 2.0 Flickr



Environmental rehabilitation by volunteers at Justice Robert Hope Park was used to offset a residential development. Photo: Bidgee CC BY-SA 3.0 Wikimedia Commons

Net offset outcomes are neutral

When funding translates to environmental outcomes on the ground, does it matter what the source of the funding is? We argue that it does. When restoration is required as a condition of development approval, such as for an offset, it changes the game for two reasons.

First, in any offset exchange, two places are involved: the outcome is no longer only about what happens at the site where the restoration work is done. Instead, what happens at that site is entangled with what happens at another, such that the outcome is at best neutral, and this remains true regardless of who, ultimately, provides the offset benefit. In all other kinds of restoration work, the only relevant outcome is the outcome at the restoration site itself. The landholder or community volunteer can easily see the net benefit of their work. But if the work was done to generate biodiversity credits that are exchanged for an equivalent loss

elsewhere, they cannot see the net outcomes of their efforts.

Second, landholders and volunteers are often motivated by the perception that their restoration work is doing an environmental service and providing a public benefit. But in the case of an offset, their work is donated to a developer to fulfil binding conditions of a development approval: the benefit is no longer a public one; it is a private benefit to the developer. In the case of offsets, the volunteer is effectively a service provider to a developer, and if they did not give their labour for free, someone else might have been paid to provide the necessary service. Furthermore, subsidies from volunteer offset providers work against market signals that reflect the true cost of biodiversity. This can undermine the point of offsetting, which is to cover the full cost of biodiversity damage – so as to discourage developers from causing damage or encourage them, at least, to try to minimise it.

This creates a predicament for conservation-minded practitioners, landholders and volunteers. Whether their restoration work achieves a real, tangible difference for the environmental values they care about depends on the source of the funds, that is, whether the restoration benefits they are providing are used as credits to offset destruction of a similar ecosystem elsewhere. When the restoration work is done as an offset, there is no net benefit to the environment; whereas the same work does achieve a net benefit if it is done not as an offset. In fact, if the volunteer has a choice to contribute to either an offset project or an otherwise identical non-offset project, the outcome of the latter would be the better option for the environment by 100%. Or, to put it another way, if the volunteer chooses not to do the offset and does something equivalent instead, twice as much gets done for the environment.



The swift parrot has been the subject of many biodiversity offset projects.
Photo: Dave Curtis CC BY NC ND 2.0

Cited material

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<https://citynews.com.au/2014/volunteers-feel-duped-land-greed/>

Further Information

Professor Martine Maron
m.maron@uq.edu.au

Fully informed to participate or withhold

If potential providers of subsidised offset credits are fully informed, and choose not to participate, it would make a difference to environmental outcomes. These individuals are playing a part in a (usually informal) market-like system; should enough landholders, for example, start to withhold the biodiversity benefits they create rather than donating or selling them to those who need them, developers would have to do extra restoration work that otherwise would not take place. At a minimum, developers would have smaller market from which to purchase

credits, which may result in higher prices. An uninformed market of suppliers providing subsidies may keep offsets artificially cheap, with the result that offsetting mechanisms do not work as effectively as intended, to account for the full costs of environmental damage by factoring biodiversity replacement costs into the cost of development.

Poor offset performance is a challenge around the world, and is all the more reason for any provider of offset credits to be fully informed of the environmental impact of their work.



Volunteers planting trees at privately owned Barrine Nature Refuge on the Atherton Tablelands in Queensland at an event arranged by Conservation Volunteers Australia.
Photo: Lt. J.G. Shawn P. Eklund Public Domain

Recommendations

We recommend that all ENGOs and offset brokers commit to transparency to landholders, donors and volunteers about the development that their offset is enabling, and all stakeholders should consider whether participating in the offset market achieves the net outcome they want to see. Proceeding in partnership with industry may be something that many landholders, volunteers and ENGOs are happy to support, but they can only make informed decisions about it where there is full and frank disclosure.