

Dashboard Impact Analysis (IA) – National Environmental Standard for Matters of National Environmental Significance

Department of Climate Change, Energy, the Environment and Water

The proposed approach and policy problem

Proposed approach

The proposed approach is a legally enforceable National Environmental Standard (NES) for Matters of National Environmental Significance (MNES Standard) under section 514YD the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). The MNES Standard establishes Objectives, Outcomes and Principles to improve regulatory certainty and support the Minister for the Environment and Water's decision-making under the EPBC Act. The MNES Standard requires proponents to design actions having regard to a specified mitigation hierarchy and to consider compensation only after the mitigation steps have been exhausted, supported by appropriate evidence. The MNES Standard should expedite assessments and reduce the need for further information requests. Ministerial decision-making will be more transparent as the minister must now be satisfied that a proposal is consistent with all relevant National Environmental Standards. If made, consistency with the MNES Standard would be assessed by the decision-maker in relation to:

- Decisions to approve the taking of an action, including conditions, and decisions to approve actions in accordance with an endorsed policy, plan or program, as well as variations to such approvals
- Decisions in relation to accrediting a management or authorisation framework or NOPSEMA management or authorisation framework
- Making or varying a bioregional plan or bioregional guidance plan.

Policy problem

The 2020 Independent Review of the EPBC Act Final Report (Samuel Review) found the EPBC Act was overly focused on process and a project-by-project approach, rather than environmental outcomes. This has led to regulatory uncertainty, with delay costs for projects - primarily due to information requests - and significant Ministerial discretion. Together with legislative reforms and the development of a Streamlined Approval Pathway, the Samuel Review's key recommendation was the introduction of National Environmental Standards, including for Matters of National Environmental Significance.

Summary of impacts and methodology

The Department prepared an Addendum to the Samuel Review on 30 October 2025. The Addendum focuses on the streamlined assessment pathway (reducing statutory timeframes from 70 to 50 days) and related reform measures – including the making of National Environmental Standards, rulings, defining unacceptable impacts, and requiring a ‘net gain’ for any residual significant impacts. These related reforms aim to improve environmental outcomes and reduce delays commonly caused by further information requests.

The Addendum estimates the impact of the streamlined assessment pathway (SAP, low scenario) and SAP and related reforms (medium and high scenario), as reproduced below in Table 1.

The Addendum estimates that under medium and low scenarios, requests for information would be reduced and avoided (respectively). Benefits were a reduced timeframe for assessments and approvals – at either 140 or 288 days.

Table 1. Estimated positive impact from reductions to delay costs from the introduction of the streamlined assessment pathway and related reform measures per relevant population per annum.

Change in Costs (\$million)	Business	Community organisations	Individuals	Total change in Costs
Low (20 days)*	\$441	\$4	\$0	\$445
Medium (140 days)	\$3019	\$25	\$0	\$3045
High (288 days)	\$6878	\$36	\$1	\$6914

Note* = baseline SAP case from the Addendum

This analysis adopts a contributory portion of the medium scenario as the expect impact of the MNES Standard to expedite approvals. The medium and high estimates in Table 1 include the streamlined assessment pathway and other reform measures so cannot be attributed solely to the MNES Standard. The MNES Standard is expected to contribute to the medium scenario savings through greater clarity regarding upfront environmental requirements and supporting information.

Option	Benefits	Other costs	Net impact	Regulatory burden
Proposed: MNES Standard	A contributory portion of the overall \$3,045,000,000 p/a in reduced delay costs for the further information pathway. Improved environmental outcomes; greater certainty; more consistent decisions.	Compliance, evidence and transition costs.	These have not been quantified, but costs are expected to be ameliorated by the benefits in more efficient assessment pathways.	A contributory portion of the overall minimum \$3,045,000,000 p/a in reduced regulatory burden.

Alternative: Policy Guidance only	Some transparency benefits	Low implementation cost	Limited net benefit	Expected to reduce benefits as would not sufficiently provide guidance on MNES, Ministerial discretion would remain high. Further information requests anticipated.
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Economic and social impacts

Status quo	Proposed option
People, business and other groups will continue to be made aware of the evidence required to assess the impacts of proposals through policy guidance only. Ministerial decision-making would remain inconsistent and not transparent. Multiple requests for additional information would likely continue.	The MNES Standard will support the operation of a reformed EPBC Act by setting expectations for regulated activities and uplifting the quality and consistency of decision-making. By replacing policy with a Standard to which the Minister must have regard, this will lead to clearer expectations, improved transparency, increased confidence in decisions and better outcomes for protected matters. Benefits are expected across proponents, governments, First Nations stakeholders and communities. Business should see the greatest benefit in reduced regulatory burden and administration costs. Stakeholder views: Stakeholders across sectors are broadly supportive of the MNES Standard's intent and underlying principles.

Regulatory burden

Status quo	Proposed option
Assessment of any existing compliance and/or delay costs: These costs are outlined in the Addendum.	Change in the regulatory burden: The MNES Standard will include compliance and evidence requirements, application of the mitigation hierarchy and assessment documentation. These requirements are expected to be offset by reduced uncertainty, fewer information requests and more efficient assessments, as outlined in the Addendum. The Department has considered the regulatory burden of the MNES Standard for people, businesses and other groups and considers the MNES Standard creates greater regulatory certainty and less burden for referrals and assessments under the new provisions of the EPBC Act. Stakeholder views: Consultation feedback across sectors was broadly supportive of the MNES Standard. Industry sought clarity on aspects of the MNES Standard, particularly the ambit of the principles and breadth of the definitions. A single submission estimated that the evidence requirements for the MNES Standard will be an additional cost to referrals, but this view was not shared among its sector peers. This submission assumed costs to meet the MNES Standard was in addition to costs obtaining approvals which is not the intent of the MNES Standard.

Other considerations and implementation

Other options considered were the status quo and non-regulatory. These options would not provide a legally enforceable, consistent framework and provide practical guidance for applicants as to how the legislative requirements will be considered by the Minister. The preferred option will be implemented through standards-making provisions of the reformed EPBC Act.

What success looks like

The Standards will provide sufficient clarity whilst retaining flexibility as to how proponents demonstrate that the substantive approval requirements for decision-making are met.

This will lead to more consistent environmental decisions; improved outcomes for protected matters; fewer requests for additional information; increased stakeholder confidence; improved transparency and regulatory certainty.

Implementation approach

Implementation will occur through the ongoing tranches of legislative reform supporting the new EPBC arrangements and may include guidance materials to support specific sectors to access the benefits of streamlined pathways, National EPA oversight and Environment Information Australia reporting.

Planned evaluation

Formal review is required within 18 months of commencement and at least every five years thereafter by section 514YJ of the reformed EPBC Act.

Statement of Sufficiency

I confirm that this Dashboard Impact Analysis (IA) prepared for National Environmental Standard for Matters of National Environmental Significance meets the requirements set out in the *Australian Government Impact Analysis Framework*.

I confirm that the level of analysis is proportionate to the policy issue being considered.

I note the Dashboard IA provides analysis of the impacts of the proposal using the 7 IA questions and:

- a high-level summary of costs and benefits and an estimate in the change in the regulatory burden, of the policy options under consideration
- high-level analysis of the policy option against the government's key strategic priorities
- a summary of relevant distributional effects and evidence of key stakeholder feedback incorporated into the policy design
- other details required to understand and assess the proposal.

Endorsed by



Narelle Luchetti

Deputy Secretary, Environmental Policy and Programs Group

Department of Climate Change, Environment, Energy and Water

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