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Australia's *State of the Environment Report 2021* ACF briefing paper

Summary overview

Every 5 years, the Australian government releases a comprehensive assessment of the state of our environment, which is authored by independent experts. The Australian Government released the most recent *State of the Environment Report 2021* on 19 July 2022. The report found:

- Australia's environment is in poor condition and deteriorating because of increasing pressures from climate change, habitat destruction, invasive species, pollution and resource extraction.
- Many of the pressures outlined in previous reports – climate change, habitat destruction and invasive species – are becoming worse and creating cumulative impacts that amplify threats to species and ecosystems.
- Our inability to adequately manage pressures will continue to result in extinctions and deteriorating ecosystem condition, reducing the environmental capital on which current and future generations of Australians depend.
- Indigenous knowledge and connections to Country are vital. Indigenous people have cared for Country across generations, yet Indigenous knowledge and views are often not incorporated, valued or used.
- Australia's key national legislation for protecting threatened species and communities, the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), is not effective in delivering improved outcomes for biodiversity, or in arresting biodiversity declines

However, the report also found that immediate action can turn things around. The report gives us evidence that can help shape urgent solutions that halt and reverse biodiversity destruction and restore our environment to health. Fundamental change is needed, including:

- strong national environment laws that protect nature and an independent regulator to enforce them
- investment in the recovery of Australia's threatened species and the restoration of our degraded ecosystems
- slashing climate pollution by more than half this decade and supporting nature as a climate solution
- protecting at least 30% of land and seas by 2030 including freshwater and inland water systems with particular attention on underrepresented ecosystems
- at the upcoming COP15 under the Biodiversity Convention, lead on ambitious global goals for nature that stop biodiversity destruction, end extinction and restore nature.



What are some of the key findings in the State of the Environment report?

The report is a comprehensive national assessment of the state and trend of Australia's environment, and the underlying drivers of these trends. Essentially, it is a report card on how Australia's environment is faring. For the first time in a national State of the Environment report, an Indigenous co-authorship model was used to ensure Indigenous knowledge, values and perspectives were incorporated. The report highlights the importance that traditional knowledge has played in caring for Country for tens of thousands of years in Australia and must continue to play in the future.

The report has 12 chapters and an extensive interactive website at: <https://soe.dcceew.gov.au/>. This briefing focuses on the biodiversity, land and climate chapters of the report.

Biodiversity

- *Our biodiversity is declining, and the number of threatened species is increasing.* While our understanding of the state and trend of threatened species in Australia has improved since 2016, 'biodiversity overall is monitored very poorly in Australia, and we cannot assess the state and trend of most species with any confidence'.
- *Many Australian ecosystems are experiencing cumulative and compounding pressures, leading to ecosystem collapse.* At least 19 Australian ecosystems have been reported to show signs of collapse or near-collapse as a result of multiple pressures, including habitat destruction, climate change, and invasive species.
- *Australia has lost more mammal species than any other continent* and continues to have one of the highest rates of species decline among OECD countries. The number of new species listed, or listed in a higher threat category, has grown by 8% since 2016 and will increase substantially in coming years because of the 2019–20 bushfires.
- *Many of the pressures on biodiversity in Australia have increased in intensity in the past 5 years.* Habitat destruction and degradation as well as invasive species result in persistent and sometimes irreversible impacts on biodiversity across almost all areas of Australia.
- *Habitat destruction and degradation is the main threat to species in Australia*, with nearly 70% of Australian threatened taxa impacted and 60% of listed threatened species seriously affected. Of the 7.7 million hectares of land habitat cleared between 2000 and 2017, 7.1 million hectares (93%) was **not** referred for assessment under the EPBC Act. Nine of the 10 threatened species that have lost the most habitat to clearing occur in Queensland.
- *Climate change and extreme weather events are becoming increasingly important as direct drivers of changes in biodiversity.* Australian ecosystems and associated species are expected to continue to change substantially in response.

Land

- *Intense competition for land resources in Australia* has resulted in continued declines in the condition and amount of land-based natural capital — native vegetation, soil and biodiversity — which deliver essential ecosystem services and benefits to humans (such as clean air, water, and food).



- *Native vegetation has been extensively cleared* throughout eastern and southern Australia and agriculture, forestry and mining are driving up clearing rates. Native vegetation that has regrown after past clearing is increasingly being recleared, often without authorisation. Mapping does not accurately reflect the full extent to which land use has modified native vegetation condition. There is a lack of clarity around what is being cleared, where and for what purpose.
- *Native vegetation management lacks national coordination*, confounded by inconsistencies in definitions for the extent and condition of native vegetation, and different approaches to monitoring. Since 1990, over 6.1 million hectares of primary forest has been cleared and converted to other land uses or regrown as secondary forest.
- *Land managed for nature conservation has remained relatively steady since 2016*, with most increases coming from the private sector and the Indigenous estate. Indigenous Protected Areas make up nearly half of the National Reserve System. The National Reserve System covers almost 20% of Australia but is not 'ecologically representative' and does not protect the full range of biodiversity and ecosystems.

Climate change

- *Australia's climate is changing and warming* – land and ocean temperatures have warmed by 1.4 °C and 1.1 °C respectively since national records began. Our warmest year on record was 2019 which saw temperatures 1.5 °C above the average as well as catastrophic bushfires. Emissions that have already occurred are locked-in and will drive further warming and changes to the climate over the coming decades.
- *The profound impacts of climate change on the environment and our communities are here, now.* Rainfall has decreased in the south of Australia and increased in the north. Decreases in rainfall are having a profound effect on river systems driving climate impacts such as the large-scale fish deaths in 2019 in the Murray –Darling Basin.
- *Communities across Australia are facing and responding to the changing climate, including increased frequency of climate disasters and incremental changes.* For example, sea levels on Australia's coastline are rising above the global average of 3–3.5 millimetres per year and Torres Strait Island communities are actively adapting to these changes with little support. ACF emphasises that government support to adapt is vital.
- *First Nations people are disproportionately affected by climate change and their knowledge can provide a deep understanding of climate changes and impacts to shape solutions.* First Nations people should be involved in and lead decision-making around climate nationally and internationally and more must be done to listen to, and include Indigenous voices in all climate forums, governments and organisations.
- *Global emissions continue to increase, and Australia's emissions are not reducing fast enough to limit warming to 1.5 °C* – Australia's emissions have fallen by 20% since 2005, but the rate of change has decreased since 2013.
- *Policy measures, new and developing technologies and private sector action have influential roles to play reducing emissions.* ACF emphasises that action in each of these areas must centre community led-solutions to ensure that reducing emissions also directly improves the health and wellbeing of people across Australia.



What can the Australian Government do to turn this around?

Fundamental change is needed, including a complete overhaul of Australia's failing national environment laws and significant investment in species recovery and ecosystem restoration.

Strong national environment laws and an independent regulator to enforce them

- The *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) has been the subject of 'considerable scrutiny' in the past five years. This includes:
 - Professor Graeme Samuel's *Independent Review of the EPBC Act*, released in January 2021, found the EPBC Act needs fundamental reform as it is 'outdated', 'ineffective' and 'not fit to address current or future environmental challenges'. The report made 38 interconnected recommendations to fix and strengthen the Act and set out a clear pathway for reform. These recommendations included strong, legally enforceable national environmental standards as the 'centrepiece' of a broader reform framework.
 - A 2020 report by the Australian National Audit Office on the effectiveness of the administration and governance of EPBC Act referrals, assessments and approval of controlled actions. The report found that the current regulatory approach was not proportionate to environmental risk; the administration of referrals, assessments and approvals under the Act was not effective; and governance arrangements were not sound.
- To date, little progress has been made on these reforms, although the new government has now promised to respond to the Samuel Review by the end of this year, and to introduce legislative reforms in 2023.
- The Australian Government needs to deliver the fundamental reforms that are needed: strong environment protection laws that genuinely protect and restore nature in Australia, and a well-resourced independent regulator to enforce those laws.

Invest in protecting, recovering and restoring Australia's biodiversity

- Spending on biodiversity projects by the federal government has declined by almost 40% since 2013.¹ Adequate investment is essential to improve the state of Australia's environment. Spending \$2 billion annually for 30 years could restore almost all (99.8%) of Australia's degraded terrestrial ecosystems to 30% vegetation

¹ Australian Conservation Foundation. (2021). *Budget throws loose change at environment and climate*. Retrieved 10 August 2022, from https://www.acf.org.au/budget_throws_loose_change_at_environment_climate



coverage.² The Australian Government should invest at least this amount to recover critical ecological functions and abate almost one billion tonnes of carbon dioxide equivalent. Investment in Indigenous-led approaches including Ranger programs provides benefits for nature, culture, communities and climate.

- In addition to public investment, the government can leverage greater private investment in conservation and restoration through credible incentives and mechanisms. Any such scheme should have genuine integrity and strong governance arrangements and be complemented by appropriate public investment.
- National leadership is required to drive strategic growth and improve management effectiveness of Australia's protected areas. At least 30% of lands and seas should be protected by 2030, including freshwater and inland water systems, with particular attention on underrepresented ecosystems. New protected areas and other effective [conservation mechanisms](#) across all land tenures should help to build a comprehensive, adequate and ecologically representative system and prioritise the protection and management of critical habitats, sites critical for climate change resilience and connectivity for wildlife.

Act now to slash climate pollution by more than half this decade and recognise nature as a climate solution

- The Australian Government needs to take urgent action to reduce emissions and restore nature. Legislating Australia's 2030 emission reduction target as 43% is a strong start to the huge task of achieving net zero emissions by 2050, or earlier.
- The Australian Government must also implement climate solutions at scale and speed, this will require enormous amounts of renewable energy to be built in Australia, sustainably and in a way that protects nature and is fair for people, especially First Nations people and those dependent on coal and gas. Decarbonising our export economy away from polluting coal, gas and uranium to clean, renewable energy over the next decade will create over 395,000 jobs and generate \$89 billion in new trade.³
- Our nature and climate crises also cannot be solved separately. The big drivers of climate damage — polluting industries and land clearing — are also what destroy our communities and culture, as well as our forests, oceans, plants and animals. The ACF supported paper, [Nature as a Climate Solution](#), outlines the importance of First Nations leadership to guide how we protect and restore Country, culture and nature must be at the heart of Australia's action on climate change.

² Mappin, B., Ward, A., Hughes, L., Watson, J. E. M., Cosier, P., & Possingham, H. P. (2021). *The costs and benefits of restoring a continent's terrestrial ecosystems*. besjournals. Retrieved 15 August 2022, from <https://besjournals.onlinelibrary.wiley.com/doi/10.1111/1365-2664.14008?af=R>

³ Accenture, commissioned by ACF, the Business Council of Australia, the ACTU, and WWF-Australia. (2021). *Sunshot: Australia's opportunity to create 395,000 clean export jobs*. Retrieved Jul 27, 2022, from https://d3n8a8pro7vhmx.cloudfront.net/auscon/pages/19495/attachments/original/1634172513/Clean_exports_detailed_report_vf_FINAL.pdf?1634172513=



Lead on ambitious global goals for nature that stop biodiversity destruction, end extinction, and restore nature

- At the UN Biodiversity Conference (COP15), to be held in December this year in Montreal, Canada, the Post-2020 Global Biodiversity Framework will be finalised and adopted under the Biodiversity Convention. The Framework sets out goals and targets to protect and restore nature for the next decade and beyond so countries can, individually and collectively, achieve the overall vision of ‘living in harmony with nature’ by 2050.
- COP15 will be the biggest global opportunity for nature in a decade. It is our best chance to deliver a clear set of goals and targets for governments and businesses to align with and be held accountable to. The Australian Government must do everything it can to ensure the agreement delivers the ambition nature needs.
- To achieve a ‘[Nature Positive](#)’ world by 2030, we need to halt and reverse nature loss measured from a baseline of 2020, through increasing the health, abundance, diversity and resilience of species, populations and ecosystems so that by 2030 nature is visibly and measurably on the path of recovery. By 2050, nature must recover so that thriving ecosystems and nature-based solutions continue to support future generations, the diversity of life and play a critical role in halting runaway climate change.
- As outlined in the ACF paper on [Reversing nature destruction in Australia](#), the Australian Government should champion ambitious international goals to halt and reverse biodiversity destruction, end extinction, protect at least 30% of land and seas by 2030, strengthen the link between action on climate and biodiversity, and require businesses to reduce, measure and report on their nature-related impacts and dependencies.

About ACF

The Australian Conservation Foundation (ACF) is Australia’s national environment organisation. Established in 1965, ACF has more than 700,000 supporters committed to addressing the climate and nature crises faced by Australia and the world through evidence-based solutions. Our large community expects the government to lead with a plan to protect nature and stop climate damage.

