

19 November 2020

Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

Sent via email: ec.sen@aph.gov.au

Dear Secretary,

RE: ENVIRONMENTAL PROTECTION AND BIODIVERSITY CONSERVATION AMENDMENT (STREAMLINING ENVIRONMENTAL APPROVALS) BILL 2020

The Chamber of Minerals and Energy of Western Australia (CME) welcomes the opportunity to provide a submission to the Senate Committee inquiry to support the *Environment Protection and Biodiversity Conservation Amendment (Streamlining Environmental Approvals) Bill 2020* (the Bill).

CME is the peak resources sector representative body in Western Australia (WA). CME is funded by member companies responsible for more than 86 per cent of the State's mineral and energy workforce employment.¹

The mineral and petroleum industry are key stakeholders of the *Environment Protection Biodiversity Conservation Act 1999* (EPBC Act), accounting for 32 per cent of total decisions made and 37 per cent of EPBC Act approvals required in 2018-19.²

The business case for reform

Industry experience of federal environmental assessments indicates a lack of inter-governmental cooperation and unnecessary duplication which results in drawn out approval timelines and uncertainty for proponents. The case for reforming the EPBC Act and its decision-making processes is supported by:

- The draft findings of the 2020 Independent Review of the EPBC Act Interim Report (Samuel's Review Interim Report);³
- The findings of the 2009 Independent Review of the EPBC Act (Hawke Review);⁴
- The Australian Government response to the Hawke Review;⁵
- Council of Australian Governments (COAG) and the Western Australian Government accepting the need for reform; and
- The experience of WA's public and private sectors engaged in development projects that attract EPBC Act jurisdiction.

Findings from the recent Productivity Commission Draft Report on Resources Sector Regulation further support the need for regulatory reform, citing current processes as "unduly complex, duplicative, lengthy and

¹ Full-time employees and contractors onsite in 2019-20, excludes non-operating sites. Government of Western Australia, *2019-20 Economic indicators resources data*, Safety Regulation System, Department of Mines, Industry Regulation and Safety, 25 September 2020.

² Commonwealth of Australia, *Annual Report 2018-19*, Department of the Environment and Energy, 2019, p. 252.

³ Samuel, G., *Independent Review of the EPBC Act Interim Report*, Commonwealth of Australia, 2020.

⁴ Hawke, A., *The Australian Environmental Act – Report of the Independent Review of the Environment Protection and Biodiversity Conservation Act 1999*, Commonwealth of Australia, 2009.

⁵ Commonwealth of Australia, *Australian Government Response to the Report of the Independent Review of the Environment Protection and Biodiversity Conservation Act 1999*, Canberra, 2011.

uncertain”.⁶ Such complex and lengthy assessment and approvals processes can significantly impact industry’s global competitiveness, with estimated costs between 7 and 18 per cent of a project’s net present value for a one-year delay.⁷

In addition, the series of reviews and reports referenced are unanimous in concluding that inefficient and complex assessment, approval and compliance processes do not contribute to improved environmental outcomes in line with the objects of the EPBC Act.

Further, a 2014 analysis by the then Commonwealth Department of the Environment concluded that coordinating Commonwealth and State environmental approval processes would save Australian businesses \$426 million annually.⁸

The reform pathway

CME supports a staged approach to reform, as recommended in the Samuel’s Review Interim Report.⁹

The Bill, an important first step in a comprehensive regulatory reform agenda, proposes amendments to the EPBC Act which:

- Are aligned with the recommendations proposed in the Samuel’s Review Interim Report;
- Are largely administrative and consistent with the existing objects of the Act; and
- Will not impact environmental protections.

CME support the passage of the Bill to facilitate more robust and enduring bilateral agreements. Bilateral agreements are already enabled under the EPBC Act and have been envisaged by the Act since its commencement in 1999. The proposed amendments in the Bill merely improve their stability, providing greater certainty for both proponents and governments party to bilateral agreements.

The proposed amendments are aligned with National Cabinet’s decision to establish a ‘single-touch environmental approvals’ system.¹⁰ Streamlining environmental approval processes will be especially important to support the post-pandemic recovery.

CME strongly supports the establishment of a bilateral approvals agreement between WA and the Commonwealth that ensures environmental standards are maintained through a more efficient delivery model.

Should you have questions regarding this letter, please contact Bronwyn Bell, Manager Natural Resources.

Yours sincerely,

Paul Everingham
Chief Executive Officer

⁶ Commonwealth of Australia, *Resources Sector Regulation, Draft Report*, Productivity Commission, 2020, p. 2.

⁷ Commonwealth of Australia, *Resources Sector Regulation, Draft Report*, Productivity Commission, 2020, p. 152.

⁸ Department of the Environment, *Regulatory cost savings under the one-stop shop for environmental approvals*, Australian Government, Canberra, September 2014, p. 1.

⁹ Samuel, G., *Independent Review of the EPBC Act Interim Report*, Commonwealth of Australia, 2020.

¹⁰ Prime Minister of Australia, *National Cabinet Media Statement*, 24 July 2020, <https://www.pm.gov.au/media/national-cabinet-24jul20>.