

**To: Department of Environment, Parks and Water Security,
Northern Territory**

**Re: Greenhouse Gas Emissions Management for New and
Expanding Large Emitters**

15 February 2021

Introduction

AMEC appreciates the opportunity to provide a submission to the Northern Territory's Department of Environment, Parks and Water Security (the Department) on the draft 'Greenhouse Gas Emissions Management for New and Expanding Large Emitters' policy (the policy). The development of an appropriate framework is critically important to the mining and mineral exploration sector, which has the potential to unlock economic growth and drive the Territory's objectives in line with the Territory Economic Reconstruction Commissions Report¹.

About AMEC

The Association of Mining and Exploration Companies (AMEC) is a leading national industry association representing over 350 members from all around Australia. Our members are explorers, emerging miners, producers, and a wide range of businesses working in and for the industry; we have 20 member companies actively exploring, mining, and developing projects in the Northern Territory.

The mining and exploration industry make a critical contribution to the Australian economy, employing over 255,000 people, and in 2018/19 collectively paid over \$39 billion in royalties and taxation. In 2019/20 resources companies invested \$35 billion in new capital and generated more than \$176 billion in mineral exports. \$2.8 billion was spent on minerals exploration in 2019/20, representing an 18% increase from the previous year.

Draft Greenhouse Gas Emissions Policy

General feedback

AMEC considers climate change policy and the determination of relevant and proportionate emissions reduction targets to fall under the remit of the Australian Government. All State and Territory policies should align with the Commonwealth position. AMEC supports a national bipartisan response led by the Australian Government to climate change, emissions reduction, and abatement through unified and consistent actions. This response should appropriately reflect Australia's dependence on the jobs and combined revenues that the mining and mineral exploration industry generates.

We have made several submissions to the Greenhouse Gas Emissions Policy frameworks of other Australian jurisdictions. The submissions have all recommended the alignment of each individual

¹ https://ntrebound.nt.gov.au/__data/assets/pdf_file/0020/952301/terc-final-report.pdf

jurisdiction with Australia's existing international commitments, in leading to an integrated, orderly, phased transition to a low carbon economy.

The success of Industry, which will directly influence the Territory's ability to achieve the ambitious targets in the TERC report, is reliant on a stable and consistent regulatory environment, which provides certainty to industry and investors. This will be driven by the equitable implementation of commitments across each sector of Government and the economy. Great care and consultation will need to be taken to ensure there are no unintended consequences for the mining and mineral exploration sector, which drives a resource-based Territory economy.

AMEC notes that the policy aligns with the Australian Government's pre-existing Paris Agreement² nationally determined contributions. This policy duplicates the commitment to achieve 'net zero greenhouse gas emissions by 2050'.

Minimisation of the administrative duplication this policy will create must be a priority.

Mutual recognition of Commonwealth Reporting requirements by NT Government.

Australian companies and corporations have obligations under the Commonwealth National Greenhouse and Energy Reporting Act 2007 (NGER Act) to report if emissions or electricity consumption exceed certain thresholds. Companies that exceed thresholds must reduce their net emissions by purchasing and surrendering Australian carbon credit units (ACCUs) to offset their emissions.

AMEC strongly recommends that the Northern Territory Government accept evidence of a company and corporate groups successfully reporting to the Commonwealth Government as adherence to this policy.

Recognition of Commonwealth Reporting will achieve the stated outcomes detailed on page 4 of the Policy and reduce potentially costly administrative duplication.

Scopes 1, 2 and 3

The identification of scopes in the Federal Policy framework is another element of consistency to the policy frameworks adopted by States and Territories to align with existing, overarching Commonwealth obligations and commitments.

AMEC supports the proposed requirement for companies to be accountable for their Scope 1 emissions in line with Commonwealth Policy framework.

AMEC strongly supports the exclusion of Scope 3 emissions from the calculation of greenhouse gases that a regulator expects to be abated.

Government policy should not significantly disadvantage new entrants in comparison with established companies. AMEC represents a large scope of mineral exploration companies and miners, with

² The "Paris Agreement" was negotiated in 2015 in Paris as part of the United Nations Framework Convention on Climate Change and ratified by the Commonwealth Government in April 2016. https://treaties.un.org/pages/ViewDetails.aspx?src=TREATY&mtdsg_no=XXVII-7-d&chapter=27&clang=_en

significantly varying project sizes. To mitigate likely uncertainty with interpretation and considerations of relevance, we recommend the Department provides more examples of activities that may be considered under each scope.

Greenhouse Gas Abatement Plan (GGAP) Training recommended

The GGAP is a new requirement for new and/or expanding projects to submit to the NT EPA for assessment.

AMEC requests that the Department provides further detailed guidance outlining what a GGAP will entail. Suitable training to ensure applications meet the Regulator's expectations, and assessments are carried out in a consistent manner, in accordance with statutory timeframes is also sought. These factors should alleviate potential delays or additional costs to proponents, arising from uncertainty. The training would also be benefit from an activity detailing how new requirements will align and / or coincide with existing environmental requirements, to identify any points of potential duplication.

This training should be open to relevant industry practitioners, consultants, service providers, and Government assessors. AMEC has previously facilitated workshops between Industry and Governments across Australia and would be happy to facilitate a similar forum in the Territory, where possible.

Additional information request

Industry requests more clarity as to the circumstances or threshold in which additional information for assessment may be requested by the Department as this point is made several times in the draft policy. The request for additional information could cause unnecessary delays and additional costs to proponents, and clarity as to the intent behind this potential request is needed.

The draft policy states the NT EPA may undertake an environmental impact assessment on new projects or expanding projects. It is not clear what would trigger this requirement, or the necessity of it. Proponents are all required to undertake rigorous environmental impact assessments as part of their environmental application requirements. The wording in the draft policy suggests the Department will potentially undertake their own additional, extensive assessment on these projects. If this is the intended interpretation and action, more clarity is requested. If this has not been interpreted as intended, it is recommended this section is redrafted in a clear manner.

Greenhouse Gas emissions offsets

In February 2020 AMEC made a submission to the Northern Territory Offsets Policy consultation, opposing the proposed introduction of greenhouse gas offsets. We continue to advocate that the proposed greenhouse gas emissions offsets mirror the Commonwealth Government required offsets and do not double the cost of being in the Territory.

It is expected that all new projects and project expansions will be designed and carried out in a manner that applies all reasonable avoidance and mitigation measures to minimise the potential release of greenhouse gas emissions in the first instance.

National Greenhouse and Energy Register

The national greenhouse and energy register records all persons that have registered under the NGER Act. By 28 February each year the Clean Energy Regulator is obligated to publish the name of each person that was registered under the NGER Act for the previous reporting year. The Territory must ensure that their reporting requirements do not cause any unintended consequences to companies meeting their Commonwealth Government obligations.

Final comment

AMEC welcomes continued opportunities for collaboration with the Department in the planned systematic expansion and evolution of the policy over time, to ensure Industry's unique position is appropriately represented as the Territory works towards the net zero emissions by 2050 target.

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