

Climate Council of Australia

Submission to: Senate Inquiry - Environment Protection Reform Bill 2025

and six related bills

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About the Climate Council

The Climate Council is Australia's own independent, evidence-based organisation on climate science, impacts and solutions.

We connect decision-makers, the public and the media to catalyse action at scale, elevate climate stories in the news and shape the conversation on climate consequences and action, at home and abroad.

We advocate for climate policies and solutions that can rapidly drive down emissions, based on the most up-to-date climate science and information.

We do this in partnership with our incredible community: thousands of generous, passionate supporters and donors, who have backed us every step of the way since they crowd-funded our beginning as a non-profit organisation in 2013. To find out more about the Climate Council's work, visit www.climatecouncil.org.au.

Executive Summary

Parliament has a once-in-a-generation opportunity to strengthen Australia's environmental and climate frameworks to genuinely protect our precious natural environment from major threats. However, as they currently stand, the proposed reforms do not address the biggest threat to Australia's environment: climate change.

Climate change, driven by pollution from burning fossil fuels, is already impacting the complex ecosystems we depend on for healthy and prosperous lives, damaging the habitats of important animal, insect and plant species, and threatening iconic natural places like the Great Barrier Reef. To better protect Australians from climate harm, we must curb new and expanded coal, oil and gas projects. The Government has the opportunity to achieve this through its reforms to the EPBC Act, however, the current proposed reforms fall well short of what is required to address climate change and protect our environment.

The Government's current proposed reforms would:

- Create a new climate loophole requiring the disclosure of direct emissions from projects, while prohibiting this information from being factored into approval decisions.
- Undermine Australia's climate progress, by continuing to allow fossil fuel projects, including 42
 already in the pipeline, to be approved unchecked even if their domestic emissions put our
 climate targets at risk.
- Enable polluting projects to be fast-tracked, with no prioritisation of environmentally responsible clean energy projects essential to cutting climate pollution.
- Fail to address existing loopholes, which allow land clearing and native logging to continue without proper federal assessment.

The failure to tackle climate in these reforms lies in stark contrast to the Albanese Labor Government's efforts to cut climate pollution – including our climate targets, policies, and international commitment to contribute to the global goals of keeping warming well below 2°C. An effective, modern national environment law can deliver on the Government's objectives of boosting productivity and enabling vital projects like responsible renewable energy, critical minerals and housing, while protecting the environment from climate harm and other risks.

The Climate Council has long advocated for comprehensive reforms to the EPBC Act which protect the environment from climate harm. This includes the addition of a "safe and liveable climate" as a Matter of National Environmental Significance, a reform often referred to as a 'climate trigger'. The Climate Council maintains that this comprehensive reform is the clearest option to genuinely protect the environment from climate harm, and contribute to limiting climate change in line with global goals.

However, acknowledging that the Albanese Government has ruled out this particular change, there is still a critical opportunity for reform. Even without a climate trigger, there are plenty of ways this bill could be stronger on climate. Currently, neither Australia's current laws and policies, or these proposed reforms, manage the risk posed by the unchecked expansion of highly-polluting coal, oil and gas projects. As a result, new and expanding projects which undermine our domestic climate targets and key policies like the Safeguard Mechanism can proceed unchecked.

Three sensible improvements can align Australia's national environment law with our climate policy

- provide for disclosure, assessment and control of climate pollution to ensure our climate targets and key policies to cut climate pollution (notably the Safeguard Mechanism) are not undermined;
- accelerate the energy and infrastructure we need not the polluting projects we don't; and
- close climate-polluting loopholes that allow lands to be cleared and native forests logged.

The Climate Council urges the Government and Parliament to recognise the significant risks and shortcomings in the proposed reforms and take action to strengthen the laws to better protect our environment, and Australian communities, from escalating climate harm.

1) Disclose, assess, and manage climate pollution

Key issues

Climate change is the greatest threat to our natural environment, yet climate pollution will not be considered in decisions.

- No disclosure of downstream Scope 3 climate pollution, despite the Samuel Review recommending "full disclosure" of emissions.
- Requirements for emissions reduction plans are not clear.
- Emissions disclosures are not verified, and are prohibited from being considered during decision-making – even where projects are incompatible with Australia's climate targets, policies (e.g. the Safeguard Mechanism), or international obligations.

Recommended amendments

- 1. Require full disclosure of climate pollution.
- 2. Require developers to submit credible emissions reduction plans.
- 3. Require independent verification and assessment of disclosed emissions and emissions reduction plans.
- Ensure decision-makers consider climate pollution during decisions and conditioning of highly-polluting projects; to ensure compatibility with Australia's climate targets, policies, and international obligations.

2) Accelerate critical projects, not polluting ones

Key issues

There is a real risk that the reforms will fast track the approval of new and expanded coal and gas developments.

- The proposed reforms to streamline project approvals do not distinguish between these critical projects, like renewable energy and housing, and harmful fossil fuel projects.
- There are several specific amendments that risk significantly weakening federal accountability and oversight of fossil fuel approvals.

Recommended amendments

- 5. Strengthen guardrails to ensure fossil fuel projects cannot be fast-tracked:
 - Specifically prohibit fossil fuel projects from streamlined or fast-tracked assessment measures.
 - Retain the exemption of the water trigger from being devolved to states and territories for approval, and apply the exemption consistently to all assessment mechanisms.

- Remove or limit Minister's discretion under the National Interest Exemption powers.
- Strengthen and future-proof NOPSEMA accreditation provisions.

3) End loopholes which allow land clearing and native forest logging without assessment

Key issues

The reforms do not address forestry or land clearing loopholes.

- Loopholes in the current EPBC Act allow native forest logging to go ahead without federal environmental assessment.
- Despite signing an international pledge to halt and reverse deforestation and land degradation, our national environment law continues to lag behind.

Recommended amendments

- 6. Close existing deforestation and land clearing loopholes:
 - Ensure all forests are subject to national protections and standards.
 - Repeal or significantly narrow the "continuation of use" exemption, which allows outdated approvals to persist even when they would not pass today's standards.

Australia's environment law needs to tackle climate change

Climate change is the greatest threat to our natural environment

The science is clear: climate pollution, primarily from the burning of coal, oil and gas, acts like a blanket, trapping more heat in our atmosphere every year. That heat fuels worsening extreme weather events and wreaks havoc on the global climate systems on which humans, plants and animals depend for survival. Every fraction of a degree of global temperature rise matters. Each small rise in temperature fuels more frequent and ferocious extreme weather events, drives irreversible damage to ecosystems, and worsens impacts on lives and livelihoods across the world.

Climate change is already impacting the complex ecosystems we depend on for healthy and prosperous lives, damaging the habitats of important animal, insect and plant species, and threatening iconic natural places like the Great Barrier Reef. This year alone, five climate-driven disasters have caused severe damage to environments, communities and industries all over Australia:

- 1. Ningaloo Reef coral bleaching, Western Australia February to March
- 2. Great Barrier Reef coral bleaching, Queensland March
- 3. Tropical Cyclone Alfred, Queensland and New South Wales March
- 4. Severe drought in South Australia and western Victoria February 2024 to June 2025
- 5. Record-breaking floods in NSW's mid north coast and Hunter regions May

The <u>National Climate Risk Assessment</u> confirmed that Australia's natural environment is already feeling "significant, widespread, and cascading" impacts of climate change, threatening Australia's biodiversity and natural systems, and the people and industries that rely on them. Over the next 25 years, our environment faces loss of species and "almost certain collapse of some ecosystems" with significant flow-on risks to public health and safety (<u>Australian Climate Service 2025</u>).

FIGURE 1: THE ENVIRONMENTAL IMPACT OF CLIMATE CHANGE

	1.5°C	2°C	Impact of 2°C compared to 1.5°C
Loss of plant species	6% of plants will lose 1/2 their habitable area	16% of plants will lose 1/2 their habitable area	> 2x worse
Loss of insect species	6% of insects will lose 1/2 their habitable area	18% of insects will lose 1/2 their habitable area	> 3x worse
Further decline in coral reefs	70% to 90%	99%	up to > 29% worse
Extreme heat	14% of the global population exposed to severe heat every 1 in 5 years	37% of the global population exposed to severe heat every 1 in 5 years	> 2.6x worse
Sea-ice-free summers in the Arctic	At least once every 100 years	At least once every 10 years	> 10x worse

Source: Adapted from IPCC (2018)

Despite threats to our environment, the EPBC Act fails to curb climate pollution and protect our environment from climate harm

Australia's main national environment law - the *Environment Protection and Biodiversity Conservation (EPBC) Act 1999* - is intended to protect the animals, plants, landscapes and ecosystems that are our shared natural endowment. However, it is falling short of this objective, in no small part because the law does not prevent climate harm.

Australia has clear policies to cut climate pollution, many of which have been strengthened in recent years — including legislated emissions targets, a renewable energy target, regulations on industrial pollution and vehicle efficiency standards. However, the proposed reforms would deliver outcomes at odds with these goals. While Australia aims to cut climate pollution, the reformed EPBC Act will continue to approve projects which promise higher climate pollution, far into the future.

Hundreds of new and expanded fossil fuel projects have been approved under the EPBC Act, with no regard for their climate impacts

New and expanded fossil fuel projects are incompatible with limiting global warming to 1.5°C (International Energy Agency 2021) – the Paris Agreement temperature goal that is enshrined in our federal Climate Change Act and is designed to prevent catastrophic harm to people and ecosystems. Despite this, the EPBC Act has so far allowed more than 750 coal, oil and gas projects to be approved since 1999, and fossil fuel projects are still being approved unchecked.

Since 2022, 32 new coal, oil and gas developments have been approved. The most recent approval at the time of writing, on 14 October 2025, gave Chevron the green light to extract gas from seven fields in Western Australia. These 32 projects will release 9.8 to 12.8 million tonnes of climate pollution directly in Australia each year - excluding 10 projects that have not disclosed their emissions, as they are not required to under the current EPBC Act (Climate Council 2025).

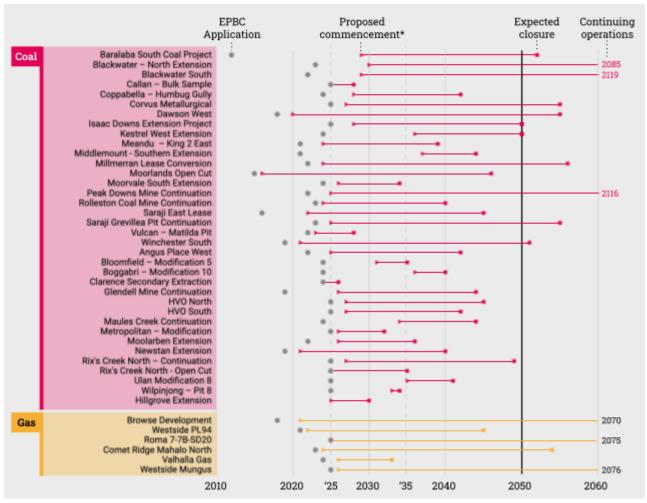
These emissions make it harder and more costly for Australia to reach its emissions reduction targets. But none of these projects faced meaningful consideration of their climate impacts, or their impact on Australia's climate target and policies.

Dozens of new and expanded fossil fuel projects are seeking approval to increase fossil fuel extraction

The coal and gas industries continue to seek approval for new and expanded fossil fuel extraction far into the future. There are at least 42 coal and gas projects seeking approval for new, expanded, or extended extraction – presented in Figure 2. Most are seeking approval for decades, with about a third seeking approvals even beyond Australia's 2050 net zero target. The majority of applications are recent, with more than half made in or after 2023.

If approved, these 42 projects would have a significant impact on Australia's climate pollution. Estimated emissions are available for just 23 of these 42 projects, which alone would emit an average of 8.7 million tonnes of pollution every year in the 2030's (scope 1 only). This is similar to the pollution from all of Australia's domestic flights in a year (more than 600,000).

FIGURE 2: THE 42 NEW, EXPANDED AND EXTENDED COAL AND GAS PROJECTS CURRENTLY SEEKING EPBC APPROVAL



^{*} Commencement and closure dates provided in EPBC referral. Actual commencement timing depends on approvals and commercial decisions.

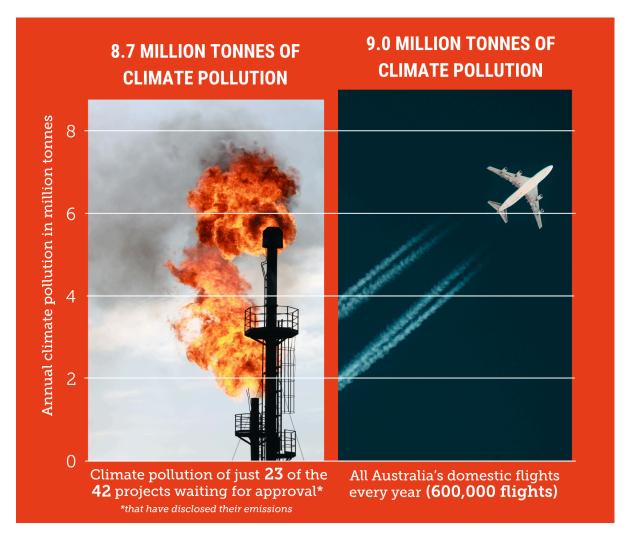
This list includes projects which would release very large amounts of climate pollution in Australia, including:

- Browse gas project, on Scott Reef in WA, which would run for up to 44 years to 2070. Browse would add an average of 4 million tonnes to Australia's climate pollution every year, and up to 6.8 million tonnes at its peak (<u>Woodside 2022</u>); more than the annual climate pollution of Gladstone, Queensland's oldest and largest coal-fired power station.
- Hunter Valley Operations (HVO) Coal Continuation Project, NSW, which would extend the life
 of one of Australia's largest coal mines for up to 19 years, directly releasing more than 1.2
 million tonnes of climate pollution every year in Australia (<u>Jacobs 2022</u>). This is equal to more
 than 500,000 extra cars on the road in Australia every year.
- Winchester South coal mine in Queensland's Bowen Basin, which is the largest new coal
 project proposed in Australia. Its environmental impact assessment documents indicate it
 would directly release more than half a million tonnes of climate pollution every year for up to

26 years (Whitehaven Coal 2022). This is around 20 times the gross annual emissions of our Pacific neighbour Tuvalu.

Notably, these estimates do not include downstream scope 3 emissions, occurring when the coal and gas from these projects is burnt – largely overseas. For every tonne released in Australia, the coal and gas industry 'exported' 12.8 tonnes of climate pollution in 2023 (Climate Analytics 2024; DCCEEW 2025). Whether pollution is released in Australia or overseas, our environment faces the same impact.

FIGURE 3: JUST HALF OF THE PROJECTS SEEKING APPROVAL COULD PRODUCE ALMOST AS MUCH CLIMATE POLLUTION AS ALL OF AUSTRALIA'S DOMESTIC FLIGHTS



The continued approval of fossil fuel projects is undermining our efforts to cut climate pollution, and could risk our targets

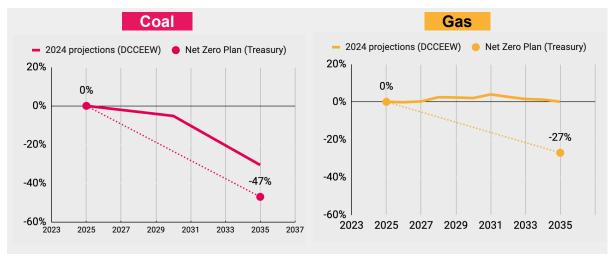
Achieving Australia's 2035 climate target – a 62-70% reduction on 2005 levels – is a step up on our existing trajectory. Under the Government's Net Zero Plan, this target depends upon a significant decline in coal and gas production, leading to a 27 million tonne reduction in climate pollution in 2035 (Treasury 2025). This reduction is equivalent to:

 more than the annual climate pollution expected from all of Australia's trucks in 2035 under existing policies; or • 4.6 percentage points of our 2035 target.

Climate Council analysis has found that under current policies, achieving these reductions in fossil fuel production are essential to reach the 2035 climate target. Without a reduction in fossil fuel production (or increased efforts in other sectors), Australia would fall 11 million tonnes short of our 2035 target range – equivalent to about 2 percentage points.

However, we are not on track to achieve the reduction in fossil fuel production necessary to meet even the floor of our 2035 target range. Expected fossil fuel production, as modelled in Australia's official emissions projections, is far greater than under Australia's Net Zero Plan (DCCEEW 2024).

FIGURE 4: AUSTRALIAN COAL AND GAS PRODUCTION IS EXPECTED TO BE MUCH HIGHER THAN MODELLED UNDER THE NET ZERO PLAN (percent change in production relative to 2025)



Source: Treasury (2025). DCCEEW estimates are estimates using DCCEEW (2024) for Coal and LNG production, and AEMO Gas Statement of Opportunities estimates for domestic demand (consistent with DCCEEW (2024)'s methodology).

Even a handful of highly polluting projects, like NSW's HVO coal mine (1.2 Mt pa.) or the Browse gas project (4.0 Mt pa.) could make or break Australia's 2030 and 2035 targets. However, the pollution from these projects and their impact on Australia's climate targets would not be considered under the environment law reforms.

Australia's other climate policies don't manage the risk of new polluters

While domestic climate pollution from fossil fuel projects is covered under the Safeguard Mechanism, this policy does not manage the risk of new and expanding polluters. Rather, the roles of our environment law and the Safeguard are different, and should be complementary:

- **The EPBC Act** decides whether a high-impact project should proceed, and under what conditions but currently cannot consider climate pollution.
- The Safeguard Mechanism applies once a project is operating, and is a type of emissions-trading scheme, which incentivises emissions reduction over time and/or requires offset purchase.

Policies are needed at both steps: limiting pollution from new and expanding fossil fuel projects, and reducing emissions from existing projects over time, if and when they are approved. However, federally, Australia currently has only the latter – expert legal analysis confirms that nowhere under federal law is the Government required to assess a project's climate impact (Peel 2023).

Without upfront climate consideration, even projects that are incompatible with Australia's climate policies, targets, or international obligations would be approved.

The 32 projects approved since 2022 demonstrate that the Safeguard Mechanism does little to deter new projects from going ahead. It does not require, or even allow for, any federal decision-maker with approvals power to consider whether the pollution to be produced by proposed projects are compatible with Australia's targets, or global obligations, and to prevent unacceptably polluting projects from going ahead.

Once a project is approved, the Climate Change Minister's powers under the Safeguard Mechanism are designed to manage a portfolio of facilities, not individual projects. The mechanism has an overall scheme cap, and an objective for a declining rolling average. Each new or expanded project makes it harder to meet the cap and objectives – with increased costs for all other participants.

Under the Safeguard legislation, to address this the Climate Minister could set a currently unprecedented project-specific Safeguard Rule, limiting access to offsets and setting a maximum baseline in the Safeguard Rules, effectively limiting emissions. This could only be done without the structure and safeguards that exist for regulating individual projects under the EPBC Act. It would be a complex, duplicative, and time-consuming process that increases uncertainty for proponents. In practice, it is more likely that the Minister would tighten rules on all facilities to compensate for new and expanding facilities. This would increase the burden and costs on existing Safeguard facilities.

This is a once-in-a-generation opportunity to better protect the people and places we love from climate harm

The EPBC Act has been in place for a quarter of a century without major reform. The reforms currently before Parliament could shape Australia's environmental decisions for another 25 years — all the way to our 2050 net zero target. It is essential that the reforms are fit for the climate realities of the decades ahead. This means curbing the expansion of the fossil fuel industry.

Since 2022 the Government has taken important steps to reset Australia's climate policy credibility. It has set new climate and energy targets, implemented the *Climate Change Act 2022*, reformed the Safeguard Mechanism, and overhauled climate policy settings across most portfolios, backed by significant investment. However, this progress risks being undermined if the EPBC reforms fail to address the unchecked expansion of the fossil fuel industry. Under the proposed reforms, climate and environmental policy will remain at best disconnected, and frequently, conflicting.

We cannot pretend that these laws exist in a vacuum. Environment law is one of the Australian Government's most powerful policy tools, and its decisions have wide-reaching impacts across national priorities: on housing, energy, trade, health, and heritage. These reforms, while advancing environmental protection, are also designed to achieve other goals. The Government has been clear that increasing productivity and advancing the build of housing, renewable energy and critical minerals projects are all objectives of this reform (Watt 2025).

The reforms, legitimately, seek to balance environmental protection with other national goals. Australia's climate goals must be part of this balance. Just as accelerating renewable energy approvals cuts climate pollution, fast-tracking the unchecked approval of fossil fuel extraction increases it. This should not be the legacy of these overdue reforms. And it cannot be the basis of our environmental rules for another generation.

Parliament now has a historic opportunity to ensure that Australia's national environment law is aligned with, and contributes to, our national and international climate commitments. A strong environmental law is good governance, and is essential to delivering a safer, healthier climate for our children and future generations.

Three sensible improvements can align Australia's national environment law with our climate policy

The Government has ruled out including climate change as a matter of national significance in the reform, known as a "climate trigger". However, there are other ways that our laws meaningfully consider climate pollution and impacts. Parliament still has the opportunity to deliver a credible environment law that better protects the places we love from climate harm, reduces the risks to Australia's climate policies and targets, and provides certainty to business and industry.

1) Disclose, assess, and manage climate pollution

The proposed reforms will require project proponents to disclose some of their expected emissions (scope 1 and 2 only), outline measures and strategies that would be used to 'manage' them, and state how those measures and strategies – but not the climate pollution itself – are consistent with other federal laws and policies.

While these disclosures are welcome, in their current form, they do not represent a meaningful consideration of a project's climate impacts, or its compatibility with Australia's efforts to cut climate pollution. The Climate Council observes that the proposed inclusion of greenhouse gas disclosures has three key shortcomings:

The bulk of a project's emissions – downstream climate pollution – is not disclosed

The largest share of climate damage from fossil fuel projects occurs when coal, oil, and gas are ultimately burned in Australia or overseas – known as downstream Scope 3 emissions. These emissions impact our atmosphere in the same way whether they are released in Australia or overseas. Failing to account for these emissions means ignoring the bulk of a project's climate impact.

Requiring the disclosure of scope 3 emissions aligns with:

- Environmental assessments in both New South Wales and Queensland, where most of Australia's coal production occurs
- Environmental assessments from the offshore oil and gas regulator, the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA).
- Australia's climate-related financial disclosure framework, implemented by the Albanese Government.

Large companies already have methods in place to measure or estimate their Scope 1, 2 and 3 emissions, including to meet these existing requirements. Disclosure of downstream emissions is consistent with the Samuel Review of the EPBC Act, which recommended that project proponents be required to "transparently disclose the full emissions of the development" (Graeme Samuel 2020).

Requirements for emissions reduction plans are not clear

The proposed reforms would require project proponents to submit strategies and measures that they will implement to manage their emissions. As currently drafted in the reforms, there is no

requirement to disclose the gross and net emissions reduction expected to be achieved through these strategies and measures. There are no constraints on the use of offsets, or on promises of unproven technologies. The plans will not be binding.

While the Climate Council recognises that these requirements may be clarified in subordinate instruments, clarifications to the Act would substantially improve the quality of emissions reduction plans, and ensure a basic degree of consistency over time.

Emissions information is not verified, and is prohibited from being considered during decision-making.

Under these reforms, the emissions information provided by proponents (estimated emissions, mitigation plans, and consistency with Australia's climate policies and laws) will not be verified, or considered by decision-makers. As a result, the proposed reforms provide no assurance that emissions information will be accurate or feasible, or that projects are in fact consistent with Australia's climate laws, policies, or obligations. Instead, the EPBC Act's exclusive drafting prevents this information from being considered by decision makers.¹

The proposed process places decision-makers in a potentially perverse position, being required to measure the emissions from highly-polluting projects, but prevented from acting on this information. Polluting projects would then enter into the Safeguard Mechanism, where the Climate Change Minister has weaker, ad hoc powers to avert emissions risks. This process fails to manage risks for Australia's climate laws, targets and policies, and creates uncertainty for project proponents.

Recommended amendments

1. Require full disclosure of climate pollution

Consistent with the Samuel Review and other Federal, state and territory disclosure schemes, the legislation should require the disclosure of Scope 1, 2 and downstream Scope 3 emissions.

2. Require developers to submit credible emissions reduction plans

All projects likely to exceed the Safeguard Mechanism threshold (100,000 tonnes of climate pollution every year) or that will materially contribute to the emissions of an existing Safeguard facility, should be required to provide detailed plans to reduce their scope 1 and 2 emissions, with specific information including:

- committed, time-bound measures to reduce climate pollution;
- expected or potential future measures and technologies, with indicative timeframes –
 including appropriate uncertainty for exclusion of unproven or non-existent technologies;
- expected reliance on offsets;
- the compatibility of the project's emissions (not just strategies) with Australia's climate policies — including Australia's emissions reduction targets, national budgets, and the Safeguard Mechanism cap.

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¹ See subsection 136(5) of the EPBC Act.

3. Require independent verification and assessment of disclosed emissions and emissions reduction plans

To provide assurance to Government, the community, and other proponents, all greenhouse gas information should be subject to an independent assessment. For all projects meeting the above threshold, the legislation should require that the Minister seek advice from an independent panel or expert body about whether the action is consistent with:

- the Climate Change Act 2022, including Australia's carbon budgets and targets;
- the Safeguard Mechanism's objects and emissions caps; and
- Australia's commitments in Nationally Determined Contributions (climate targets) submitted under the Paris Agreement, and other relevant international obligations.

4. Ensure decision-makers consider climate pollution during decisions and conditioning of highly-polluting projects

The independent body's assessment should be made public, and provided to the Environment Minister. The Minister should be required to consider this independent advice when deciding whether to approve a project, be able to place conditions on projects to limit their emissions, and, if conditions are insufficient, block projects that are incompatible with Australia's climate targets, policies, or obligations.

2) Accelerate critical projects, not polluting ones

Reforms to accelerate approvals of environmentally responsible renewable energy projects, as well as other vital projects like housing and critical minerals, are urgently needed. The slow environmental approvals process is a well-documented barrier to an efficient renewable rollout (for example, Herbert Smith Freehills and Clean Energy Investor Group 2024). However, in their current form, the Government's proposed reforms to streamline project approvals do not distinguish between these critical projects, and harmful fossil fuel projects.

There is a real risk that the reforms will enable the fast-tracking of new and expanded coal and gas developments. New or amended mechanisms which could fast-track fossil fuels include:

- **bioregional planning** and specification 'priority actions' within the 'development zones' of bioregional plans, which will not require further assessment or approval;
- a new streamlined assessment pathway, limiting public consultation and allowing the Minister to approve projects based only on their referral information;
- devolution to states: allowing accredited states and territories to assess and approve projects, with limited Federal oversight; and
- removal of the water trigger exemption: currently, states and territories are not permitted to
 assess coal and gas projects that would have a significant impact on water resources (the
 "water trigger"). Most new large onshore fossil fuel developments are subject to the water
 trigger. However, under the Government's proposed reforms, this exemption will be removed,
 reducing Federal oversight and accountability.

- national interest exemption: a national interest exemption already exists in the current EPBC
 Act, allowing the Minister to approve projects that are incompatible with the Act if they
 believe it is in the national interest. However, under the reforms this power would remain
 unfettered, and would be extended, allowing the Environment Minister unlimited discretion to
 approve harmful projects.
- NOPSEMA amendments: a new accreditation pathway for NOPSEMA assessment of projects, with the potential to weaken regulation of offshore oil and gas projects.

The concern that fossil fuel projects could be fast-tracked under the new laws is not just hypothetical. The fossil fuel industry continues to submit new project applications - the EPBC portal shows 12 applications have been submitted since the start of this year. The gas industry has tied its support for a domestic gas reservation policy to the introduction of EPBC reforms that facilitate new gas projects. It claims that even with a domestic reserve policy, more fossil gas extraction is needed for Australia's energy security (Energy Producers Australia 2025).

In reality, gas has a small, shrinking and short-term role to play in Australia's energy mix, and the vast majority of gas from most recently approved or proposed projects – including North West Shelf and Browse – will be exported. Gas from Australia's existing projects through to 2035 would be enough to meet our domestic energy needs for more than 64 years (Climate Council 2024). We need to prioritise reducing our gas use as much as possible, delivering energy bill savings for households and businesses while cutting climate pollution. The expansion of gas extraction in Australia is at odds with Australia's domestic climate policies and international obligations, would only add to our climate pollution and increase profits for multinational fossil fuel companies.

Recommended amendments

5. Strengthen guardrails to ensure fossil fuel projects cannot be fast-tracked

To curb climate pollution, fossil fuel extraction and use must be reduced deeply and rapidly. As such, the reforms must ensure that projects involving coal mining, gas extraction, and fossil fuel processing or transport are not fast-tracked.

A holistic approach that reduces Ministerial discretion and strengthens requirements for all projects could reduce these risks while promoting better outcomes. This could include setting standards for environmental impact assessments and community engagement. Alternatively, or in addition, the reforms could explicitly prohibit fossil fuels from being assessed through the streamlined assessment pathway, bioregional plans or through strategic or bilateral assessment.

The reforms should explicitly:

- retain the water trigger's exemption from being devolved to states and territories for approval, and extend the exemption to other assessment mechanisms such as bioregional planning and streamlined assessments;
- remove or limit Minister's discretion under the National Interest Exemption powers; and
- strengthen and future-proof environmental protections in the NOPSEMA provisions.

3) End loopholes which allow land clearing and native forest logging without assessment

Each year in Australia, hundreds of thousands of hectares of forest and woody vegetation are cleared. More than 400,000 hectares of land are cleared each year in Australia, adding up to millions of hectares lost (<u>Australian Government 2022</u>). Logging and clearing is a significant source of land sector emissions and biodiversity loss:

- clearing of native vegetation, largely for cattle grazing, is expected to release around 24 Mt of climate pollution every year out to 2040 (<u>DCCEEW 2024</u>); and
- native forest logging releases around 11 million tonnes of climate pollution a year (<u>The Tree Projects and Victorian Forest Alliance 2023</u>).

Australia is the only developed nation that remains a deforestation hotspot (<u>WWF 2021</u>). Native forest logging was recently banned in Western Australia and Victoria, but is still permitted in Queensland, New South Wales and Tasmania. In 2021, Australia signed <u>an international pledge</u> — alongside more than 140 other countries — to halt and reverse deforestation and land degradation by the end of the decade.

However, under these reforms, our national environment law will continue to lag behind other developed nations. The reforms do not reverse provisions in the EPBC Act that:

- allow native forest logging under Regional Forest Agreements (RFAs) to proceed without federal environmental assessment, and land clearing to occur with limited protections;
- allow land clearing that pre-dated the EPBC Act to continue without approvals, despite the Act commencing more than 25 years ago.

Recommended amendments

6. Close existing deforestation and land clearing loopholes

Halting native forest logging would avoid adding more climate pollution, while increasing the sector's potential as a natural carbon sink and protecting the precious wildlife that calls our forests home. The reforms should:

- ensure forests covered by RFAs to are subject to national protections and standards; and
- repeal or significantly narrow the "continuation of use" exemption, which allows outdated approvals to persist even when they would not pass today's standards.

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