



AUSTRALIAN CONSERVATION FOUNDATION

The Australian Conservation Foundation (ACF) welcomes the opportunity to comment on the draft Queensland Resources Industry Development Plan (QRIDP).

Feedback summary

ACF supports the following elements of the draft QRIDP:

- The vision for a *resilient, responsible and sustainable Queensland resources industry that grows as it transforms*, provided: the transformation delivers strong action on climate change consistent with limiting temperature rise to 2°C **and pursuing efforts to limit the rise to 1.5°C (page xiv)**.
- The leading trends identified as likely to reshape Queensland's resources industry being decarbonisation and corporate social responsibility (page x).
- **The need for the resources** industry and governments to work collaboratively in ways outlined on page xii of the draft plan.
- The plan's focus on circular economy.
- Diversification of the resources sector away from reliance on fossil fuels.
- The commitment to strong environmental, social and governance practice.
- The commitment to advancing strong and genuine relationships with First Nations people.

ACF recommends:

- The QRIDP does not support new coal, gas or uranium. ACF recommends the government clarify its direction by removing references to 'shoring up' the coal and gas industry, and rejects any new approvals for fossil fuel projects.
- The Queensland Government provide more detail in the final QRIDP on specific proposals to avoid, minimise and manage fugitive emissions.
- More detail be provided on how economic and employment risks to communities and workers reliant on coal and gas will be managed.
- The QRIDP provide further clarity that hydrogen developments will be limited to 100 percent renewable hydrogen, and provide clarity on the most appropriate uses for hydrogen domestically.
- Further details be provided on proposed circular economy measures.
- Appropriate safeguards for responsible environmental practices and to ensure emissions are avoided or minimised (through the use of renewable power, electrification, energy efficiency and sustainable transport measures).
- Public funding be rejected for expensive, unproven carbon capture and storage or carbon capture use and storage.
- Public funding be reserved for diversifying the resources sector, not expanding or developing new fossil fuel extraction activities.
- The Khati Thanda and Channel Country remain undisturbed by fossil fuel exploitation.
- The QRIDP embed Free, Prior and Informed Consent (FPIC) into the plan.
- The Queensland Government fund a transition authority to support communities, regions and workers affected by the shift away from coal and gas.
- Transparent emissions and environmental impact reporting for proposed developments.
- Establishing a genuinely independent Environment Protection Authority

About ACF

The Australian Conservation Foundation (ACF) is Australia's national environmental organisation. We are 700,000 Australians, and over one hundred thousand Queenslanders, who speak out for the air we breathe, the water we drink and the places and wildlife we love. We are proudly independent, non-partisan and funded by donations from our community.

ACF supports the goal of significantly reducing emissions this decade to keep temperature rise below 2°C and pursuing efforts to limit global warming to 1.5°C, while also protecting our natural resources, habitats and future-proofing Queensland's economy.

Introduction

Queensland has responsibility for the emissions created here at home but also emissions exported to other states and countries through coal, liquefied natural gas and potentially through hydrogen produced from fossil fuels .

The Queensland government has publicly stated its commitment to climate action. The state can play a strong role in expediting global and regional decarbonisation by signaling it will be phasing out coal and gas production and pivoting towards the technologies and services of the future, many of which are detailed in the draft QRIDP.

ACF agrees with the vision for the resources sector outlined in the draft QRIDIP.

ACF agrees that decarbonisation and corporate social responsibility will be the leading trends reshaping Queensland's resources industry in the coming decade. ACF believes these trends present opportunities for Queensland to harness it's competitive advantage and world class renewable energy resources to gain market share in growing demand for new economy minerals.

In order to capitalise on growing global demand for new economy minerals, and prepare for the inevitable decline in fossil fuels, it will be important for the Queensland Government to provide policy certainty for the resources sector, as well as for affected businesses, workers and communities. This requires setting clear policy priorities for emissions reductions, the resources sector, and taking decisive action to phase out coal and gas.

Continuing to export coal and gas is a scenario for catastrophic climate change. This is not an economically or environmentally sane option. The QRIDP takes an unrealistic

view on the medium and long-term future of coal and gas given the reality of our changing climate, the implementation of climate commitments by some of Australia's major trading partners as well as long-term economic and geopolitical trends.

The fossil fuel sector is not an agile industry and cannot be easily scaled up or down based on global demand. Opening up new mines and gas fields commits communities, workers, business and economies to decades of vulnerability and risk in a predominantly downward facing market. It is the responsibility of the Queensland Government to mitigate and minimise these risks by expanding and diversifying its resources and industry sector away from coal and gas.

As the draft QRIDP points out, Queensland has huge opportunities in the critical minerals and renewable commodities of the future, as well as value-add activities, manufacturing and METS innovations. The state should embrace that opportunity, not try to walk both sides of the fence.

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ACF agrees that the resource industry will play an important role in achieving six of the state government's nine long-term objectives. However ACF believes these objectives - growing regions, job creations, building prosperity, making new products, investing in skills and protecting the environment - are best achieved by Queensland focusing efforts on ways to meet the needs of the future by building renewable energy, developing advanced technology and supplying new economy minerals

ACF provides recommendations and feedback on the draft QRIDP.

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Further details are provided below.

Draft QRIDP focus area: Grow and diversify the industry

1. No new coal, gas or uranium

The IEA's net zero by 2050 report shows achieving net zero emissions by 2050 requires deep declines in demand for coal, oil and gas in coming decades. As major global economies, Australian allies and trading partners are already committed to achieving this goal, fossil fuel exporters like Australia will need to support resource industries to quickly align with a zero emissions future. That means focusing resource industry support towards maximising Queensland's renewable energy resources, new economy minerals and green manufacturing potential.

Queensland must not use public resourcing to 'shore up' new coal and gas while the world works to move away from these commodities. Doing so is out of line with global trends and lacks responsibility for Queensland's economic future. ACF recommends removing this wording from the final plan. Not only is it incompatible with keeping warming at or below 1.5 degrees, it also sends mixed messages to investors around the Queensland government's priorities and undermines the aspirations of the state becoming a leader in decarbonisation and the industries of the future.

Decarbonisation: the term as it is described in the draft QRIDP does not include scope 3 carbon emissions. Achieving net zero emissions means all zero for all emissions sources - scope 1, 2 and 3. Investors and industries, including the resources sector, are moving towards taking responsibility for their whole value chain, whether that be accounting for scope 3 emissions^{1 2} or shifting to more circular waste and materials use.

¹ <https://www.climateworksaustralia.org/resource/net-zero-momentum-tracker-resources-sector/>

²

<https://www.afr.com/companies/mining/scope-3-accountability-inevitable-for-miners-says-ey-20191002-p52wzb>

Decarbonisation as it is described in the current QRIDP draft must not be used as justification for continued expansion of the fossil fuel sector.

Queensland's position that new coal approvals "will be supported provided they stack up financially, socially and environmentally" is untenable until projects are required to demonstrate their consistency with net zero emissions plans and the financial, social and environmental costs of climate change are embedded into the approvals process.

ACF strongly recommends that public funds not be used for the continued expansion of the coal, gas or uranium extraction industries. This includes funds through the Collaborative Exploration Initiative (CEI).

2. Queensland Emissions Reduction Target

A 30% emissions reduction target by 2030 is not enough, particularly for a state with such abundant renewable resources. Queensland's current emissions reduction target also out of step with other Australian states and territories, and other developed nations.

Such a weak target signifies to investors that Queensland is not fully committed to the development of its own renewable resources sector and will likely impede Queensland's ESG reputation on the international stage.

As a state well-endowed with renewable resources as well as a commitment to spend on infrastructure to help with the covid recovery, Queensland should be aiming at least 70% emissions reduction by 2030.

3. Fugitive Emissions

The plan mentions that the Queensland government will work with industry to investigate ways to reduce fugitive emissions. ACF recommends more details be

provided regarding how the state government intends to address fugitive emissions associated with its the fossil fuel sector.

Measures available today could reduce methane (fugitive) emissions by 45 percent by 2030. Most are low cost, with many measures paying for themselves through savings for industry and governments.

Queensland can take immediate action to reduce methane (fugitive) emissions, solutions include:

- Understanding the scale of the problem
- Setting targets to reduce methane emissions
- Implementing tougher industry standards and measures for coal, oil and gas projects at every stage of planning, operation and end-of-life
- Transitioning rapidly away from coal, gas and oil to renewable energy, sustainable transport and energy efficiency.

4. Managing Risk to Communities

ACF is concerned by the Queensland government's apparent plans to continue the expansion and development of new coal and gas. We note the acknowledgement of a rapidly changing global environment, but also some risky assumptions about continued demand, especially for coal. ACF would like to see more specificity around how economic and employment risks to coal impacted communities will be managed under this scenario if demand assumptions prove incorrect.

5. Hydrogen

ACF believes renewable hydrogen has an important role to play in the transition to a net zero emissions future, provided hydrogen is produced using 100% renewable electricity and it is not associated with the extraction and use of fossil fuels like coal and gas.

Projected growth in the global hydrogen market must not be used as justification to continue the expansion or life-of-mine extension of gas or coal in Queensland. Any

investment in fossil fuels made with this assumption is high risk and would present a vulnerability for two major reasons: 1) both the carbon emissions and financial costs of the production and transportation of fossil hydrogen are untenably high. Producing fossil hydrogen would create huge emissions increases for Queensland and 2) the global market for hydrogen even at this early stage is becoming highly competitive. Global customers will choose green hydrogen over fossil hydrogen and carbon border adjustment mechanisms will ensure that even at a higher price, green hydrogen will likely outcompete fossil hydrogen. Fossil hydrogen is unlikely to generate demand for the length of time necessary to justify the opening of new gas field from either a financial or economic perspective. Any hydrogen development out of Queensland will only remain viable long-term if it is produced using renewable energy.

ACF notes that while there are a number of possible end uses for renewable hydrogen, for some uses, hydrogen is less efficient and more expensive compared to other available zero emissions technologies such as electrification. Preferred uses for renewable hydrogen include energy exports, inter-seasonal energy storage, industrial uses and niche transport roles.

ACF also recommends a water management plan to ensure the water demands of a hydrogen industry are met without disrupting natural ecosystems and agriculture.

6. Circular economy

ACF applauds QRIDP's focus on circular economy. It is clear that Queensland developing its own expertise in this area would attract even more global investment and reinforce its ESG commitments and reputation.

More details are required on how the state government plans to better support and incentivise circularity in the region. In order to signal to investment more specificity around this support should be mentioned.

Some examples that ACF recommends the QLD government incorporate into the final QRIDP include: strong recycled content and waste minimisation and management

directives particularly for state infrastructure projects; financial incentives for implementation of circularity; support information sharing; support new technologies that facilitate resource optimisation, re-manufacturing and re-generation of by-products as input to other processes.

7. Diversification of the Resources Industry

ACF supports the Queensland Government developing its battery industry strategy this year. Again, it will be important that this strategy is based around responsible environmental practice and ensures that operations are powered by 100% renewable energy.

We commend the aspiration of further New Minerals Economy value-add activities such as the Vecco groups electrolyte production facility. In order to signal investor confidence ACF would like to see more concrete examples of govt support and incentivisation for these value-add activities and assurance that they be undertaken using 100% renewable energy.

The Collaborative Exploration Initiative (CEI) should be used solely for the diversification of the sector. ACF recommends that public money from the CEI not be used for further expansion of already established industries particularly coal and gas.

Rent deferrals and other support opportunities for NEMs: ACF recommends that efficient checks be placed to ensure such support is not being given to controversial projects or projects that are not fulfilling their ESG obligations. Neither should such breaks or subsidies be given to operations that are not running off 100% renewable energy.

ACF recommends that the final iteration of the QRIDP require new economy minerals operations to be powered using Queensland's abundant renewable energy resources.

ACF applauds Queensland's commitment to innovation. In order to better secure investment for this part of the sector, we recommend examples of more concrete and specific government support and action be detailed in the final version of QRIDP.

8. Carbon capture and storage/ Carbon capture use and storage (CCS/CCUS)

The focus of Queensland climate change policy and funding needs to be directed towards initiatives and policy that deliver the highest emissions reductions, and other positive outcomes (such as job creation) for the lowest cost. For example, supporting the widespread and rapid rollout of established zero emissions climate solutions like renewable energy, energy efficiency and sustainable transport.

ACF rejects public funding for unproven, expensive technologies like CCS and CCUS. As an extremely expensive and heretofore unproven technology which is being used to justify the expansion of polluting coal and gas.

ACF does not support

- The use of CCS connected to new coal, oil and gas extraction, processing or use (including electricity generation, hydrogen production or stationary energy)
- Further public funding for CCS or CCU – the \$1 billion already spent has delivered little benefit
- Any project which uses captured CO₂ to extract more oil and gas through enhanced oil recovery.

Draft QRIDP focus area: Strengthen our ESG credentials and protect the environment

9. ESG and ESG Working Group

ACF welcomes Queensland's commitment to strong environmental, social & governance practice. In order to have a strong ESG reputation both here and abroad, Queensland will need the support of its civil society.

'Industry will operate beyond regulatory requirements and be trusted to do the right thing' This is problematic and we do not see evidence of this to date. As such, regulatory requirements must be robust and businesses should be incentivized to go above and beyond as Queensland works to manage it's ESG reputation globally.

Queensland's ESG working group should have sufficient representation from civil society and First Nations specialist(s) particularly on implementation of FPIC.

To ensure Queensland's resources sector avoids and minimises environmental and social impacts, the state government should undertake pro-active strategic planning and engagement to consider and assess significant land uses, productive agricultural land, natural habitats, community facilities and social impacts, cultural heritage values and sites and identify areas unsuitable for development in consultation with stakeholders.

Queensland should support and fund Traditional Owners to undertake strategic assessment of significant cultural heritage values and sites on their Country as part of this work, to ensure heritage is protected upfront rather than as an afterthought.

Queensland should produce or update guidelines, particularly for new economy minerals, to clarify expectations for proposed resources projects, including avoiding and minimising impacts, and ensuring engagement and benefit sharing.

10. Khati Thanda (Lake Eyre) & the Channel Country

ACF strongly recommends that this vast and charismatic natural landscape remain undisturbed by fossil fuel exploitation.

Draft QRIDP focus area: Ensure strong and genuine First Nations partnerships

11. Free, prior and informed consent

ACF commends commitments this QRIDP makes to advancing strong and genuine relationships with First Nations people, particularly towards advancing treaty negotiations and ensuring economic benefits are genuinely shared. However, one major gap still exists which must be addressed in the final version of the QRIDP and that is First Nations rights to Free Prior and Informed Consent (FPIC), a legal requirement of the UN declaration on the rights of Indigenous peoples. As Australia is a signatory to this declaration, the Queensland government has the responsibility to ensure the rights of granting or withholding FPIC are afforded to Traditional Owners.

Ensuring the right to FPIC is fast becoming a key indicator for corporate ESG practice, which should serve as further impetus for government and industry to implement these legal obligations under the UN declaration.

Draft QRIDP focus area: Build a safe and resilient workforce

12. Fund a transition authority

To support communities and workers in the transition to clean energy and sustainable industries, the Queensland government should work with key stakeholders (including unions, workers, companies and communities) to collaboratively develop and resource plans for economic diversification and an orderly transition. The 2021 Central Queensland Energy Futures Summit showed strong support for progressing a Regional Transition Authority, broader community engagement and local government leadership in the transition.

The Plan should set milestones for the Department of Energy and GoCs to deliver transmission planning including:

- Comprehensive and resourced mine rehabilitation plans, which can create significant employment opportunities.
- Voluntary redundancy and early retirement schemes, with a commitment to no forced redundancies.
- Retraining and redeployment programs.

- Increased investment in training workers in skills needed for emerging renewable energy industries
- Continued significant public investment in infrastructure, manufacturing, education, health, agriculture and other sectors, to address current skills shortages and support diversification of local regional economies
- Mechanisms to facilitate inclusive, meaningful and timely community input into long-term regional planning and the development of new policies and regulations
- Investment attraction
- Research and development to support regional decision making processes.

Transition planning should also include planning for the development of new renewable energy associated industries.

13. Transparency and public reporting on decarbonisation

ACF recommends that the Queensland Government require environmental impact assessments to include full reporting on greenhouse gas emissions for proposed developments (including scope 1, 2 and 3), chemical and toxic waste management, water use and conservation measures and end of life plans and progress conducted by industry and govt be made available to the public. This will be especially important in situations where a project is applying for subsidies or public finance.

14. An Environment Protection Agency

ACF recommends the Queensland Government establish a genuinely independent Environment Protection Agency with real power to oversee and investigate environmental decisions.

ACF recommends that an EPA for Queensland should:

- Recognise First Nations rights of free, prior and informed consent and self-determination
- Be underpinned by an environmental justice framework
- Have clear and defined roles and duties to ensure objectives are met
- Independence from Ministerial influence, other agencies and industry capture
- Accountability mechanisms to ensure responsibilities are discharged with integrity in the public interest
- Transparency in decision making through disclosure and community engagement to support accountability
- Sufficiently empowered to protect the environment and human health
- Sufficient and certain funding to fulfill their functions
- Relevant expertise to support decision making that is science-based and provides for First Nations justice and environmental justice more broadly

15. Pass a Climate Act

A Climate Act would be implemented to legislate emissions targets and to require that decision makers make decisions in accordance with meeting these requirements.

See the [report of EDO, OCC and ACF](#)

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