Environment Centre NT



Mining and environmental regulatory reform

The Northern Territory's mining and environmental protection regulatory regimes require an urgent overhaul to bring them into line with other jurisdictions in Australia and internationally. <u>Multiple reviews</u> have identified the following core problems with the existing regimes:

- a lack of transparency;
- uncertainty about the responsibilities of proponents, and various government departments;
- inconsistency in the application of rules;
- lack of strong monitoring, compliance and enforcement mechanisms;
- the perception of regulatory capture (whereby government departments act in the interests of the industries they are supposed to be regulating).

Long overdue reforms to the Northern Territory's mining and environmental regulatory system are currently underway, but have been only partially implemented. The current environmental regulatory reform process must be concluded. Additional reforms are needed to strengthen the system, as outlined below.

In sum, political parties should commit to:

Environmental and mining regulatory reform:

- folding the *Waste Management and Pollution Control Act* 1998 (NT) into the *Environment Protection Act* 2019 (NT) to ensure stronger environmental enforcement provisions;
- folding the environmental provisions of the *Mining Management Act* 2001 (NT) into the *Environment Protection Act* 2019 (NT) to reduce the perception of regulatory capture;

Improving transparency and accountability:

- legislating to require a register of lobbyists, disclosure of lobbyists' clients, and compliance with a code of conduct by those lobbyists;
- requiring the public disclosure of all mining management plans and mining authorisations;

Mining rehabilitation:

- requiring public disclosure of the methodology used to calculate mining security bonds;
- legislating for "chain of responsibility" reforms to ensure that if a mining company cannot meet its environmental obligations, any related companies or persons can be held accountable in their place;
- requiring the ongoing public disclosure of a current mine closure plan with enforceable commitments from the time the mine is initially approved.
- prohibiting certain final post-mining landforms including open pit voids, out of pit waste dumps, and above ground tailings storage facilities;
- requiring progressive rehabilitation of mine sites during the life of the mine.

Underground coal gasification

• banning underground coal gasification.

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Environmental and mining regulatory reform details

The Northern Territory Government has undertaken "stage 1" of its environmental reform program, which involved the enactment of the *Environment Protection Act* 2019 (NT) and the promulgation of the *Environment Protection Regulations* 2020 (NT).

However, stage 2 of the reform program has not yet occurred. Stage 2 involves:

- folding the *Waste Management and Pollution Control Act* 1998 (NT) into the *Environment Protection Act* 2019 (NT); and
- folding the environmental provisions of the *Mining Management Act* 2001 (NT) into the *Environment Protection Act* 2019 (NT).

This second stage of reforms must be implemented urgently to ensure that the NT's environmental and mining laws are modernised, and in particular to ensure that the public's perception of regulatory capture by the Department of Primary Industry and Resources is remedied. Currently, the Department is involved in both promoting and regulating the mining industry, which is problematic.

Improving transparency and accountability

Notwithstanding recent improvements to the environmental regulatory regime in the NT, there are a number of problems relating to the transparency of the current system which should be remedied. In particular:

- There are widespread concerns about the influence of mining, petroleum and other industries on the Northern Territory Government. However, the Northern Territory is the only jurisdiction in Australia without a mandatory register of lobbyists, which would require disclosure of the names of lobbyists, and their clients, and compliance with a lobbyists' code of conduct. Parties should commit to legislating to require a register of lobbyists, and compliance with a code of conduct by those lobbyists;
- Mining management plans and mining authorisations are the principal regulatory document governing the management of environmental issues at mining sites in the Northern Territory, and yet they are deemed to be confidential documents. This creates a significant barrier to accountability, and ensures that mining companies operations are largely kept secret from the public. At the last election, Labor promised to disclose mining management plans. However, this promise has not been kept. Political parties should commit to the public disclosure of all mining management plans and mining authorisations.

Mining rehabilitation

A number of legacy mines tarnish the Northern Territory's landscape, with estimated combined unfunded liabilities of approximately \$1billion. Poor past regulation has meant that the public will generally foot these liabilities, rather than the mining companies that caused them. McArthur River Mine and the Ranger Uranium Mine now loom as future mining legacies, with impacts that will be felt hundreds of years into the future. A recent <u>Senate Inquiry</u> found that regulation of mining rehabilitation is deficient across Australia.

Mining rehabilitation cont'

Urgent reforms are needed to ensure public confidence in the Northern Territory Government's ability to appropriate regulation the closure and rehabilitation of mines. In particular:

- Mining companies are required to provide a certain sum to the Northern Territory Government to fund the cost of rehabilitating a mining site. Mining security bonds have now been made public. However, explaining the methodology used to calculate the bonds is critically important to ensure the requisite degree of public confidence that mining rehabilitation will be appropriately funded and undertaken. Political parties should commit to requiring disclosure of the methodology used to calculate security bonds for mining;
- Political parties should commit to legislating for "chain of responsibility" reforms to ensure that if a mining company cannot meet its environmental obligations, any related companies or persons can be held accountable in their place;
- Political parties should commit to the ongoing public disclosure of a stand-alone current mine closure plan with enforceable commitments from the time the mine is initially approved;
- Political parties should commit to prohibiting certain final landforms including open pit voids, out of pit waste dumps, and above ground tailings storage facilities;
- Political parties should commit to requiring progressive rehabilitation of mine sites during the life of the mine.