



Australian Government

**Department of Climate Change, Energy,
the Environment and Water**

Submission to the Queensland Productivity Commission inquiry into the impact of the Australian Government's 2025 Environment Protection Reforms on Queensland

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Overview

The Department of Climate Change, Energy, the Environment and Water (the department) welcomes the opportunity to provide this submission to the Queensland Productivity Commission's Inquiry into the impact of the Australian Government's 2025 environment protection reforms on Queensland.

The Australian Government's environment protection reforms represent the most significant update to Australia's national environmental laws since the commencement of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). They introduce a modernised system centred on new National Environmental Standards, streamlined assessment pathways, improved environmental data and transparency, and strengthened compliance and enforcement arrangements.

Throughout the extensive consultation on the development of the EPBC Act reforms, there has been broad consensus that the legislation was not working for the environment, and it was not working for business. The 2025 Productivity Roundtable identified that reforms to speed up assessments and approvals under the EPBC Act and less duplication with States and Territories would help to boost national productivity in key areas such as more homes, jobs, renewable energy, critical minerals and the economic prosperity Australia needs in the future.

The recent reforms represent modern, fit-for-purpose environmental laws that will protect Australia's incredible natural environment, while also supporting speeding up assessments and approvals so that national productivity goals can be supported.

In this context, this submission focuses on the following specific areas highlighted in the Inquiry's call for submissions and Terms of Reference:

- changes to land sector regulation
- new approval pathways, including eligibility of resource projects
- bilateral agreements with states and territories
- new options for offsets.

The EPBC Act

The EPBC Act is Australia's main national environmental law. Since 1999 it has provided a legal framework to protect and manage Australia's Matters of National Environmental Significance – our unique plants, animals, habitats and places. It provides a higher level of protection for environmental and heritage values not afforded adequate protection at the state and territory level, such as those on Commonwealth lands or waters or species at risk of extinction. The Act enables Australia to meet obligations under international agreements, including protecting World Heritage places like the Great Barrier Reef, migratory species and wetlands of international importance (Ramsar Wetlands).

In 2020, an independent review undertaken by Professor Graeme Samuel AC ('The Samuel Review') found that the EPBC Act was not working for the environment or for business. The EPBC Act had become overly complex and inefficient with ongoing duplication with state and territory regulatory processes adding costs to businesses, with limited benefit to the environment. The Samuel Review recommended fundamental reform including National

Environmental Standards, stronger compliance mechanisms and more streamlined decision-making processes.

The 2025 reforms delivered on the recommendations of the Samuel Review, informed by extensive feedback on the operation of the EPBC Act from a wide range of stakeholders and the public.

The reforms address long-standing barriers to productivity by providing greater investment certainty to proponents and reducing approval timelines which will lead to faster decisions. When the reforms were introduced to Parliament the Government published an assessment of the likely impact of the reforms.¹ That assessment estimated annual savings to the economy of between \$0.5 and \$7 billion to the national economy compared with the existing environmental regulatory framework. This analysis estimated the benefits of faster approvals from reduced delay costs. While the analysis used the statutory timeframes under the new streamlined assessment pathway as a reference point, the greatest benefits arose from other elements of the reforms that provide greater certainty about requirements under the Act. This is expected to reduce the frequency of further information requests, reducing the overall timeframes from referral to approval decision. The department recognises the implementation of these reforms will have different implications across jurisdictions, due to the differences in economic structure, land use and regulatory systems.

The reforms introduce a number of measures that are intended to provide more certainty about how the laws will be applied. This will help proponents to design projects that minimise their impact on Matters of National Environmental Significance, saving time and costs associated with proposals that are unlikely to be approved. To support the reforms, the Government committed more than \$500 million in the most recent budget to implementing the reforms, including:

- establishing a dedicated National Environmental Protection Agency (National EPA)
- better data, information and tools to support proponents and decision-makers
- further accelerating approvals by working with states and territories.

Benefits of the reforms

Changes to land sector regulation

Clearing of native vegetation is a major driver of habitat loss and fragmentation. This has caused the decline of many of Australia's threatened species. Degradation of riparian zones leads to soil loss and erosion, impacting water quality as well as agricultural productivity and biodiversity². Land-based runoff presents a significant risk to the health of the Great Barrier Reef (the Reef).³

The reforms remove the previous EPBC Act exemption for continuing use when:

- the land has not been cleared of vegetation in the past 15 years and/or

¹ The Addendum to the original certification of the *Independent Review of the Environment Protection and Biodiversity Conservation Act 1999* is available at <https://oia.pmc.gov.au/published-impact-analyses-and-reports/certification-final-report-epbc-act-review>

² See <https://www.sustainablefarms.org.au/on-the-farm/riparian-restoration/>

³ Great Barrier Reef Outlook report 2024, available at <https://outlookreport.gbrmpa.gov.au/>

- the land is within 50 metres of a watercourse in the Reef catchment.

These changes are expected to have limited direct impact on land managers, and overall positive impacts for productivity. Land within 50 metres of a watercourse in the Reef catchment represents less than 5 per cent of Queensland's total land area. Activities on land that meets the above criteria do not automatically require an EPBC approval. Rather, relevant land managers will need to undertake a self-assessment of a planned activity to determine whether it will have a significant impact on a Matter of National Environmental Significance.

These changes are also expected to deliver productivity benefits resulting from better outcomes for the Great Barrier Reef (the Reef). The Reef has been valued at \$95 billion.⁴ It supports 77,000 full-time equivalent jobs, over 40,000 of which are in Reef tourism regions, from Bundaberg to Tropical North Queensland. In 2023-2024 the Reef contributed \$9 billion to the Australian economy.

As the 2024 Great Barrier Reef Outlook Report notes,⁵ recreation, shipping and port activity are projected to increase in the Reef. The Report identifies that the future economic value of Reef-dependent activities and industries is inherently tied to the health and condition of the Reef. The Reef is vulnerable to the effects of poor water quality. Declines in ecosystem health will affect the health of Reef-dependent industries. Slow progress in achieving water quality targets is likely to impair the recovery of inshore ecosystems, therefore affecting important inshore tourism sites, noting the ongoing work to improve land management practices in the Reef to help mitigate the effects of land-based runoff.

Together, the Australian and Queensland governments invested over \$5.3 billion to protect the reef, including to boost water quality and deliver sediment reduction programs.⁶ Restoring and protecting riparian vegetation (plants growing on the water's edge) is one of the most cost-effective strategies for reducing sediment delivery to the Great Barrier Reef. The reforms reduce the need for State and Commonwealth programs to restore this habitat.

For agriculture, productivity loss from preventing land clearing in these marginal cases is expected to be minimal compared to the productivity benefits expected from associated improvements in land management, avoided land loss and reduced flooding risk.

The department and the National EPA are supporting land managers to minimise the compliance costs associated with these changes by:

- working with agricultural peak bodies to develop tailored guidance on what farming activities may interact with the EPBC Act, and how to ensure they are complying.
- providing direct assistance to land managers to help them comply, including advice on undertaking self-assessments and incorporating potential protected habitat into retained vegetation to avoid and minimise impacts.
- providing fee exemptions for individuals and small businesses.
- applying a risk-based and proportionate compliance approach.

⁴ Per the Reef 2050 Catchment Water Quality Strategy, published May 2026, available at: <https://www.reefplan.qld.gov.au/water-quality-and-the-reef/the-strategy>

⁵ Great Barrier Reef Outlook Report 2024, 6.8.3 Impacts on Economic Values, available at: <https://outlookreport.gbrmpa.gov.au/threats-responses-and-risks/6-factors-influencing-regions-values/68-assessment-summary/683-impacts-economic-values>

⁶ [Joint media release: \\$91.8 million for continued protection of Great Barrier Reef | Ministers](#)

The National EPA and the Department have so far provided direct support to nearly 300 landholders since the came into effect on 1 December 2025. From then until 7 July 2026, the National EPA has not received any referrals from Queensland for agricultural projects.

New approval pathways

Current status – housing and renewable energy projects

EPBC assessments and approvals and their contribution to national productivity continue to be a focus for the Australian Government. Since August last year, the Australian Government's EPBC strike team has approved housing projects delivering more than 35,500 homes, surpassing the target of 26,000. Similarly, 143 renewable energy projects have been given the green light to proceed since May 2022.

- Of these, 92 generate power, equating to approximately 36,000 megawatts of energy generation capacity. This is equivalent to a reduction of greenhouse gas emissions by over 78 million tonnes of carbon dioxide every year.
- 92 of the 143 projects managed environment impacts to a level that was below significant and were allowed to proceed in as little as 4 to 6 weeks.
- In addition to the 143 renewable energy projects, the government has given the green light to 29 battery energy storage system projects which also support the energy transition. These help stabilise the grid but do not exclusively source power from renewable generation.

For Queensland, there are 45 renewable energy projects on foot, and 29 of these (64%) were progressed within 4-6 weeks. These were projects that were deemed to be not-controlled actions, or not-controlled actions to be undertaken in a particular manner under the legislation.

The total number of these renewable energy projects will generate enough energy to power 3.9 million homes, putting downward pressure on electricity prices and reducing greenhouse gas emissions by 22.6 million tonnes of carbon dioxide per annum, which is equivalent of taking more than 7.3 million passenger cars off the road.

This demonstrates that for projects that are well-designed, are located where they will not have a significant impact on a Matter of National Environmental Significance and where referrals are front-loaded with high quality information, timeframes under the current EPBC provisions can be fast.

Key changes

Prior to the passage of the reforms, the EPBC Act included a number of assessment approaches, or 'pathways' for project approvals, which contributed to investor uncertainty about which pathway would be most appropriate for a project. The reforms rationalised these pathways, as recommended by the Samuel Review. The over 60% of projects that currently go through these previous pathways will be eligible for the quicker streamlined assessment pathway once commenced.

The reforms introduce two new approval pathways, referred to in the Inquiry's Terms of Reference as the *National Interest Fast-Track Assessment Pathway*:

- The **streamlined assessment pathway** will reduce timeframes from 70 to 50 business days from referral to approval. It is available for proponents who provide the right information upfront. It will help to unlock more projects in key areas like renewable energy, housing and critical minerals which are a focus for national productivity.
- The **National Interest Proposal pathway** will allow the Minister to approve a project that does not meet National Environmental Standards if the Minister considers it is in the National interest.

Fossil fuel projects will not be able to access these new pathways. The existing National Interest Exemption, preliminary documentation and environmental impact statement pathways will remain available to these projects, with improvements to clarify and simplify processes. Resources projects that are not fossil fuel projects can be considered under these pathways.

This includes the Preliminary Documentation pathway, which has a statutory timeframe of 70 days. Like all projects, fossil fuel projects will also benefit from other elements of the reforms designed to provide greater certainty.

Overall, these changes will simplify and clarify the assessment pathway process to make it easier for proponents to navigate and know which is likely to apply to their project, thereby reducing investment risk caused by uncertainty. A key factor for projects seeking to access faster approvals under the reforms will continue to be the quality of their design and information being provided up front.

Bilateral agreements with states and territories

As outlined in the call for submissions (Box 2), the Australian Government can enter bilateral agreements with states and territories. These agreements are a key opportunity to reduce duplication between regulatory processes at the state and national level, reducing compliance costs and speeding up approvals. The reforms aim to encourage uptake of these arrangements by making them more flexible, while also ensuring that protections for matters of national environmental significance will be safeguarded through the application of National Environmental Standards (the Standards). The Standards will provide clear and consistent environmental protections, improving transparency and efficiency in decision-making under the EPBC Act. All Standards are subject to a statutory public consultation period of at least 20 business days before they are finalised as legislative instruments.

The Australian Government has committed over \$45 million funding to fast-track new agreements with all jurisdictions as soon as possible. The department is working with jurisdictions to update assessment bilateral agreements as soon as possible so that they continue to operate effectively under the new arrangements. A key goal is to deliver the first ever approval bilateral agreements under the EPBC Act.

The department is working with Queensland Government representatives on new bilateral agreements.

New options for offsets

The reforms introduce new options for project proponents to acquit their offset obligations to deliver net gain. These options support simplifying and streamlining offset processes for project proponents, giving them more certainty and reducing delays during the approval process.

Project proponents will be able to:

- deliver an offset themselves through direct delivery, advanced delivery or the Nature Repair Market
- pay for the government to do it via a restoration contribution payment,
- a combination of both.

Reforms to offset arrangements provide opportunities for landholders to diversify their income by participating in offset markets. Participating in supply of offsets is voluntary, so farmers and landholders can choose whether or not to take part. The Nature Repair Market provides opportunities for landholders, including farmers, to undertake activities that enhance and protect nature alongside agricultural and other economic activities. Farmers and land managers can participate in the Nature Repair Market by leading or being part of a project that improves biodiversity.

Methods under the Nature Repair Market can specify whether projects can be used as environmental offsets. Participants who meet relevant requirements in eligible methods and Rules may be able to attract investment in their project from those who need to acquit offsetting liabilities such as developers or the Restoration Contributions Holder.

Restoration contribution payments will be made to the Restoration Contributions Holder, a new independent statutory officer. The Restoration Contributions Holder will spend restoration contributions on strategic restoration actions in line with net gain obligations and with regard to the new Environmental Offsets Standard and any relevant conservation advice such as recovery strategies. The detail of the restoration contributions system is still under development. Public consultation will be undertaken on the calculation methodology of the restoration contribution charge and the scope of the initial contributions offering.

Investment in implementation

The department is continuing to consult with stakeholders – including industry groups and states and territories – to inform the detailed design of the reforms, including the development of the Standards. Following the Australian Government's commitments in the 2026-27 Budget, the department and the National EPA are rolling out measures to complement the legislative reforms, reduce administrative burden and accelerate approvals:

- The National EPA will pilot the use of AI in the assessment and approval process. The pilot will guide proponents through complex regulatory processes and requirements.
- The National EPA are overhauling regulatory guidance to ensure it is relevant, clear and easily accessible. This will be complemented by new guidance instruments led by the department, such as protection statements. Better guidance will help proponents design projects that meet the requirements of the EPBC Act, leading to fewer requests for further information, and faster approvals.

- This is also reflected through recent consultation with agricultural peak bodies and direct support to nearly 300 landholders following changes to the continuing use exemption, discussed above.
- Environmental Information Australia will be resourced to consolidate key data, making it more accessible for proponents and decision-makers.
- The department and the National EPA will work with states and territories to develop new bioregional plans and strategic assessments. Alongside Bilateral agreements (including funding to fast-track new agreements with all jurisdictions as soon as possible), these will fast-track environmental approvals in priority areas including housing, critical minerals and renewable energy.

The Australian Government will undertake further analysis and review of the impact of the reforms, including through:

- assessing the impacts of Standards when they are made
- legislated reviews of the Standards, the EPBC Act and the National EPA Act.

The department remains at the Commission's disposal to provide further information that would assist in the Commission's analysis.