

**Potential impacts of the Australian
Government's 2025 changes to the
*Environment Protection and Biodiversity
Conservation Act 1999* on Queensland**

Submission to the Queensland Productivity Commission

State of Queensland, 2026.



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Introduction

The Special Commissioner for Regional and Rural Queensland (the Commissioner) welcomes the opportunity to contribute to the Queensland Productivity Commission's inquiry into the potential impacts of the Australian Government's 2025 changes to the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) on Queensland.

The Commissioner engages with regional, rural and remote communities across Queensland to understand the challenges, opportunities and policies affecting these communities. Through this engagement, the Commissioner hears directly from local governments, industry representatives, community organisations, business owners and residents about matters influencing economic development, investment, infrastructure, service delivery, and employment.

Through this engagement recurring concerns raised with the Commissioner include an increasing regulatory burden, duplication of assessments between the regulatory frameworks of each level of government, uncertainty for investors regarding the outcomes of protracted, complex and expensive application and assessment requirements, delays in approvals, and rising compliance costs.

These concerns are particularly pronounced in communities and industries that underpin regional economies, where timely investment and project delivery are critical to employment, economic growth and long-term regional prosperity.

This submission outlines the Commissioner's views on the potential implications of the Australian Government's 2025 EPBC Act changes on Queensland, with particular consideration of the impacts on state autonomy, productivity, investment certainty, and regional communities.

Intent of the original EPBC Act 1999

Australia is governed by a federal system and structure, whereby the states and territories retain broad legislative responsibility for matters not assigned to the Commonwealth. In Queensland, this includes matters such as land-use planning, natural resource management, infrastructure development and regional development, subject to Commonwealth legislation including the EPBC Act (Australian Government, 1977).

Historically, matters such as mines, farms, dams, roads, housing, energy projects and industrial development have generally been assessed and determined by the Queensland Government and the Queensland Parliament respectively on behalf of Queensland communities. In this way the state retained primary responsibility for land-use planning, resource management and economic development, except for powers attributed to the Australian Government.

The introduction of the EPBC Act in 1999 marked a significant change to that relationship. The EPBC Act established a Commonwealth approval framework for actions likely to have a significant impact on matters of national environmental significance (with referral of applications the responsibility of the proponent), creating a direct federal role in certain land use and development decisions (Australian Government, 1999).

When the EPBC Act was developed in the late 1990s, it was presented as a cooperative framework between the Commonwealth and the states and territories, establishing national protection for matters of national environmental significance while relying on partnerships and agreements with state and territory governments for environmental assessment and management.

The original legislative framework was also accompanied by an in-principle agreement through the Council of Australian Governments (COAG), reflecting a shared understanding between the Commonwealth and the States regarding the scope and operation of the Act. Consistent with this approach, the then Federal Minister for the Environment (Senator Robert Hill) emphasised that the Commonwealth would seek to accredit State assessment processes and avoid unnecessary

duplication, creating a seamless national framework that respected state responsibilities for on-ground natural resource management and development assessment.

In his Second Reading Speech introducing the EPBC Bill on 2 July 1998, Minister Hill stated that the legislation was intended to focus the Commonwealth's role on matters of national environmental significance and to avoid duplication with state processes.

Minister Hill noted that activities that did not have a significant impact on matters of national environmental significance would generally not trigger Commonwealth involvement (Hill, 1998). Importantly, he concluded that the legislation:

“... enables the Commonwealth to join with the States in providing a truly national scheme of environmental protection and biodiversity conservation ... by respecting and building upon the strengths of our Federation and the primary responsibility of the States for delivering on-ground natural resource management.”

The original intent of the EPBC Act was not to transfer primary decision-making authority away from the states and territories. Rather, it was to promote cooperative federalism through accredited state processes and integrated assessments designed to minimise duplication, reduce delays and provide certainty for project proponents.

Over the past 25 years however, the balance originally envisaged under the EPBC Act has significantly shifted. Successive reviews have identified concerns regarding increasing regulatory complexity, duplication between Commonwealth and State Government assessment processes, approval delays, and uncertainty for proponents.

The Commonwealth's role in environmental approvals has expanded beyond the original vision of a limited national oversight function, resulting in greater influence over decisions that directly affect Queensland's communities and industries.

One example of this gradual expansion was the introduction of the water trigger in 2013, (Department of the Environment and Energy, 2017) which extended Commonwealth assessment requirements to certain large coal mining and coal seam gas developments that were deemed likely to have a significant impact on water resources.

While ostensibly introduced in response to public concern regarding the protection of groundwater and surface water systems, the water trigger also represented a significant extension of Commonwealth involvement into an area that had traditionally been assessed and managed by state and territory governments.

Its introduction in 2013 expanded Commonwealth oversight beyond the matters of national environmental significance originally emphasised during the passage of the EPBC Act and raised broader questions about the appropriate balance between Commonwealth oversight and Queensland Government responsibilities. It also highlighted the technical capability and resourcing required for Commonwealth agencies to undertake complex environmental assessments in specialised areas where the states had historically held expertise and primary responsibility.

More broadly, successive amendments have progressively increased Commonwealth oversight without a corresponding contemporary intergovernmental agreement comparable to the arrangements that accompanied the original legislation.

Since commencement of the EPBC Act, both referral volumes and assessment complexity have increased substantially. The Second Independent Review of the EPBC Act 1999 (Samuel Review) (Professor Graeme Samuel AC, 2020) characterised the regulatory framework as “complex and cumbersome” and found that it was failing to deliver either efficient approvals or strong environmental outcomes.

Concerns relating to complexity, inefficiency, duplication and regulatory uncertainty were central findings of the Samuel Review and have continued to feature in subsequent discussions regarding environmental law reform (Professor Graeme Samuel AC, 2020).

Summary of the 2025 EPBC Act changes

The Australian Government asserts that the 2025 changes have strengthened national environmental standards and federal oversight while retaining a significant role for states and territories through accreditation and bilateral assessment arrangements. (Parliament of Australia, 1999) (Parliament of Australia, 2025) (Department of Climate Change, 2026).

The Australian Government's 2025 changes represent one of the most significant changes to Australia's environmental regulatory framework since the commencement of the EPBC Act in 1999. Key elements include the establishment of the National Environmental Protection Agency (NEPA) (National Environmental Protection Agency, 2026), expanded Commonwealth oversight, National Environmental Standards, enhanced compliance and enforcement powers, and revised assessment pathways designed to guide decision-making.

Collectively, these changes increase the Commonwealth's influence over development proposals that may affect matters of national environmental significance and expand the role of federally determined standards in environmental assessment and approval processes. The changes also place greater emphasis on nationally consistent environmental outcomes and strengthen the Commonwealth's ability to oversee, monitor and enforce environmental requirements.

The Australian Government asserts that the 2025 changes address shortcomings identified by the Samuel Review, which found that the existing EPBC Act framework was failing to adequately protect the environment while simultaneously creating complex, duplicate and inefficient approval processes. Through the introduction of National Environmental Standards and improved environmental data and reporting arrangements, the Commonwealth claim to have established clearer decision-making frameworks toward consistent environmental outcomes across jurisdictions.

While the changes seek to improve environmental outcomes and provide consistency across jurisdictions, they also continue the broader trend towards increased Commonwealth involvement in land-use and development decisions that have traditionally been managed by state and territory governments.

The 2025 changes have reinforced this trend by increasing reliance on Commonwealth-defined standards and strengthening federal oversight of environmental outcomes. Although the changes include provisions intended to support accreditation arrangements and improve cooperation between jurisdictions, the practical operation of these arrangements will be critical in determining whether the changes reduce duplication or create additional layers of assessment.

For Queensland, this has important implications. The state remains responsible for delivering economic development, infrastructure planning, housing supply, energy security, employment growth and regional prosperity. Many of the projects required to achieve these objectives, including mining developments, energy projects, transmission infrastructure, water projects, transport corridors, agricultural developments and industrial facilities, are also projects that may trigger Commonwealth EPBC referral.

As a result, Queensland increasingly faces a situation where it remains responsible for economic development, infrastructure planning, housing supply, employment growth and regional prosperity, with less practical control over regulatory pathways and approval outcomes that directly affect those responsibilities. This can create challenges where the Commonwealth and state priorities diverge, or where additional approval requirements affect project timing, costs and investor certainty.

The efficacy of the 2025 changes will therefore depend not only on their ability to improve environmental outcomes, but also on their ability to maintain efficient approval processes, minimise duplication between jurisdictions and provide clear, transparent and predictable pathways for proponents. Achieving an appropriate balance between environmental protection, regulatory efficiency and state autonomy will be critical to ensuring that the changes deliver their intended benefits without creating unnecessary constraints on economic development and regional growth.

EPBC Act changes poorly consulted

The 2025 EPBC Act changes comprised seven Bills, including the *Environment Protection Reform Bill 2025*, the *National Environmental Protection Agency Bill 2025*, and the *Environment Information Australia Bill 2025*. (Parliament of Australia, 2025). The Bills were introduced into the House of Representatives on 30 October 2025.

Public consultation on the Bills was limited to written submissions through the Commonwealth Department of Climate Change, Energy, the Environment and Water's inquiry website, with organisations and individuals invited to provide feedback by 5 December 2025 (Senate Environment and Communications Legislation Committee, 2026).

Records of submissions indicate that no Queensland state government agencies provided submissions to the inquiry (Senate Environment and Communications Legislation Committee, 2026). Questions should be raised about the robustness of this consultation process.

The short consultation timeframe of about one month was in any case insufficient to provide comprehensive feedback to review hundreds of pages of complex legislative amendment proposals and prepare considered submissions. Given that the Samuel Review was finalised in 2020, it is unclear why such substantial and complex reforms were subsequently subject to an accelerated consultation process, prompting legitimate questions about the rationale for the apparent rush and the adequacy of stakeholder engagement.

This is contrary to good practice consultation which should seek to maximise stakeholder input, and creates the perception that consultation was undertaken primarily to satisfy procedural requirements rather than to maximise stakeholder input and inform policy development.

Given the breadth of the proposed changes and their potential implications for environmental regulation, economic development, investment certainty and intergovernmental arrangements, meaningful consultation was particularly important. Where stakeholders are not provided sufficient time to fully examine complex legislative changes, there is an increased risk that practical implementation issues, unintended consequences, regulatory inconsistencies and jurisdiction-specific impacts will not be identified before legislation is enacted.

This truncated consultation process therefore magnifies implementation risk by reducing opportunities to test policy assumptions, identify administrative challenges and consider the operational realities facing affected stakeholders. It also increases the likelihood that issues requiring subsequent clarification, amendment or administrative adjustment may only emerge after the changes have commenced.

For changes of this significance, early identification of potential impacts are critical to ensuring that policy objectives are achieved without creating unnecessary costs, inefficiencies or uncertainty for government, industry and regional communities.

Furthermore, where stakeholders have had limited opportunities for meaningful input, there is a risk of reduced confidence in both the consultation process and the practical implementation of the changes. This will make it more difficult to secure stakeholder support, foster cooperative implementation arrangements and achieve the objectives of the reform package.

Only a limited number of Queensland-based organisations provided submissions to the inquiry (Senate Environment and Communications Legislation Committee, 2026). Notably, the Queensland Resources Council urged in its submission the need for the Australian Government to urgently engage with the Queensland Government to 'ensure state environmental approvals processes are accredited as quickly as possible, to prevent more significant delays for new and existing projects in the state' (Queensland Resources Council, 2025).

The Commissioner is also concerned about the apparent lack of broad stakeholder engagement during the development of the proposed changes. While the changes would have significant

implications for state responsibilities, regional development, investment certainty and economic productivity, there appears to have been limited consultation with many of the stakeholders most likely to be directly affected.

Further concern arises from the publication by the Department of Climate Change, Energy, the Environment and Water, indicating that the relevant Bills were passed by the Australian Parliament on 28 November 2025, receiving Royal Assent on 1 December 2025, prior to the consultation submission deadline of 5 December 2025 (Senate Environment and Communications Legislation Committee, 2026).

Beyond creating a perception that stakeholder feedback has not materially influenced the legislative outcome, this sequence of events also raises broader issues on procedural fairness and appropriate consultation.

Consultation processes are commonly intended to provide affected parties with a genuine opportunity to inform policy design before key decisions are finalised. Where legislation has already been enacted before consultation has concluded, stakeholders will rightfully question whether engagement was token for a predetermined outcome.

This distinction is significant, as the perceived legitimacy of regulatory reform is often influenced not only by the substance of the final framework but also by the transparency of the processes through which it was developed.

Regardless of differing views on the changes themselves, there is merit in ensuring that major reforms to Australia's federal environmental framework are developed through robust consultation and genuine engagement with state governments and affected stakeholders.

Such an approach would be consistent with the principles of cooperative federalism that underpinned the development of the original EPBC Act and would help to restore confidence in the legitimacy, effectiveness and practical application of the EPBC Act.

The original EPBC Act was developed following extensive consultation between jurisdictions and was accompanied by an in-principle COAG agreement supporting its implementation. By comparison, the 2025 changes proceeded without any equivalent national agreement or publicly articulated consensus between the Commonwealth and the States. While formal agreement is not a legislative requirement, the absence of a comparable intergovernmental process is notable given the scale of the reforms and their implications for State responsibilities.

Impacts on Queensland's autonomy

The Commissioner considers that the changes represent a significant departure from the federal balance that underpinned the intent of the original EPBC Act.

While environmental protection is a shared responsibility, the changes substantially increase Commonwealth influence over matters that have traditionally been managed by the Queensland Government. This includes decisions affecting resource development, agricultural expansion, infrastructure investment, energy projects, water infrastructure and broader regional economic development.

Given the direct implications of these changes for Queensland's legislative, regulatory and economic interests, meaningful engagement with the Queensland Government during the development of the changes was critical to ensure state-specific priorities, regional circumstances and implementation challenges were adequately considered.

A key feature of the change is the establishment of new national environmental governance arrangement, including the creation of the NEPA. NEPA will assume significant responsibility for environmental compliance, monitoring and enforcement functions under Commonwealth environmental law.

While intended to strengthen environmental oversight, the establishment of an independent federal regulator increases the Commonwealth's direct role in decisions and activities that intersect with area traditionally administered by state and territory governments.

The changes also introduce National Environmental Standards (Department of Climate Change, Energy, the Environment and Water (DCCEEW), 2026), which seek to provide the framework against which environmental assessments and approval decisions are made. Although national consistency is an important objective, the adoption of federally determined standards increases Commonwealth influence over development outcomes for Queensland.

State assessment processes and decision-making frameworks will need to operate within these national requirements, limiting Queensland's capacity to tailor regulatory approaches to local economic, environmental and community circumstances.

Queensland agencies have assessed many of the environmental matters now subject to increased Commonwealth oversight for decades and have developed substantial technical expertise, institutional knowledge and region-specific understanding. The original EPBC Act framework recognised this capability through the proposed use of accredited state assessment processes and bilateral agreements, which were intended to minimise duplication while maintaining environmental protections.

As Commonwealth involvement expands, it will be important to ensure existing state capability is effectively utilised rather than duplicated. Reforms that leverage established state expertise have the potential to deliver stronger environmental outcomes while reducing administrative burden, approval delays and implementation costs.

In addition, the changes expand Commonwealth compliance and enforcement powers, including increased oversight of project conditions, environmental obligations and regulatory compliance. This creates the potential for greater Commonwealth involvement throughout the lifecycle of projects, extending beyond initial approvals and further increasing federal influence over activities occurring within Queensland.

The changes preserve the requirement for Commonwealth approvals for actions that may impact matters of national environmental significance, even where projects have already satisfied Queensland approval requirements. As a result, projects supported through Queensland's planning, environmental and development assessment frameworks may still be subject to additional Commonwealth approval processes.

Under the changes, projects that satisfy Queensland Government approval requirements may still be delayed, modified or constrained through the application of Commonwealth standards, assessment processes or regulatory requirements.

For example, a project considered strategically important by Queensland, such as a new mining development, energy project, water infrastructure proposal or major transport investment, may receive all necessary state approvals yet remain subject to additional Commonwealth assessment and approval processes.

This has the potential to extend approval timeframes, increase compliance costs and create uncertainty regarding project outcomes, notwithstanding Queensland's support for the development.



The Queensland Government remains accountable to Queenslanders for delivering economic growth, employment opportunities, infrastructure and housing. However, the changes risk creating a growing separation between responsibility and authority. While the State continues to bear responsibility for economic and regional development outcomes, an increasing proportion of the regulatory framework that influences those outcomes is being determined at the Commonwealth level.

The Queensland Government will continue to be held accountable for economic and development outcomes while increasingly lacking the ability to independently determine the regulatory pathways and approvals that affect those outcomes.

More broadly, the changes raise important questions regarding the operation of Australia's federal system and whether states and territories retain meaningful autonomy in areas for which they remain constitutionally, politically and economically accountable.

The changes represent a continuation of the broader shift away from the cooperative federal model envisaged when the EPBC Act was first introduced, towards a model characterised by increased Commonwealth oversight of development decisions with the potential for significant adverse outcomes for Queensland's economy and regional communities.

Consistent with concerns raised during previous reviews of the EPBC Act, the current changes also raise broader questions regarding the extent to which the original model of cooperative federalism remains intact. When the EPBC Act was introduced, accredited state assessment processes and bilateral agreements were intended to minimise duplication and allow states to retain primary responsibility for land-use planning and development decisions.

The issue is particularly significant because the original scope of the Commonwealth environmental regulation was largely framed around internationally recognised matters, including World Heritage properties, Ramsar wetlands and migratory species. The steady expansion of Commonwealth assessment requirements into areas traditionally administered by the States has altered the practical balance between Commonwealth oversight and state responsibility that existed when the EPBC Act commenced.

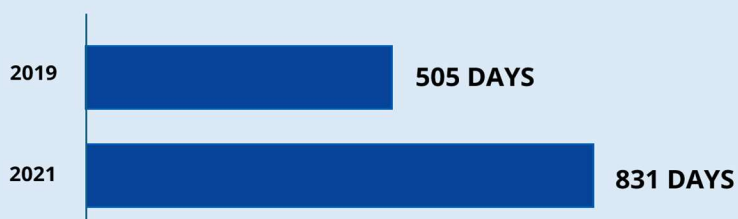
The implications for Queensland are not simply the expansion of Commonwealth oversight, but whether the practical operation of the amended framework continues to support the partnership model originally envisaged and provides an appropriate balance between national environmental objectives and State responsibilities.

Impacts on Queensland's productivity

The changes have the potential to affect productivity through increased regulatory complexity, duplication and uncertainty within project approval processes. Where projects are required to satisfy multiple layers of assessment and oversight, there is a risk of increased administrative costs, extended approval timeframes, delayed investment decisions or even abandonment of projects due to poor investor confidence. These risks have the potential to adversely impact both proponents and government agencies and reduce the overall efficiency of project delivery.

Approval timeframes increasing

Average EPBC approval timeframes



65%

increase
in average approval times

Concerns regarding the efficiency of environmental approval processes are not new. The Samuel Review concluded that the EPBC Act had become complex, cumbersome and duplicative, and identified significant concerns regarding lengthy assessment processes, regulatory uncertainty and overlap with state-based approval systems.

The review found that the Act was not achieving its environmental objectives while simultaneously imposing administrative burdens on proponents and governments (Professor Graeme Samuel AC, 2020). Evidence from sectors that regularly interact with Commonwealth environmental approvals suggests that approval timeframes are substantial and, in some cases, have increased in recent years.

Analysis undertaken by the Clean Energy Investor Group and Herbert Smith Freehills found that average approval timeframes for renewable energy projects referred under the EPBC Act increased from an average of 505 days (1.3 years) for projects referred in 2019 to an average of 831 days (2.2 years) for projects referred in 2021.

The same analysis identified growing project backlogs. Average decision-making periods for controlled actions increased from 62 days in 2021 to 136 days in 2023. (Clean Energy Investor Group, 2024).

Some projects were found to require more than five years to complete the environmental approval process, demonstrating the extent of approval uncertainty under the then referral system (RenewMap, 2025). These findings reinforce the conclusions of the Samuel Review that the existing framework can contribute to lengthy assessment processes, regulatory uncertainty and duplication between Commonwealth and state approval systems.

This issue is particularly relevant to Queensland, where major resource, agricultural, energy and infrastructure projects frequently require both state and Commonwealth approvals. Delays or uncertainty at either level of government can affect investment decisions, project delivery schedules and the timely realisation of economic benefits for regional communities.

Increased Commonwealth oversight may also impose additional administrative costs on government. State agencies may be required to undertake additional consultation, prepare duplicate technical information, respond to Commonwealth information requests and participate in concurrent assessment processes. These activities require time, resources and specialist expertise that could otherwise be directed towards assessment, compliance and project delivery functions.

Where approval responsibilities overlap, there is also a risk that both levels of government will invest in similar assessment capabilities, systems and processes. While effective environmental regulation remains essential, regulatory duplication can reduce administrative efficiency and increase costs for government, proponents and ultimately taxpayers. These impacts are particularly relevant in Queensland, where many large-scale projects require interaction with both State and Commonwealth approval systems.

The economic impacts of approval delays can be significant. Delayed project commencement can increase financing costs, defer capital investment, postpone employment opportunities and delay the delivery of economic benefits to communities. For major resource, energy and infrastructure projects, even relatively short delays can result in increased holding costs, contractual risks and uncertainty for investors.

These impacts can be particularly pronounced in capital-intensive sectors where investment decisions are highly sensitive to regulatory risk and approval timeframes (Herbert Smith Freehills Kramer, 2025) (Clean Energy Investor Group, 2024). Delays may also require proponents to revisit technical studies, environmental assessments and commercial arrangements where project assumptions, market conditions or regulatory requirements have changed during the approval process. (Department of Climate Change, Energy, the Environment and Water (DCCEEW), 2025).

Prolonged approval processes may also increase labour costs, defer revenue generation, postpone royalty and taxation streams and reduce overall project viability. In sectors where investment

decisions often involve expenditure of millions or indeed billions of dollars, even modest increases in approval timeframes can have material economic consequences (Clean Energy Investor Group, 2024) (RenewMap, 2025).

Increased approval uncertainty can also influence investment decisions by creating additional risk for businesses considering major long-term investments. This is particularly relevant for sectors that make substantial contributions to the economies of Queensland and Australia, including resources, agriculture, energy, manufacturing and infrastructure development sectors.

Where approvals become more difficult to navigate or less predictable, investment may be deferred, scaled back or redirected to alternative jurisdictions. This has potential implications for productivity, competitiveness and economic growth across Queensland. Approval delays also create opportunity costs by slowing the delivery of new infrastructure, energy generation capacity, housing-enabling infrastructure and resource developments, thereby reducing the speed at which economic and productivity benefits flow through to regional communities and the broader economy.

The Independent Review of the EPBC Act (Samuel Review) highlighted the need for environmental decision-making processes that are transparent, efficient, accountable and predictable, while maintaining and improving environmental protections through clear environmental standards. (Professor Samuel Graeme, 2020)

These concerns regarding approval efficiency and regulatory complexity are among the issues the Commonwealth claims it is seeking to address through the recent changes. It is asserted that the changes will improve the operation of the regulatory framework through the introduction of streamlined assessment pathways and other process improvement. However, the ultimate productivity impacts will depend on the effectiveness of implementation and the extent to which the changes reduce, rather than increase, regulatory duplication and approval complexity.

While the introduction of National Environmental Standards, the NEPA and new assessment requirements may improve consistency and environmental oversight, there remains a risk that additional Commonwealth processes could offset anticipated efficiency gains if accreditation arrangements and intergovernmental coordination are not implemented effectively (Department of Climate Change, Energy, the Environment and Water, 2026) (Department of Climate Change, Energy, the Environment and Water, 2026).

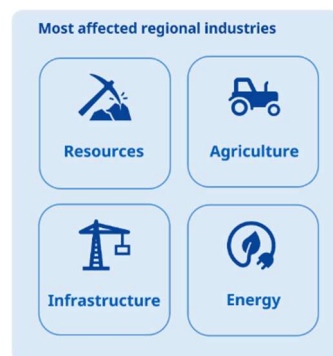
Well-designed approval frameworks can support strong environmental outcomes while also providing timely, transparent and predictable decision-making processes that promote investment and economic activity. Achieving this balance will be critical to ensuring the changes deliver improved environmental outcomes without diminishing Queensland's productivity, competitiveness and capacity to attract investment, particularly in regional communities.

Impacts on regional Queensland

The implications of the proposed changes are particularly significant for regional Queensland. Queensland's regional economies are heavily dependent on agriculture, resources, manufacturing, transport networks, energy production and major infrastructure development. These industries underpin employment opportunities, support local businesses and contribute significantly to regional prosperity and liveability.

Regional Queensland is expected to play a central role in meeting Australia's future energy requirements, with significant investment planned across energy generation, transmission infrastructure, critical minerals and associated supply chains.

The changes increase the potential for projects deemed strategically important by Queensland to encounter additional layers of Commonwealth review, oversight, compliance requirements or approval risk. While the changes seek to improve environmental outcomes and provide greater national consistency, there remains a risk that additional



regulatory requirements could increase project costs, reduce investment certainty and extend project delivery timeframes where duplication between Commonwealth and state processes is not effectively addressed.

This issue is particularly relevant in regions where major economic development projects are already dependent upon complex approval pathways. For example, North and North West Queensland are expected to benefit from the delivery of the CopperString transmission project, which is intended to connect the North West Minerals Province to the National Electricity Market and support industrial development, energy generation, mining investment and economic growth.

The project is dependent upon securing various planning, environmental and land access approvals, highlighting the importance of efficient regulatory processes for regionally significant infrastructure. (Powerlink Queensland, 2026)

Similarly, Central Queensland has been identified as a key location for energy investment, with numerous energy generation and storage projects proposed within the region. Queensland's Energy Roadmap is intended to facilitate coordinated investment in generation, transmission and supporting infrastructure while delivering economic benefits to local communities.

Any measures that create additional approval delays or uncertainty have the potential to impact development timeframes across the broader energy sector, including emerging opportunities such as the Taroom Trough in southern Queensland, whose prospective oil and gas resources are increasingly being viewed as an important contributor to domestic energy supply and fuel security.

Delays associated with environmental approvals have the potential to affect project sequencing, increase financing costs and postpone anticipated employment and economic opportunities. (Queensland Government, 2024).

Regional communities are particularly vulnerable to the effects of project delays and investment uncertainty. In many areas, proposed mining developments, energy projects, water infrastructure investments, agricultural expansions and transport projects represent major sources of employment, business activity and future economic growth.

In regional, rural and remote areas of Queensland, major projects often generate substantial flow-on benefits for contractors, equipment suppliers, accommodation providers, transport operators and local service industries.

Delays or increased regulatory complexity can therefore affect not only project proponents but also local contractors, suppliers, small businesses, community services and broader regional population growth. The economic consequences may extend beyond direct project expenditure, affecting workforce attraction, housing demand, local government revenue and the capacity of communities to sustain essential services. Where projects are deferred or scaled back, anticipated employment opportunities and associated regional development benefits may also be postponed.

Additional uncertainty may be particularly significant for emerging industries that Queensland has identified as priorities for future growth, including new energy production, critical minerals development and advanced manufacturing.

Through initiatives such as the Regional Economic Futures Fund, the Queensland Government has invested in projects designed to support regional economic diversification and assist communities to capitalise on opportunities associated with new energy resource development and critical minerals production.

The success of these initiatives is likely to depend, in part, on the existence of regulatory systems that provide certainty and timely decision-making for investors (Queensland Government, 2024).

Queensland is also undertaking significant long-term infrastructure planning through regional infrastructure plans that identify the transport, energy, water, health and community infrastructure required to support future population and economic growth. The timely delivery of this infrastructure is important to maintaining regional productivity and competitiveness.

Where approval frameworks become more uncertain, more fragmented or more complex, there is a risk that investment may be delayed or redirected elsewhere, reducing opportunities for regional and rural Queensland communities and potentially constraining long-term regional development (Department of State Development, Infrastructure and Planning, 2026).

For these reasons, it is important that the changes maintain a clear focus on regulatory efficiency, transparent decision-making and effective state-Commonwealth accreditation arrangements. Achieving strong environmental outcomes while minimising duplication and unnecessary delay will be critical to ensuring that regional Queensland communities are able to realise the economic benefits associated with future investment, infrastructure development and industry growth.

Recommendations

While the Commissioner has concerns regarding the consultation process associated with the 2025 changes, the new legislation has been enacted, and the focus must necessarily shift to implementation. It is important that implementation occurs in a manner that supports environmental outcomes while maintaining investor confidence by minimising regulatory burden and preserving Queensland's decision-making responsibilities to the greatest extent possible.

To achieve this, the Commissioner recommends the Queensland Government urge the Australian Government to prioritise:

- Genuine intergovernmental collaboration
- Regional and industry engagement
- Clear EPBC Act referral thresholds for proponent/investor certainty
- Accreditation of state assessment and decision-making processes.

1. Genuine intergovernmental collaboration

The successful implementation of these changes will depend on strong and ongoing collaboration between the Australian and Queensland Governments. Recent events have underscored the importance of strengthening Australia's capability in critical areas, including fuel security, fertiliser supply, manufacturing capacity and broader supply chain resilience. The COVID-19 pandemic and the recent conflict in the Middle East are examples of how vulnerabilities in these supply chains can have significant economic, social and strategic consequences, reinforcing the need for coordinated action across all levels of government.

These challenges have created an opportunity for a renewed Commonwealth-State partnership focused on achieving shared outcomes. As Australia seeks to strengthen sovereign manufacturing capability, support defence preparedness, secure critical supply chains and deliver nationally significant infrastructure, governments must work together to ensure collective efforts are not compromised by siloed decision-making or competing policy agendas.

Queensland's responsibilities for economic development, infrastructure delivery, resource management and regional development make it a critical partner in achieving these objectives. Implementation arrangements should therefore be developed through genuine partnership rather than unilateral Commonwealth decision-making.

The Commissioner recommends the establishment of formal intergovernmental implementation mechanisms, including regular ministerial and senior official forums, to identify emerging issues and coordinate responses. These mechanisms should focus on maintaining regulatory efficiency, resolving jurisdictional inconsistencies, avoiding unnecessary duplication and ensuring environmental objectives are considered alongside economic and regional development priorities.

Particular attention should be given to projects of strategic state significance, major infrastructure investments and developments that support regional employment, economic growth, supply chain resilience and sovereign capability. Early collaboration on assessment requirements, accreditation arrangements and compliance expectations will reduce uncertainty for proponents and assist both governments in achieving their respective policy objectives.

Consideration should also be given to capability and knowledge-transfer arrangements. For many years, Queensland Government officers have undertaken the technical assessment of matters now captured under the EPBC Act. As a result, state officers have developed substantial expertise, institutional knowledge and practical experience in assessing complex projects, and can do so efficiently to meet Commonwealth environmental requirements.

The Commonwealth has historically relied on this expertise and assessment capability within Queensland agencies to inform decision-making. If the Commonwealth intends to assume a greater direct assessment role under the reformed framework, a structured approach to workforce capability development, training and knowledge transfer will be necessary to maintain assessment quality, consistency and timeliness. Transparent reporting on implementation outcomes, approval timeframes and accreditation progress would further support accountability and strengthen confidence in the effective implementation of these changes.

The Commissioner further recommends that implementation arrangements make maximum practical use of existing state assessment expertise and capability. Where Queensland processes meet recognised national standards, assessment responsibilities should be delegated or accredited wherever practicable to avoid unnecessary duplication of effort, capability development and administrative costs across jurisdictions.

2. Regional and industry engagement

Regional communities, local governments, industry stakeholders and project proponents will experience many of the practical impacts of the changes and should therefore be consulted in the development of policy guidance. Ongoing engagement will be critical to identifying unintended consequences, improving regulatory efficiency and ensuring that implementation reflects on the ground realities in regional Queensland.

The Australian Government should establish structured engagement mechanisms with regional stakeholders, including local government representatives, industry peak bodies, community groups and major project proponents. Consultation should continue throughout the implementation of the changes to ensure emerging challenges can be identified and addressed promptly.

Particular focus should be given to sectors that underpin regional economies, including agriculture, resources, energy, transport and water infrastructure. These sectors often operate in areas where matters of national environmental significance are present and are therefore likely to experience the greatest interaction with the new regulatory framework.

The Australian Government should also monitor and publicly report on the impacts of the changes on project approval timeframes, investment decisions, regional employment and economic activity. Such reporting would provide an evidence base for future policy improvements and help ensure that environmental objectives are achieved without imposing avoidable costs on regional communities or constraining opportunities for regional growth and development.

3. Clear EPBC Act referral thresholds for proponent/investor certainty

The Australian Government should prioritise the development of clear, practical and easily accessible policy guidance on the operation of the new regulatory framework, particularly in relation to referral triggers, assessment thresholds and compliance expectations. Regulatory certainty will be critical to ensuring that the changes achieve environmental objectives without

creating unintended barriers to investment, business expansion and regional economic development.

A recurring concern raised by stakeholders is uncertainty regarding activities that will require referral, assessment or approval under the new framework. This uncertainty is particularly significant for small and medium-sized businesses, family-owned agricultural enterprises, regional industries and other proponents undertaking routine expansion or development activities.

In the absence of clear thresholds and decision-making criteria, proponents may adopt a precautionary approach and refer activities that would not otherwise require Commonwealth assessment. This leads to unnecessary compliance costs, increased administrative burden and delays in investment decisions.

The Commissioner recommends that the Australian Government publish detailed policy referral guidance, sector-specific case studies and decision-support tools that clearly identify activities that are likely to require assessment and those that fall outside the scope of the framework.

Particular attention should be given to sectors such as agriculture, resources, energy, infrastructure and regional development, where investment decision are often made on long planning horizons and depend on regulatory certainty.

The Australian Government should also establish service standards for referral and assessment decisions, provide timely access to regulatory advice, and regularly review guidance materials to address implementation issues.

Clear and predictable processes will reduce unnecessary referrals, improve administrative efficiency and provide greater confidence for landholders, businesses and investors. Importantly, greater certainty will help minimise unintended economic impacts on regional communities while ensuring environmental regulation is applied in a proportionate, transparent and consistent manner.

4. Accreditation of state processes

The Australian Government should prioritise the timely accreditation of Queensland's environmental assessment and approval processes to minimise duplication and ensure the efficient operation of EPBC Act.

Accreditation was a cornerstone of the original EPBC Act framework. Accredited state processes and bilateral agreements were intended to provide a practical mechanism for achieving national environmental protection objectives while avoiding multiple assessment pathways, reducing regulatory burden and providing greater certainty for proponents.

This objective remains equally important under the 2025 changes. As Commonwealth environmental responsibilities continue to expand, effective accreditation arrangements will be critical to ensuring increased oversight does not result in unnecessary duplication, increased costs or longer approval timeframes.

Where Queensland Government assessment processes meet national environmental standards, proponents should be able to rely on a single, integrated assessment process rather than navigating multiple parallel approval pathways.

Delays in accreditation risk creating uncertainty for investment decisions and increasing compliance costs for project proponents, particularly in sectors that are critical to Queensland's economy, including resources, agriculture, energy, infrastructure and manufacturing.

The Australian Government should establish clear accreditation pathways, publish implementation timeframes, and regularly report on progress to provide confidence to industry, state governments and regional communities. Priority should be given to accreditation arrangements that reduce duplication while maintaining environmental outcomes and public confidence in the integrity of assessment processes.

Conclusion

Effective protection of matters of national environmental significance is important to Australia's long-term environmental, social and economic wellbeing. However, environmental protection should be pursued in a manner that also supports regulatory efficiency, investment certainty and the principles of cooperative federalism that originally underpinned the EPBC Act.

The 2025 changes represent a significant shift in Australia's environmental regulatory framework and further expand the Commonwealth's role in decisions that have substantial implications for Queensland's economy, regional communities and future development.

While the changes claim to strengthen environmental oversight and improve national consistency, they also raise important questions regarding state autonomy, regulatory duplication, approval efficiency and the practical balance between Commonwealth and state responsibilities.

The Commissioner is concerned that the changes were developed through a process that provided limited opportunity for meaningful engagement with Queensland stakeholders, despite the potential consequences for industries, communities and projects critical to the state's economic future.

The consultation process associated with, and passage of the legislation, occurred within a compressed timeframe. Further concern arises from the progression of the legislation through the Commonwealth Parliament before the consultation and submission process had concluded, limiting the extent to which stakeholder feedback could be properly considered and reflected in the final legislative package.

Given the scale of the proposed changes and their potential implications for project assessment, investment certainty, infrastructure delivery and regional development, a more transparent and consultative approach would have supported better policy outcomes and strengthened stakeholder confidence in the changes.

As implementation proceeds, it will be important that the Australian Government works collaboratively with the states and territories to address these concerns and ensure the changes do not create unintended barriers to investment, infrastructure delivery and regional development and regional economic growth.

For Queensland, the effectiveness of the changes will ultimately be measured not only by environmental outcomes, but also by their ability to provide clear, efficient and predictable approval pathways that support economic growth and regional prosperity. Achieving this outcome will require timely accreditation of state processes, genuine intergovernmental collaboration, clear regulatory guidance, and ongoing engagement with regional communities and industry.

Regional Queensland will play a central role in Australia's future economic development, energy requirements, food security, and critical minerals supply chains. It is therefore essential that the implementation of the changes support, rather than constrain, the investment needed to deliver jobs, infrastructure and long-term prosperity in regional communities.

More than 25 years after the commencement of the EPBC Act, many of the efficiencies originally envisaged through accredited state processes, bilateral agreements and streamlined approvals remain unrealised. The experience of stakeholders suggests that regulatory expansion has not been accompanied by corresponding improvements in certainty, efficiency or integration between jurisdictions.

The Commissioner considers the changes have the potential to increase regulatory burden, administrative complexity and approval uncertainty unless implementation is supported by effective accreditation arrangements, meaningful intergovernmental cooperation and clear regulatory guidance.

The Commissioner encourages both levels of government to work together to ensure the reformed framework delivers strong environmental outcomes while maintaining regional Queensland's capacity to grow, compete and prosper.

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