

Business process mapping of resource project approvals in Queensland

FINAL REPORT
August 2021



Disclaimer

PricewaterhouseCoopers (PwC) has prepared this report solely for DoR's use and benefit in accordance with and for the purpose set out in PwC's engagement letter with Department of Resources (DoR) dated 6 April 2021. In doing so, PwC has acted exclusively for DoR and considered no-one else's interests.

Our work did not constitute an audit in accordance with Australian Auditing Standards or a review in accordance with Australian Auditing Standards applicable to review engagements and accordingly no assurance is provided in this report.

PwC makes no representation concerning the appropriateness of this report for anyone other than DoR. If anyone other than DoR chooses to use or rely on it they do so at their own risk. We accept no responsibility, duty or liability:

- to anyone other than DoR in connection with this report; and
- to DoR for the consequences of using or relying on it for a purpose other than that referred to above.

We make no representation concerning the appropriateness of this report for anyone other than DoR. If anyone other than DoR chooses to use or rely on it they do so at their own risk.

This disclaimer applies:

- to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute; and
- even if we consent to anyone other than DoR receiving or using this report.

Liability limited by a scheme approved under Professional Standards legislation.



Private and confidential

Chris Shaw
Executive Director, Georesources Policy
Department of Resources
chris.shaw@resources.qld.gov.au

13 August 2021

Dear Chris,

Business process mapping of resource project approvals in Queensland

Thank you for the opportunity to work with the Department on the Queensland Resources Industry Development Plan (QRIDP) to support growth and economic recovery through the resources sector.

The process mapping activities completed in this engagement and provided as an addendum to this report are the outcome of workshops with Government and industry stakeholders and review of current policy and procedural documentation. These maps have been validated and endorsed by the relevant process owners, and are intended as a useful artefact to inform future improvement initiatives.

Through this process and through our engagement with industry stakeholders we have identified several areas of challenge in the management of the resource approval process. This report sets out our assessment of these challenges and opportunities for further improvement to processes and practices for the management of resource project approvals.

We note that the achievement of these improvements will require mutual effort and cooperation across proponents, the Department of Resources, Department of Environment and Science, the Office of the Coordinator General and various other government, industry and community stakeholders. To this end, initiatives to further improve the engagement and coordination across all parties is critical to the delivery of an effective and efficient approvals process.

This report sets out a number of recommendations that together with other ongoing initiatives under the QRIDP are aimed at ensuring an efficient and effective approval framework that balances the various economic, environmental, social and other objectives for the State.

We thank you for the opportunity to contribute to this important initiative for the Queensland Government.

Yours sincerely,

David Hilly
Partner

Craig Fenton
Partner

Contents

| | |
|--------------------------------------|----|
| Executive Summary | 04 |
| Summary of Findings | 08 |
| Process Mapping Outcomes | 24 |
| Detailed Findings - DoR | 29 |
| Detailed Findings - DES | 40 |
| Detailed Findings - OCG | 50 |
| Detailed Findings - Cross Government | 54 |



1

Executive Summary

Executive Summary

Background and context

The resource industry is a critical component of Queensland's economic recovery, generating billions of dollars in royalties each year, creating and supporting thousands of jobs and attracting investment and infrastructure development into regional Queensland. However, resource extraction and associated supply chains must be carefully managed to ensure the protection of our critical ecosystems and alignment with community expectations regarding social and environmental impact.

The Department of Resources (DoR) is leading the delivery of the Queensland Resources Industry Development Plan (QRIDP) to set out a long-term vision to ensure the future of our resources industry, and identify the immediate actions needed to achieve this. As part of this Plan to support growth and economic recovery, DoR has engaged PricewaterhouseCoopers (PwC) to conduct a business process mapping exercise with a view to identify potential process improvements to the assessment processes for resource authorities across relevant government agencies, including Department of Environment and Science (DES) and the Office of the Coordinator General (OCG). In scope processes are:

- Tendering, exploration, retention and production tenures for petroleum and gas under the *Petroleum and Gas (Production and Safety) Act 2004* (P&G Act);
- Tendering, exploration, retention and production tenures for minerals and coal under the *Mineral Resources Act 1989* (MR Act);
- Assessment of Environmental Authorities (EAs) and Environmental Impact Assessments (EIS) under the *Environmental Protection Act 1994* (EP Act); and
- Relevant EISs for coordinated projects under the *State Development and Public Works Organisation Act 1971* (SDPWO Act) and SIAs under the *Strong and Sustainable Resource Communities Act 2017* (SSRC Act).

Overall observations

A credible, transparent and efficient assessment and approval system, which is readily understood and respected by industry and the community, is an essential element of responsible government.

We note that throughout the past decade, there has been a series of assessments and significant investment by Government to streamline the resource assessment processes. This has resulted in ongoing improvements in many areas. However opportunities still exist to further improve the management of resource approvals, communication between proponents and the various government agencies, and improve the effectiveness and efficiency of interfaces between the various government agencies.

There is a mutual opportunity and responsibility across all parties to ensure that applications across the various stages of the development lifecycle are well supported by quality information regarding the relevant environmental, economic and social factors, and that assessments are performed in a timely, efficient and defensible manner. The effective coordination and alignment of understanding and expectations across the various industry and government stakeholders is critical to achieving this.

The development of detailed process maps that are outlined in Section 3 are the result of extensive interviews and analysis and could inform the design future changes to the administration of resource assessments and to promote awareness, consistency and communication across the process.

This report sets out several areas where further improvements are recommended across the in-scope tenure and environmental assessment processes (refer Section 2). These are set out in more detail throughout the report and are grouped across the themes described on the following page.

Executive Summary

Key themes

A. Timeliness of process

Each agency has sought to streamline processes to reduce processing times, including procedural efficiency (e.g. parallel processing), improvements in industry relationships (e.g. consistency of engagement) as well as various operational practices to address known system limitations and duplications. Improvements in agency handover and coordination are required to improve the timeliness, efficiency and communication of these processes. This report sets out recommendations to improve the timeliness of the process in some areas within the existing legislative framework as well as improvement opportunities that should be considered as part of broader legislative reform activities.

B. Mutual effort and cooperation

The effective and efficient operation of the approvals system requires mutual effort and cooperation between proponents and the various government agencies. The mapping of processes across DoR, DES and OCG has identified several opportunities to improve processing efficiency across various stages of the approval process.

However, timely and effective operation of the system also requires that applications are well supported by quality information, and that there is an alignment of understanding and expectation between proponents and agencies regarding the regulatory framework and associated processes and information requirements.

Pre-lodgement briefing sessions are important mechanisms to promote this engagement and can be better utilised and further improved in some respects.

C. Transparency and communication

A consistent understanding between industry and the government of the approval process and associated requirements is essential to avoid unnecessary delays or duplication in activities and to ensure that applications are supported by appropriate information to inform an efficient and robust approval process.

In addition to improved pre-lodgement engagement, the clarity and completeness of public facing guidelines and information is critical to promote this consistency of understanding. This report recommends several areas for further improvement in this respect.

There is also a need to improve the efficiency and effectiveness of interfaces between government agencies and communication between agencies and proponents regarding the status and expected timeframes for in-flight applications. The publication of performance scorecards are recognised as a useful initiatives to improve transparency of the approval process and timeframes. This report makes recommendations to further improve the relevance and usefulness of this information to industry and the community.

D. Certainty of risk-based regulation

The legislative framework dictates many of the considerations and activities that must be undertaken across the approval process. However, within this framework there is opportunity to tailor the approach to suit the circumstances of each particular approval based on risk. The existing systems and processes achieve this to some degree; however, there is opportunity to further refine processes in some areas to better align with relevant economic, environmental and social risks (e.g. type of project, location, environmental impact).

Executive Summary

Key themes (cont.)

E. Certainty of regulatory interpretation

As noted above, there is benefit in an approval process that allows for some exercise of judgement to ensure that decision process and outcomes are appropriately proportionate to the risk of social, economic and environmental harm. However, this must be balanced against the need to ensure certainty and consistency in how that judgement will be exercised. This balance relies on the adequacy of systems, processes and guidelines that are in place across the approval process to guide the exercise of this judgement. It also relies to some extent on the knowledge and expertise of individual assessors and the availability of appeals and escalation channels. Industry stakeholders noted frequent turnover of staff within some aspects of the approval process as an ongoing source of frustration. Further improvements in case management and knowledge management would help to mitigate key person dependencies across the respective agencies.

F. System and information management

Each of the three agencies (OCG, DES and DoR) use different systems to receive and manage information throughout the approval process. Several of these systems have been upgraded and refined through many recent and ongoing improvement initiatives. However, further work is required to improve the functionality and efficiency of these information systems. Some recommendations to achieve this are set out in this report. There are also opportunities to better manage and share the considerable data sets that are collected throughout the approval process in order to reduce inefficiencies and duplication in information that is required across the approval process.



2

Summary
of
Findings

Summary of Findings

This report has been structured to segregate findings, observations and recommended actions according to the relevant Government Agency (i.e. DoR, DES, OCG). Findings and observations that are either consistent across agencies or relate to coordination across agencies are set out as 'cross-Government Findings' in Section 7.

DoR Findings and Actions

| Finding | Recommended actions |
|---|---|
| 4.1 - Duplication of some tasks within MMOL relating to different phases of the approval process | <p>4.1.1. Merge assessment of land availability for the Validate Permit Application, Initial Assessment and the Administrative Assessment tasks.</p> <p>4.1.2. As part of future system enhancements implement a cohesive mechanism to alert changes in eligibility to prevent duplicative assessments, and ensure this assessment is considered in 4.1.5</p> <p>4.1.3. Agree when the disqualified application assessment should be completed, and as a function of future system enhancements embed a DoR-wide 'Disqualified Applicant' register that is integrated with MMOL (or alternative system) to notify Assessment Hubs of any change in status.</p> <p>4.1.4. Document the thresholds (e.g. period of time) that would require the reassessment and consider appetite for only completing once EAs and Native Title have progressed to a certain stage.</p> <p>4.1.5. Merge the validation and initial assessments into a single step with a comprehensive checklist.</p> <p>4.1.6. Support increased quality of initial drafts through standardised templates, self-review quality assurance checklist (for Assessment Officers) and periodic training / awareness of frequent issues or challenges to briefing package review.</p> |
| 4.2 - Duplicative work between tendering and tenure assessment processes | <p>4.2.1. Revise the following aspects of the approval process to improve efficiency between the tender evaluation process and subsequent assessment of technical and financial capability:</p> <ul style="list-style-type: none"> a. Streamline assessment processes between Assessment Hubs and tendering team to reduce duplication. This could include closer engagement between tendering teams and Assessment Hubs and may involve: <ul style="list-style-type: none"> i. Coordination with the potential shortlist process (5.5.2) to minimise work created; ii. Consideration of timing (e.g. just the preferred application prior to Ministerial submission; and iii. Investigate options to coordinate with existing assessments to ensure any strategic evaluations applied by the tendering panel can be appropriately considered. b. Removal of the assessment of the tenure details (e.g. term and area) where this has been pre-determined by the ETR as part of the call to tenders process. <p>4.2.2. Evaluate and consider aligning delegation levels for preferred tender outcomes and exploration tenure approvals.</p> |

Summary of Findings

DoR Findings and Actions

| Finding | Recommended actions |
|---|---|
| <p>4.3 - Land and deposit information that is provided by proponents is not consistent in format and nature in some respects resulting in inefficiencies</p> | <p>4.3.1. Establish clear guidance with regards to the technical requirements of shapefiles, which can be achieved through:</p> <ol style="list-style-type: none"> Clarity on format, size and structure; Consideration of a validation check during the lodgement and verification; Providing guidance and access to approved tools and templates; and Highlighting shapefile requirements during pre-lodgement meetings with the applicant. <p>4.3.2. Strengthen guidance provided to applicants around land identification and ownership in relation to MLs through:</p> <ol style="list-style-type: none"> Providing clear guidance on format, size and structure of files; Clarifying policy on 'impacted land' to cover all land impacted by mining operation (e.g. accommodation); Highlighting common errors where the surface area is not identified; and Supporting proponents in ensuring all affected landowners are identified as a result. |
| <p>4.4 - Financial capability assessment can be refined based on proponent risk profile</p> | <p>4.4.1. Establish an approach to categorise proponents (not applications) based on risk to influence the depth, and level of reliance on previous analysis in the assessment of financial capability. This risk assessment should include:</p> <ol style="list-style-type: none"> Qualitative assessment of financial exposure based on prior and current dealings with Government (e.g. surety under FPS) or developing a prequalification form to qualify existing tenure holders regarding future tender submissions; Defined appetite for the assessment of current commitments, including perceived level of risk given prior dealings with Government (e.g. level of surety under the FPS) and repurposing information provided to the FPS for another purpose (i.e. ability to finance a work program); Assessment of current and prior statutory demands and recovery activities, and Government's appetite for engaging organisations with such proceedings; Defined appetite for organisations perceived to be at risk to commodity price fluctuations; Treatment and consideration of SPVs; and Clarity as to Government's appetite for engaging proponents where prior conduct indicates a heightened level of risk (e.g. engaged in litigation, disqualified or offshore). <p>4.4.2. Consider a more risk-based approach to assessment of technical capability. For example, consider opportunities for streamlined assessments for 'high quality' applicants with demonstrated track record of compliance and performance and who have demonstrated financial capability to obtain and retain necessary technical capability.</p> |

Summary of Findings

DoR Findings and Actions

| Finding | Recommended actions |
|---|---|
| <p>4.5 - Digitisation could improve the efficiency of some manual approvals processes</p> | <p>4.5.1. Implement opportunities to digitise the application receipt phase of resource assessment processing, including the following:</p> <ul style="list-style-type: none"> a. Implementing digital application capability (e.g. smart forms) and automatic validation of an application (e.g. documents lodged for key requirements, noting qualitative appropriateness check may still be required); b. Updating application forms to require proponents to specify an email address for correspondence; and c. Removing the option for hard copy applications. d. Provide proponent with the opportunity to save a draft application and continue submission before the due date. e. Leverage the digital platform to communicate to tenderers. <p>4.5.2. Phase out payment options that are administratively onerous (e.g. cheques, bank transfers).</p> <p>4.5.3. In planning for the future needs of the Exploration Program, consider the requirements of a new technology solution through:</p> <ul style="list-style-type: none"> a. Engage with the Department of Energy and Public Works to understand any future enhancements to QTenders; and b. Assess the cost benefit of designing a customised IT solution versus the continued use of QTenders. |
| <p>4.6 - Industry is seeking greater transparency relating to the outcome of tender activities</p> | <p>4.6.1. Consider opportunities to improve timeframes and transparency relating to tender outcomes. This could include implementation of a shortlisting mechanism, including a tiered process where the provision is applied once a threshold is exceeded (e.g. four applicants) and unsuccessful applicants are notified at this point. Considerations for this mechanism may include:</p> <ul style="list-style-type: none"> a. Clarity of delegation and basis of rejecting non-shortlisting applicants; b. Natural justice requirements and the impact appeals may have on processing timelines; c. Resource availability to process rejections and the impact on tender outcome timelines; d. Improve timeframes around the assessment process (i.e. by using a risk based approach to tailor the assessment approach); and e. Improve transparency over the tender process. <p>4.6.2. Define and implement the process for rejecting disqualified tenderers as required under recent changes to the <i>Common Provisions Act</i>, including:</p> <ul style="list-style-type: none"> a. When this step would occur (e.g. during open tender); b. Mechanism for registration or rejection; c. Publishing the criteria for disqualification on QTenders and within Tender documents; d. Amending the Tender Compliance Checklist to ensure each tenderers status is reviewed; and e. Whether the power to disqualify a Tenderer is to remain with the Minister or be delegated. |

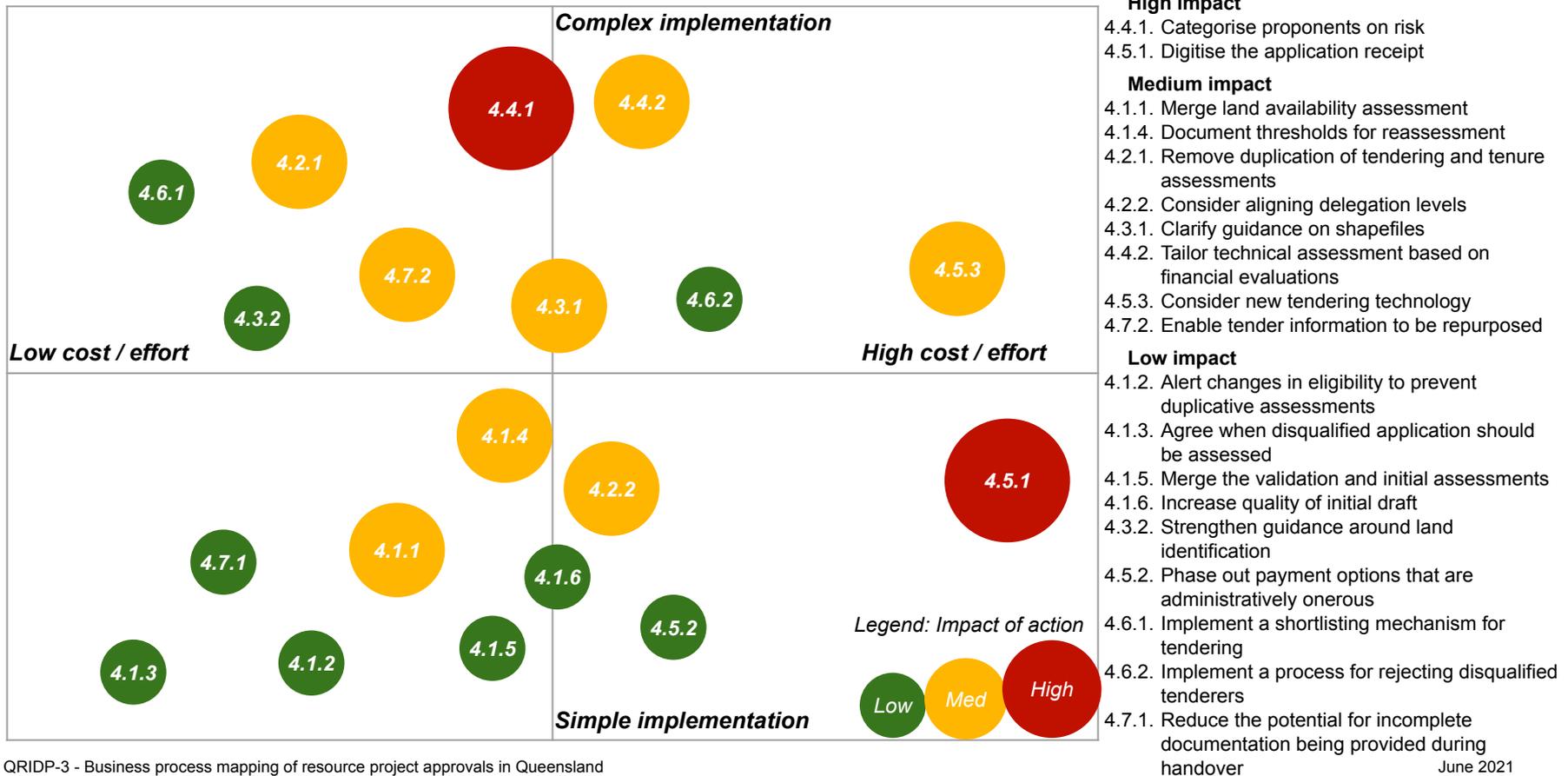
Summary of Findings

DoR Findings and Actions

| Finding | Recommended actions |
|--|---|
| 4.7 - There are inconsistencies in the storage and hand over of information between ETR and Assessment Hubs | <p>4.7.1. Reduce the potential for incomplete documentation being provided during handover. This can be achieved by:</p> <ul style="list-style-type: none">a. Establishing a document storage protocol to improve SharePoint maintenance for enhanced document storage (particularly during longer tenders);b. Providing clear status and transparency as to what is being provided and what is outstanding; andc. Considering a system driven solution to transfer all information for improved information security and reduced risk of human error (and potentially automate the upload into MMOL). <p>4.7.2. As part of future system enhancements, develop a mechanism to enable tender information to be repurposed (with sufficient confirmation by an applicant to protect the proponent-led nature of resource assessments) within a set period of time (e.g. 12 months). This may include consideration of:</p> <ul style="list-style-type: none">a. Requirement for an acknowledgement by proponent that identified documentation would form part of submissions for a subsequent tender;b. Reviewing viability of previous assessments on future tenders;c. System requirements that would enable tenderers to view and confirm documentation submitted over prior year; andd. Evaluating probity, operational and system impacts of proposed changes. |

Implementation matrix based on complexity and effort to deliver

DoR Findings and Actions - Prioritisation of recommendations



Summary of Findings

DES Findings and Actions

| Finding | Recommended actions |
|--|---|
| <p>5.1 - Practices do not align with the defined strategy for risk based regulation in some areas</p> | <p>5.1.1. Finalise the refresh of the Regulatory Strategy to reflect the Department's desire for regulation proportionate to risk.</p> <p>5.1.2. Provide a more consistent engagement with proponents, for example by:</p> <ul style="list-style-type: none"> a. Establishing performance reporting to monitor continuity of case officers across proponents and across individual applications. This could inform intervention, where necessary, to mitigate the impact of turnover of staff to ensure continuity of case management and knowledge retention; b. Implementing a peer review / quality assurance process to assess consistency of decision making. <p>5.1.3. Improve guidance and consistency regarding exercise of judgement by officers in decision making. This should consider:</p> <ul style="list-style-type: none"> a. Continuing to review and update procedures and guidance notes for officers; b. Finalising the development of staff training packages for delegates such as statutory interpretation, good practice; and c. Finalising a peer review / quality assurance process to assess consistency of decision making. <p>5.1.4. Improve technical and industry specific knowledge and understanding. This should consider:</p> <ul style="list-style-type: none"> a. Review and refresh of onboarding and routine training programs on industry trends, technology and initiatives (underway); b. Periodic site visits. <p>5.1.5. Improve the effectiveness of engagement with industry through:</p> <ul style="list-style-type: none"> a. Establishment of a customer feedback mechanisms to measure proponent satisfaction regarding assessment process and capture key issues and concerns; and b. Establishment of customer service standards (noting activity in this space for Permits and Licensing), stakeholder charter and engagement strategy by which DES will engage with proponents and other key stakeholders (underway). |

Summary of Findings

DES Findings and Actions

| Finding | Recommended actions |
|--|---|
| <p>5.2 - There is a need for clear, consistent and transparent interpretation of regulatory standards</p> | <p>5.2.1. Clarify requirements to assess the EA application, including clarifying the requirements over what constitutes a properly made application under s127.</p> <p>5.2.2. Consider centralising public response mechanisms to streamline the receipt and aggregation of feedback from the public. This could potentially include providing an online form, noting the public can still provide in a different format if desired.</p> <p>5.2.3. Clarify and confirm interpretation of s318S of the EP Act relating to the sharing of prior RSO Assessment Reports where that previous report relates to an application by that person to become an RSO.</p> <p>5.2.4. Consider reducing the time period between the lodgement of an application and final issue of an EA by re-introducing a lapsing provision (previously s231 of the pre-green tape EP Act) for when the next step in the process is not taken within a reasonable period.</p> <p>5.2.5. Consider the interpretation and development of strong guidance on the content of: draft terms of reference (TOR), final TOR, submitted EIS, amended EIS, EIS Assessment Reports, and voluntary EIS application supporting information.</p> |
| <p>5.3 - Duplication of tasks across different phases of the approval process</p> | <p>5.3.1. Assess the value of the business centre preparing a report on whether an EIS is triggered, and if beneficial remove this step and enable it to remain the responsibility of the EIA team.</p> <p>5.3.2. Minimise re-work by providing clearer guidance up front, including where the public notification has to be published and how long the notice must be published for. Instruct the proponent to perform a check on the day the Public Notice has been issued to ensure all links work properly.</p> |

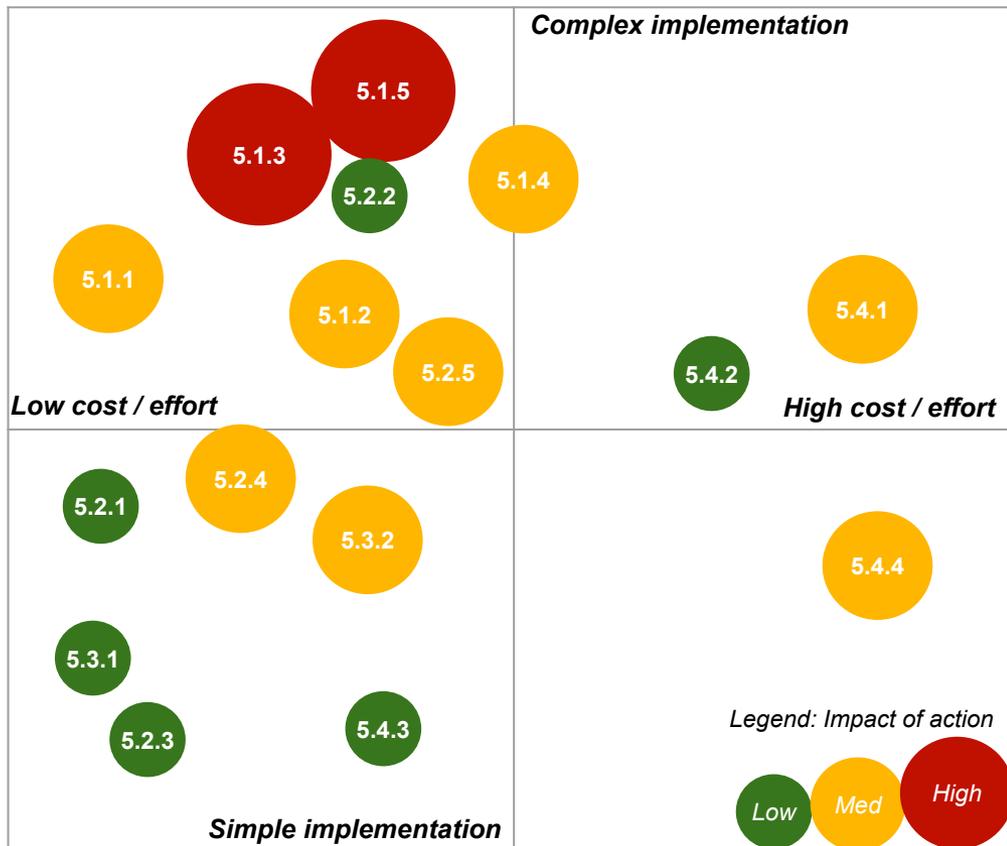
Summary of Findings

DES Findings and Actions

| Finding | Recommended actions |
|--|--|
| <p>5.4 - System limitations are impacting procedural efficiency</p> | <p>Document system requirements required to enhance and digitise the EA and EIS processes, and complete a cost benefit analysis to inform their implementation timeframes. Broader system and digitisation opportunities include:</p> <ul style="list-style-type: none"> 5.4.1. Agreeing and implementing a consistent, standardised project management system across all Business Centres to achieve improved consistency and realise efficiency gains from sharing and optimising current processes (underway as part of the EA simplification and dynamics initiatives); 5.4.2. Establishing capability to receive and process applications made by an agent on a proponent's behalf (underway as part of the EA simplification and dynamics initiatives); 5.4.3. Ensuring up to date EA forms are readily available on the DES website, or other centralised mechanism. This is expected to be addressed through the 'EA simplification and dynamics initiative' that is currently underway; and 5.4.4. Developing capability to digitally assess validity (e.g. completeness) and RSO compliance over EA applications submitted online (underway as part of the EA simplification and dynamics initiatives). |
| <p>5.5 - The timeliness and efficiency of approval processes could be improved in some areas through legislative reform</p> | <p>In conjunction with other opportunities for legislative reform, consider changes that would improve the efficiency and consistency in interpretation for the following legislative areas:</p> <ul style="list-style-type: none"> 5.5.1. Update standard conditions to better align to the perceived risk profile and appetite for current activities that require variation-specific application forms for Standard EA applications. 5.5.2. Consider alternative mechanisms to notify submitters on updates and outcomes (including when Internal Reviews are initiated) of EA applications or removing the requirement for DES to notify all submitters when an Internal Review has been initiated. This may require legislative reform specific to s521 of the EP Act. 5.5.3. Consider introduction of mechanisms to waive the 20 day decision period once notice has been given regarding Land Court, which may require amendments to s183 of the EP Act (identified as potential legislative amendment already). 5.5.4. Introduce a screening process upfront at the application stage that would allow the Chief Executive to make a decision that a project is unacceptable or invalid and would not be assessed (similar to provisions in the <i>Environment Protection and Biodiversity Conservation Act 1999</i> (EPBC Act)) and insert a definition of 'clearly unacceptable' (already identified as potential legislative amendment). 5.5.5. Ensure that assessment staff receive appropriate training in the assessment process and interpretation of the relevant legislative requirements. |

Implementation matrix based on complexity and effort to deliver

DES Findings and Actions - Prioritisation of recommendations



High impact

- 5.1.3. Improve guidance regarding exercise of judgement in decision making
- 5.1.5. Improve the effectiveness of engagement with industry

Medium impact

- 5.1.1. Finalise the refresh of the Regulatory Strategy
- 5.1.2. Provide a more consistent engagement with proponents
- 5.1.4. Improve technical and industry specific knowledge and understanding
- 5.2.4. Consider reducing the time period between the lodgement of an application and final issue of an EA
- 5.2.5. Consider the interpretation and develop strong guidance on the content of TOR and EIS
- 5.3.2. Provide clearer guidance regarding public notification
- 5.4.1. Agree consistent, standardised project management system
- 5.4.4. Develop capability to digitally assess validity (e.g. completeness) and RSO compliance over EA applications submitted online.

Low impact

- 5.2.1. Clarify requirements to assess the EA application (including s127).
- 5.2.2. Consider centralising public response mechanisms
- 5.2.3. Clarify s318S of the EP Act to enable sharing of RSO Assessment Reports
- 5.3.1. Assess the value of the business centre preparing a report
- 5.4.2. Establish capability to receive applications made by agents
- 5.4.3. Ensure up to date EA forms are readily available on DES' website

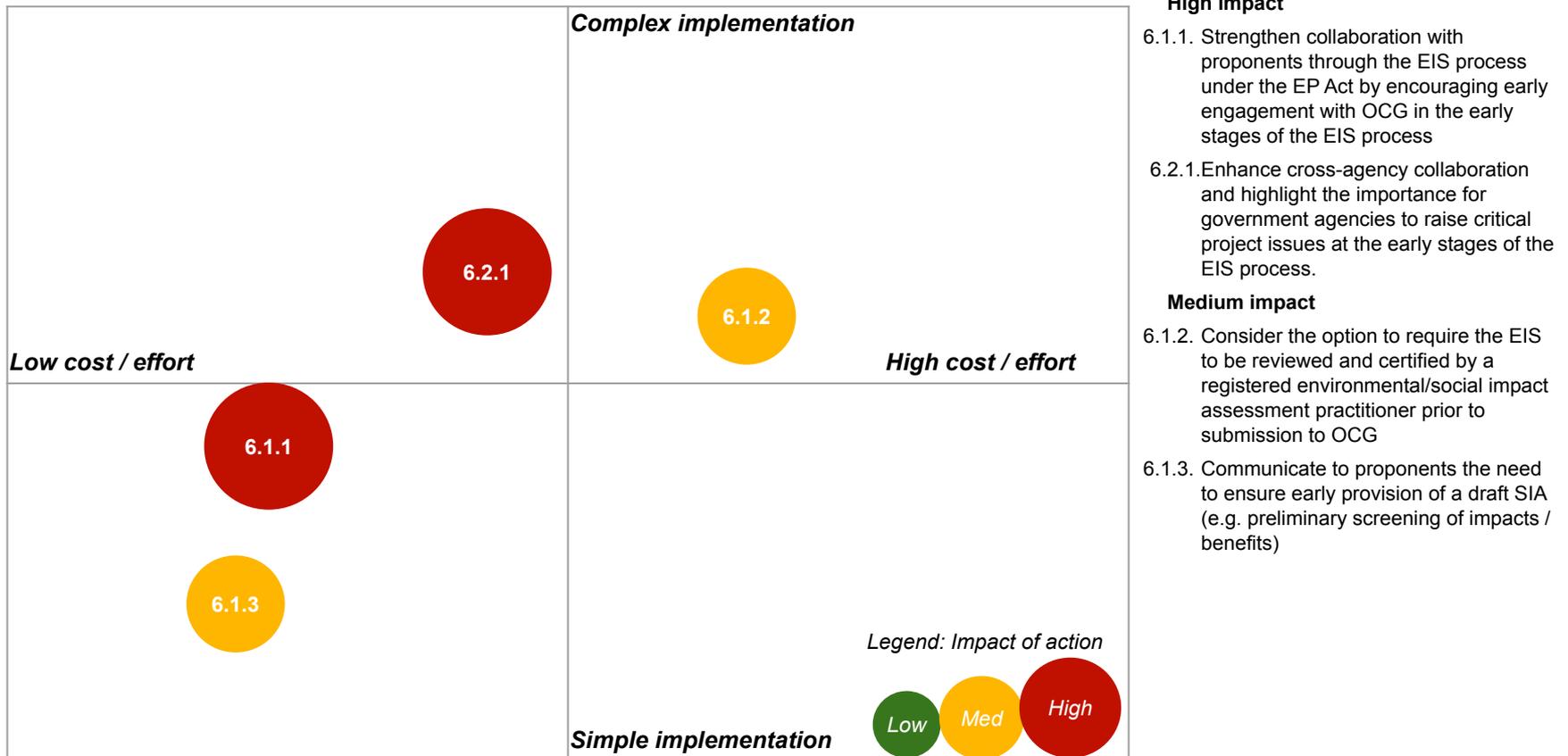
Summary of Findings

OCG Findings and Actions

| Finding | Recommended actions |
|---|--|
| 6.1 - Promote early and effective engagement with proponents | <p>6.1.1. Strengthen collaboration with proponents through the EIS process under the EP Act by encouraging early engagement with OCG in the early stages of the EIS process, with a focus on:</p> <ul style="list-style-type: none"> a. Identification of the type of approvals, permits and licenses sought for their project; b. Ensuring infrastructure requirements and project scope are confirmed in the IAS, in order to minimise the likelihood of scope changes throughout the EIS process that can affect assessment timeframes and information requirements. c. Ensuring sufficient understanding by proponents of the relevant process and information requirements and the implication (timeframe and process) of project scope changes throughout the assessment process. <p>6.1.2. In order to ensure that EIS documents are of sufficient quality, consider the option to require the EIS to be reviewed and certified by a registered environmental/social impact assessment practitioner prior to submission to OCG.</p> <p>6.1.3. Communicate to proponents the need to ensure early provision of a draft SIA (e.g. preliminary screening of impacts / benefits). The draft SIA should include:</p> <ul style="list-style-type: none"> a. Clearly defined (and justified) proposed study area; b. Clear line of sight between baseline, impacts and mitigation strategies (to inform the SIMP); and c. Latest available data/information and outcomes of recent consultation. |
| 6.2 - Ensure early and effective cross-agency engagement | <p>6.2.1. Enhance cross-agency collaboration by implementing SLAs and highlight the importance for partner agencies to raise critical project issues at the early stages of the EIS and / or SIA process. This would assist with establishing clear expectations of the information requirements proponents are required to satisfy in order to obtain approvals, and enable statutory timeframes to be met effectively.</p> |

Implementation matrix based on complexity and effort to deliver

OCG Findings and Actions - Prioritisation of recommendations



Summary of Findings

Cross-Government Findings and Actions

| Finding | Recommended actions |
|--|---|
| <p>7.1 - Increased coordination and collaboration between agencies is required</p> | <p>7.1.1. Establish a mechanism to improve communication and coordination between Departments at the following points:</p> <ol style="list-style-type: none"> a. Collaboration on pre- lodgement processes (see 7.2.2); b. EIS considerations and input; c. Clear lines for escalation and inquiry on status of approvals by the proponent in relation to their application; d. Communication on rejection and finalisation; and e. Finalise both SLAs between OCG and DES pertaining to the EIS and SIA process, and consider applicability of broader, cross Government SLAs as it relates to resource assessments. <p>7.1.2. Streamline public notification processes to prevent unnecessary duplication and provide the public the opportunity to assess a project in its entirety, including consideration of a single platform for such notifications (consider 5.2.2 in parallel). This may require legislative amendments to Chapters 3 of the EP Act to standardise with Chapter 5.</p> |
| <p>7.2 - End-to-end approval process and associated requirements for proponents are not well understood by some industry stakeholders</p> | <p>7.2.1. Collaborate with industry in the development of customer journey maps for each approval process to clarify key assessment points and activities undertaken on both sides.</p> <p>7.2.2. Further increase the transparency of the application process and information requirements. This could be achieved through:</p> <ol style="list-style-type: none"> a. Improved use and effectiveness of pre-lodgement meetings across agencies to provide clarity as to what is required, how applicants can maximise the evidence in their initial application and inform assessors of project details; b. Draw upon expertise from across Government (e.g. attendees from DoR, DES and OCG) for these meetings to serve as a collaboration foundation for the forthcoming approval process; c. Capturing data on when pre-lodgement is utilised, to assess its impact on timeliness and quality of application; d. Centralising information into a single source, with links to relevant agencies where required; e. Facilitating webinars/training and awareness sessions with industry and consultants to further enhance proponents awareness and understanding of the process and relevant information requirements; f. Finalise review and update over published guidance and criteria to ensure clarity and consistency in line with the relevant legislation; and g. Consider publication of process maps. |

Summary of Findings

Cross-Government Findings and Actions

| Finding | Recommended actions |
|---|---|
| <p>7.3 - Proponents do not have sufficient clarity in some areas regarding application status or escalation pathways</p> | <p>7.3.1. Improve transparency of application progression in the following areas:</p> <ul style="list-style-type: none"> a. Identify key points of the approval process (utilising customer journey maps referenced in 7.2.1) to establish live-status tracking, through either push notifications (e.g. email) or enhanced online status updates; b. Establish a mechanism to advise proponents of estimated decision dates (based on established confidence intervals of historical data), noting that this would be heavily subject to change (e.g. statutory timeframe extensions); and c. Evaluate the effectiveness of key statutory timeframes seen as impacting Government's ability to assess available information. <p>7.3.2. Consider establishment of a coordinated case management process (for projects other than OCG and EP Act EIS) to facilitate engagement with proponents regarding status for each project approval, implement mechanisms that enables proponents to enquire regarding status, seek out support, escalate concerns or provide feedback on interactions with Government as it relates to resource assessments.</p> |
| <p>7.4 - There is an opportunity for improved utilisation of data for procedural efficiency and improved industry engagement</p> | <p>7.4.1. Document the suite of reporting and data requests made throughout resource assessments (and post approval reporting requirements) to assess cost / benefit of developing a program and technology capability for a centralised repository of data. This may include environmental studies (e.g. groundwater, biodiversity, etc.) for areas common to surrounding tenures/land holdings and SIA modelling, such as Queensland Police Service (QPS) and traffic modelling.</p> <p>7.4.2. Create a risk-based approach to understand where information can be readily re-used (with validation from applicants to protect the proponent-led program) using enhanced system functionality or manual workarounds.</p> |
| <p>7.5 - The order of some activities that involve inter-dependencies across agencies can be further enhanced to improve timeliness and efficiency</p> | <p>7.5.1. Develop changes that would enable the granting of MLs conditional to the agreement of compensation with land owners (including those before Land Court).</p> <p>7.5.2. For eligible activities requiring a Standard EA applications, establish a conditional approval of tenure pending EA to minimise delay and unnecessary payment of EA application fees.</p> |

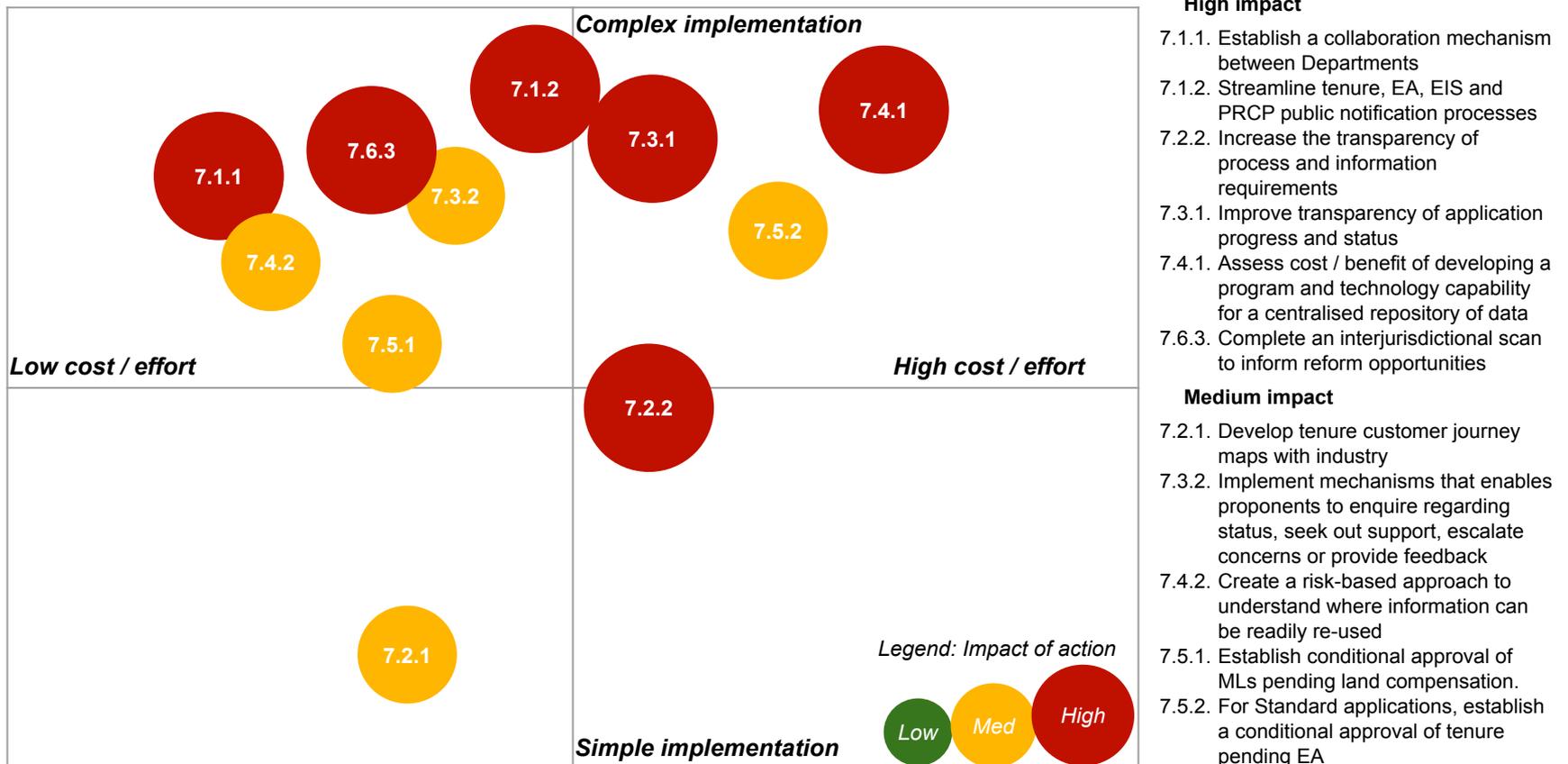
Summary of Findings

Cross-Government Findings and Actions

| Finding | Recommended actions |
|---|--|
| 7.6 - Reform opportunities were raised for government's consideration that go beyond resource assessment process improvement | <p>7.6.1. Evaluate the basis and legislative reform required to establish a 'rehabilitation lease' to provide a regulatory framework over post mine rehabilitation work for re-mining of abandoned mines.</p> <p>7.6.2. Complete an interjurisdictional scan to identify and assess the benefits of larger scale reform that would enhance the way government engages with industry.</p> |

Implementation matrix based on complexity and effort to deliver

Cross-Government Findings and Actions - Prioritisation of recommendations



An aerial photograph of a coal processing plant. A long conveyor belt system runs across the site, with a train of several coal cars positioned below it. The ground is dark and shows signs of heavy machinery and material handling. The overall scene is industrial and focused on coal processing.

3

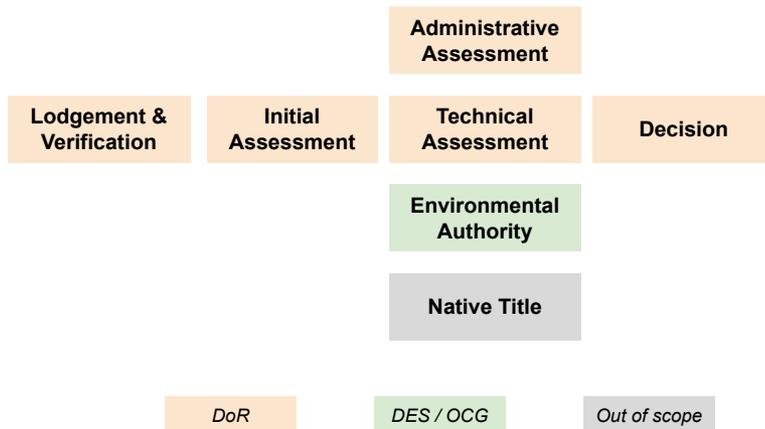
Process
Mapping
Outcomes

About this report

Resource assessment process

The development of detailed process maps provides a baseline to inform future improvement initiatives and to promote awareness, consistency and communication for government officers, industry proponents and other stakeholders.

The process for administration of a resource assessment varies depending on the commodity type (and applicable legislation) and nature of approval being sought. The below diagram illustrates the broad process that is applied to all mining approvals:



Next steps

- Using the advice provided in this report, Government may consider prioritising each recommended action and determine the timeline for implementation to establish a roadmap of process enhancement.
- In doing so, each Department may consider the following actions:
 - Appoint a responsible officer / entity to take accountability of the actions and outcomes contained in this report;
 - Define the primary benefits of mining and environmental process enhancements; and
 - Outline and endorse actions to be taken in the 2022 financial year (FY22) to establish momentum for change.
- Given the large volume of process mapping artefacts provided during this engagement, each department could establish functional business process management mechanisms. These may include:
 - Appointing process owners for each process map (consideration can be given to the process owners used during this engagement);
 - Establishing key review and refresh protocols to ensure they remain current with emerging technology, changes in policy and updates to legislation / regulatory decision making; and
 - Using process map to underpin a program to consider future state process enhancements (including those in this report) and system requirements to identify and embed process automation and digitisation opportunities.

Note: implementation of the recommendations is subject to the consideration of Government.

Mining tenure process library

Listing of developed and endorsed process maps

| Ref | Name | Sub-process |
|-------|--|----------------------------|
| ATP1 | Authority to Prospect (ATP) granted under the <i>P&G Act</i> | Lodgement and Verification |
| ATP2 | | Initial Assessment |
| ATP3 | | Administrative Assessment |
| ATP4 | | Technical Assessment |
| ATP5 | | Decision |
| PCA1 | Potential commercial area (PCA) granted under the <i>P&G Act</i> | Lodgement and Verification |
| PCA2 | | Initial Assessment |
| PCA3 | | Administrative Assessment |
| PCA4 | | Technical Assessment |
| PCA5 | | Decision |
| PL1 | Petroleum lease (PL) granted under the <i>P&G Act</i> | Lodgement and Verification |
| PL2 | | Initial Assessment |
| PL3 | | Administrative Assessment |
| PL4 | | Technical Assessment |
| PL5 | | Decision |
| PG1 | Statutory Notice under the <i>P&G Act</i> | |
| PG2 | Notice to Progress under the <i>P&G Act</i> | |
| EPC1 | Exploration permit for coal (EPC) granted under the <i>MR Act</i> | Lodgement and Verification |
| EPC2 | | Initial Assessment |
| EPC3 | | Administrative Assessment |
| EPC4 | | Technical Assessment |
| EPC5 | | Decision |
| MDLC1 | Mineral development licence (MDL) for coal granted under the <i>MR Act</i> | Lodgement and Verification |
| MDLC2 | | Initial Assessment |
| MDLC3 | | Administrative Assessment |
| MDLC4 | | Technical Assessment |
| MDLC5 | | Decision |

| Ref | Name | Sub-process |
|--------|---|--|
| MLC1 | Mining lease (ML) for coal granted under the <i>MR Act</i> | Lodgement and Verification |
| MLC2 | | Initial Assessment |
| MLC3 | | Administrative Assessment |
| MLC4 | | Technical Assessment |
| MLC5 | | Decision |
| EPM1 | Exploration permit for minerals other than coal (EPM) granted under the <i>MR Act</i> | Lodgement and Verification |
| EPM2 | | Initial Assessment |
| EPM3 | | Competing Assessment |
| EPM4 | | Administrative Assessment |
| EPM5 | | Technical Assessment |
| EPM6 | | Decision |
| MDL1 | MDL for minerals other than coal granted under the <i>MR Act</i> | Lodgement and Verification |
| MDM2 | | Initial Assessment |
| MDM3 | | Administrative Assessment |
| MDM4 | | Technical Assessment |
| MDM5 | | Decision |
| MLM1 | Mining lease (ML) for minerals other than coal granted under the <i>MR Act</i> | Lodgement and Verification |
| MLM2 | | Initial Assessment |
| MLM3 | | Administrative Assessment |
| MLM3.1 | | |
| MLM3.2 | | |
| MLM3.3 | | |
| MLM3.4 | | Technical Assessment |
| MLM4 | | |
| MLM5 | | Decision |
| MAH1 | | Statutory Notice under the <i>MR Act</i> |
| MAH2 | Notice to Progress under the <i>MR Act</i> | |
| MAH3 | Informal information request | |
| EA1 | Environmental authority (EA) assessed under the <i>EP Act</i> | Pre-application checks |
| EA2 | | Standard Application |

| Ref | Name | Sub-process |
|-------|---|----------------------------------|
| EA3 | Variation and Site Specific Applications assessed under the <i>EP Act</i> | Application Stage |
| EA4 | | Information Stage |
| EA5 | | Notification Stage |
| EA6 | | Decision Stage |
| DEIS1 | Environmental impact statement (EIS) under the <i>EP Act</i> | Pre-Terms of Reference |
| DEIS2 | | Terms of Reference |
| DEIS3 | | Initial EIS Assessment |
| DEIS4 | | Public Notification |
| DEIS5 | | Amended EIS Assessment |
| OES1 | Environmental impact statement (EIS) under the <i>SDPWO Act and SSRC Act</i> | Declared Coordinated Project |
| OES2 | | Terms of Reference |
| OES3 | | Public Notification Stage |
| OES4 | | Decision Stage |
| OSIA1 | Social Impact Assessment (SIA) under the <i>SSRC Act and EP Act (as a component of the EIS)</i> | Social Impact Assessment (1) |
| OSIA2 | | Social Impact Assessment (2) |
| T1 | Preliminary Tender Activities | Closure of QTenders |
| T2 | | Administration |
| T3 | Evaluation of Tenders | Completeness Checks |
| T4 | | Evaluation Assessment |
| T5 | | Panel Evaluation |
| T6 | Awarding Preferred Tenderer | Draft Outcome Letters |
| T7 | | Awarding the Tender |
| T8 | | Public Announcement and Handover |
| T9 | Ad Hoc Processes | Termination of Tender |
| T10 | | Withdrawal of Application |
| T11 | | Amendment of Application |

About this Report - summary of deliverables and scope

Mapping of agreed deliverables and scope elements

| Objective | Deliverables | Comments | Reference |
|---|--|--|--|
| 1. Identifying inefficiencies and opportunities to improve | (a) Business process maps for the following tenure assessment processes (internal and external) under the MR Act and P&G Act, and environmental assessment processes for these tenure types under the EP Act and SDPWO Act, specifically exploration tenures (i.e. EPCs, EPMs, ATPs); retention tenures (i.e. MDLs, PCAs); and production tenures (i.e. MLs, PLs). | A suite of process maps are provided (as summarised on page 25). These maps provide a baseline to inform the design of future changes and promote awareness, consistency and communication of resource assessment processes. | Page 25 and process maps shared as an addendum to this report. |
| | (b) In completing the process maps in (1a), the following assessment processes under the EP Act must be mapped, specifically Chapter 3 EP Act EIS process; site specific EA applications; variation EA applications; and standard EA applications. | | |
| | (c) In completing the process maps in (1a), the following assessment processes under the SDPWO and SSRC Act include: a) EIS process; and b) Impact Assessment Report. | | |
| | (d) Identification based on (1)(a) - (1c) of practices and/or business processes that are inefficient, duplicative, or could be abandoned or simplified to improve efficiency and customer experience, while maintaining a rigorous and robust assessment process and without compromising statutory obligations. | A number of duplicative processes were observed as a result of system design or handover points. | Section 4.0, 5.0, 6.0 and 7.0. |
| | (e) Practices and/or business processes that are not in prescribed legislative processes and that could be abandoned or simplified to improve efficiency and economy, but without compromising statutory obligations or legislative outcomes. | Processes were broadly aligned to legislation, with minor improvements identified. | |
| | (f) A qualitative assessment of the usefulness of the pre-lodgement process including whether it enables collaborative engagement between relevant agencies and the applicant, as well as whether it is resulting in higher quality applications and faster assessment turnaround time. | Pre-lodgement engagement was seen as a strength where applied, and should be enhanced. | Findings 5.2 and 7.2. |
| 2. Preparedness | (a) Review of methods and systems used by agencies for performance reporting of efficiency and economy in processing of resource applications. | Performance reporting and the use of data should be strengthened for better transparency and efficiency. | Findings 7.1, 7.3 and 7.4. |
| | (b) Recommendations for improved performance reporting (e.g., online systems, data storage, reporting internally back to business centres and the public). | | |

Background and context - resource assessment processes

Background and operating context - Mining tenure approvals

- DoR is the lead agency for Queensland resource assessments. Through MMOL, as it relates to this engagement, DoR is responsible for:
 - Coordinating Queensland's Exploration Program, including the identification, assessment and release of land for exploration and production (out of scope for this work);
 - Release, management and assessment of tendering for coal, petroleum and gas exploration (and minerals where required);
 - Receipt, assessment and award of mining tenures under the P&G Act; and
 - Receipt, assessment and award of mining tenures under the MR Act.
- Ongoing efforts to streamline, improve and rationalise resource project approvals were evident in the numerous improvements observed during this engagement, specifically:
 - Government's response to the QRC 2010 streamlining report (a new version was published in 2020) to shift from sequential to concurrent application processing (e.g. administrative, technical, financial, EA and Native Title occur simultaneously);
 - Completeness checks performed up front to minimise any rework or unnecessary effort during the primary assessment processes;
 - Publishing of KPI data to improve transparency of processing times; and
 - A number of continuous improvement initiatives in place across commodity types to identify and address perceived inefficiencies

Background and operating context - Award of EAs

- The EP Act governs the approval of an EA and EIS process.
- There are three types of EA applications that can be made: Standard, Variation and Site-specific applications. Applications are dependent on the environmentally relevant activity (ERA) and its associated risks.
- An EIS is used to assess resource project proposals that have a relatively high level of environmental risk. In deciding whether an EIS is required, DES will consider EP Act criteria and the relative impact on environmentally sensitive areas and public interest.
- A proponent may elect to have the EIS administered through DES (governed by the EP Act) or through OCG (governed by SDPWO Act). The Coordinator-General (CG) decides whether a project is declared as coordinated depending on the complexity of approval requirements, significance of the environmental impacts, strategic significance to the locality, region or state and the infrastructure requirements.

Background and operating context - Coordinated projects and social impact assessments

- The CG has wide ranging powers to plan, deliver and coordinate large-scale projects to encourage economic development while ensuring environmental impacts are properly managed.
- Projects of economic, social and/or environmental significance to Queensland may be declared as 'coordinated projects'. As it relates to resource assessments, proponents of coordinated projects are required to prepare an EIS to be evaluated by the CG.
- Proponents of coordinated projects are required to prepare a SIA in accordance with the SIA process under the SSRC Act.



4

Detailed
Findings
DoR

Detailed Findings - DoR

4.1 - Duplication of some tasks within MMOL relating to different phases of the approval process



Background and observations

As part of the mining tenure applications, there is some duplication of tasks within MMOL relating to different phases of the approval process in the areas below. Whilst in many instances operational practices have sought to circumvent these duplicative activities through manual workarounds, or simply re-uploading common documents, addressing these points will create capacity and minimise inefficiency.

- **Availability of land:** For exploration permit applications, the confirmation of the availability of the proposed land affected by the exploration permit, and of any constraints and restrictions is performed during the Validate Permit Application Task, Initial Assessment Task and the Administrative Assessment Task.
- **Eligibility:** The “eligible person” check is performed each time an applicant submits an application, even if the applicant has had previous dealings with Queensland Government. In addition to this, the check is also completed during the Lodgement and Verification Task & as part of the Initial Assessment Task.
- **Disqualified applicants:** Across the Assessment Hubs there is currently a variable and duplicative approach taken to when and how the assessment of an applicant’s disqualification status (i.e. checked at different points of the application process, not coordinated is undertaken).
- **Technical Assessments:** Currently technical assessments occur during the early stages of the process. However, if a significant amount of time passes, the basis of which the assessment was made may become outdated, requiring re-assessment.
- **Validation and Initial Assessment:** The validation and initial assessment ensure only valid and complete applications progress. Whilst they are consecutive steps, a merger would prevent duplication of effort (noting some Hubs already treat them as one process).
- **Drafting of briefing packages:** Prior to the outcome of a tenure application, a decision package is drafted by the Assessment Hub with review processes by the Principal Registrar, Manager and Decision Maker. These review timeframes average 144.26 days from forwarding a decision to the decision being approved. These averages vary across the Assessment Hubs (Mineral - 181 days, Coal - 167 days and Petroleum - 109 days). Given that these decision packages are often in a similar structure/format with common themes, there is opportunity to support officer capability and improve the quality of initial drafts through the provision of tools, templates and feedback mechanisms to reduce any duplication of effort across applications. It is noted however that must be assessed on its merits and the nuances of the relevant application materials.

Reducing duplication, whether it has arisen through system design or operational practice, will support improved process efficiency and optimised resource capacity.

Detailed Findings - DoR

4.1 - Duplication of some tasks within MMOL relating to different phases of the approval process (cont.)



Recommended actions

- 4.1.1. Merge assessment of land availability for the Validate Permit Application, Initial Assessment and the Administrative Assessment tasks.
- 4.1.2. As part of future system enhancements implement a cohesive mechanism to alert changes in eligibility to prevent duplicative assessments, and ensure this assessment is considered in 4.1.5
- 4.1.3. Agree when the disqualified application assessment should be completed, and as a function of future system enhancements embed a DoR-wide 'Disqualified Applicant' register that is integrated with MMOL (or alternative system) to notify Assessment Hubs of any change in status.
- 4.1.4. Document the thresholds (e.g. period of time) that would require the reassessment and consider appetite for only completing once EAs and Native Title have progressed to a certain stage.
- 4.1.5. Merge the validation and initial assessments into a single step with a comprehensive checklist.
- 4.1.6. Support increased quality of initial drafts through standardised templates, self-review quality assurance checklist (for Assessment Officers) and periodic training / awareness of frequent issues or challenges to briefing package review.

Detailed Findings - DoR

4.2 - Duplicative work between tendering and tenure assessment processes



Background and observations

EPCs and ATPs are awarded via a tendering processes which involves a comparative assessment of each applicant's proposal to develop relevant resources. This includes some consideration of applicant's financial capacity and credentials to execute the proposal. The subsequent decision to grant an ATP or EPC also requires the Minister to consider an applicant's ability to meet the set legislative criteria, including financial (e.g. ability to fund the project) and technical capability. There is some duplication of process and considerations across the two stages. In practice, this is mitigated through the sharing of information and cross referencing of analysis between the tendering and approval stages. However, there remains some inefficiency in the following areas and inconsistency of outcome when undertaking similar assessment:

- Financial, technical and administrative assessments are undertaken up to multiple times prior to the grant of an exploration tenure:
 - They are first assessed by qualified assessors (e.g. within the tendering process); and
 - They are then assessed by a Technical Assessment Officer within the Assessment Hub (and again through peer review).
- The P&G Assessment Hub evaluate compliance of the call to tender / tenure details despite this being prepared by the Exploration, Tendering and Reform team (ETR), specifically:
 - Whether the provision of the ATP term is permitted under legislation; and
 - If any area of the ATP is considered not able to be granted, unavailable or excluded.

Streamlining assessments made during tenders and subsequent tenure evaluations will reduce processing time. In doing so, consideration should also be made to align delegation (based on perceived risk) for preferred tenders and the tenures (e.g. Ministerial approval for tenders vs. delegate for tenures).

Recommended actions

- 4.2.1. Revise the following aspects of the approval process to improve efficiency between the tender evaluation process and subsequent assessment of technical and financial capability:
 - a. Streamline assessment processes between Assessment Hubs and tendering team to reduce duplication. This could include closer engagement between tendering teams and Assessment Hubs and may involve:
 - i. Coordination with the potential shortlist process (5.5.2) to minimise work created;
 - ii. Consideration of timing (e.g. just the preferred application prior to Ministerial submission); and
 - iii. Investigate options to coordinate with existing assessments to ensure any strategic evaluations applied by the tendering panel can be appropriately considered.
 - b. Removal of the assessment of the tenure details (e.g. term and area) where this has been pre-determined by the ETR as part of the call to tenders process.
- 4.2.2. Evaluate and consider aligning delegation levels for preferred tender outcomes and exploration tenure approvals.

Detailed Findings - DoR

4.3 - Land and deposit information that is provided by proponents is not consistent in format and nature in some respects resulting in inefficiencies



Background and observations

Applicants are required to provide geospatial information at different stages across the respective tenure types. This can include multiple iterations of information and clarifications between the assessor and proponent, in particular:

- For MDL, ML and PL assessments, applicants are required to submit a shapefile outlining the area of land that will be impacted. Assessment staff advised that frequent technical issues were experienced in the receipt of this information (causing applicants to re-submit).
- During ML approvals, applicants must outline the surface area that will require development (both for mining and supporting infrastructure). Differing interpretation of this requirement can lead to delays in the assessment process and impact other requirements such as notification of affected landowners. There is a need to further improve guidance regarding some aspects of this requirement (e.g. land impacted by underground mining).

The above challenges were noted by both government officers and industry alike as points of frustration and impediments to processing efficiency.

Recommended actions

To ensure efficiency in this part of the these process:

- 4.3.1. Establish clear guidance with regards to the technical requirements of shapefiles, which can be achieved through:
 - a. Clarity on format, size and structure;
 - b. Consideration of a validation check during the lodgement and verification;
 - c. Providing guidance and access to approved tools and templates; and
 - d. Highlighting shapefile requirements during pre-lodgement meetings with the applicant.
- 4.3.2. Strengthen guidance provided to applicants around land identification and ownership in relation to MLs through:
 - a. Providing clear guidance on format, size and structure of files;
 - b. Clarifying policy on 'impacted land' to cover all land impacted by mining operation (e.g. accommodation);
 - c. Highlighting common errors where the surface area is not identified; and
 - d. Supporting proponents in ensuring all affected landowners are identified as a result.

Detailed Findings - DoR

4.4 - Financial capability assessment can be refined based on proponent risk profile



Background and observations

A key aspect of DoR's responsibilities in resource assessments is the evaluation of financial and technical capability. Currently this is performed in a consistent manner for all applications, which includes the provision of documents evidencing financial and technical capability.

Whilst proponents must provide a range of information to attest to financial capability (i.e. audited financial statements, evidence regarding capability to fund the proposed program, evidence detailing the percentage of in-place or confirmed funding), there remains an opportunity to enhance the risk-based approach to assessment of this capability, including:

- **Current financial engagements with Government:** Recent evolutions in mining approvals (e.g. surety under the Financial Provisioning Scheme) has established a much deeper understanding of proponents financial structures. As such, there is an opportunity to assess the risk profile of proponents to influence the type of financial assessment conducted.
- **Clarity on ongoing projects:** Customer concentration risk can have a major impact on viability. In addition, the status of other key contracts like critical suppliers or infrastructure arrangements should be understood particularly if they are not yet signed as each may have an impact on financial risks and can vary in significance.
- **Statutory demands and/or debt recoveries:** Onus to disclose and provide copies of any statutory demands, letters of demand or other correspondence from creditors seeking recovery of a debt owed by the respondent should be considered. The applicant should be asked to confirm if any such statutory demands, letters of demand or other correspondence have been settled and finalised with the relevant creditor and provide supporting documentation.
- **Assessment of vulnerability to market trends:** Given the price fluctuations often experienced in commodities profitability of projects is highly sensitive price change and discounts applied based on expected quality of product. Accordingly consideration to the long-term pricing position adopted is consistent with long term view market views.
- **Special purpose vehicles (SPV):** Any SPV set up for a project should be scrutinised more so than a well-established known entity given these SPV's are often used to ring fence risk from wider core operations limiting funding and obligations to support.
- **Public searches and directorship appetite:** Whilst a number of searches are already undertaken (e.g. ASIC listings), this should be strengthened with a specific focus to understand any perverse outcomes relating to previous undertakings with Government (e.g. litigation, banned or disqualified directors, offshore directorships).

We note there is activity underway to implement a tailored financial assessment for resource assessments.

Detailed Findings - DoR

4.4 - Financial capability assessment can be refined based on proponent risk profile (cont.)



Background and observations (cont.)

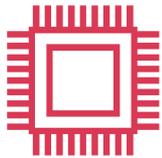
Financial capacity is a key driver for an entity to be in a position to acquire and develop an asset. Given the aforementioned opportunities to strengthen the risk-based assessment of financial capability, there may be an opportunity for more streamlined assessments for 'high quality' applicants with demonstrated track record of compliance and performance, particularly those that require re-assessment (e.g. MLs, PLs) when significant time has passed.

Recommended actions

- 4.4.1. Establish an approach to categorise proponents (not applications) based on risk to influence the depth, and level of reliance on previous analysis in the assessment of financial capability. This risk assessment should include:
 - a. Qualitative assessment of financial exposure based on prior and current dealings with Government (e.g. surety under FPS) or developing a prequalification form to qualify existing tenure holders regarding future tender submissions;
 - b. Defined appetite for the assessment of current commitments, including perceived level of risk given prior dealings with Government (e.g. level of surety under the FPS) and repurposing information provided to the FPS for another purpose (i.e. ability to finance a work program);
 - c. Assessment of current and prior statutory demands and recovery activities, and Government's appetite for engaging organisations with such proceedings;
 - d. Defined appetite for organisations perceived to be at risk to commodity price fluctuations;
 - e. Treatment and consideration of SPVs; and
 - f. Clarity as to Government's appetite for engaging proponents where prior conduct indicates a heightened level of risk (e.g. engaged in litigation, disqualified or offshore).
- 4.4.2. Consider a more risk-based approach to assessment of technical capability. For example, consider opportunities for streamlined assessments for 'high quality' applicants with demonstrated track record of compliance and performance and who have demonstrated financial capability to obtain and retain necessary technical capability.

Detailed Findings - DoR

4.5 - Digitisation could improve the efficiency of some manual approvals processes



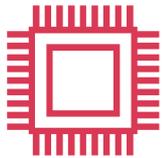
Background and observations

Applications for all tenure types are received and managed by DoR within MMOL. There have been some enhancements to the system since its commissioning, however there are several tasks across the approval process that are manual in nature and are performed outside of this system for which efficiency could be improved through further digitisation, for example:

- Hard copy documents are accepted as an 'approved form' for an application. The hard copy application is publicly available on the Business Queensland site and must then be manually entered into MMOL by an Administration Officer requiring unnecessary effort and increased risk of human error.
- Proponents may lodge an application by post and are not required to provide an email address for correspondence. In such situations correspondence may occur in hard copy via the nominated postal address.
- Per the MR Act, tenure applications must be accompanied by an application fee. Currently DoR offers several payment options including some (eg cheques and bank transfers) that are administratively onerous to process.
- Tender bids are submitted through the QTenders portal, the primary tendering portal for the Queensland Government. QTenders is designed to be functional across various departments and therefore is not specifically designed for the mining tender process. Feedback gathered during this engagement noted the absence of smart form functionality (e.g. field validations and completeness checks), ability to monitor the portfolio of tendering processes underway and manage the tendering process all within a single solution (e.g. workflows, digitised evaluation mechanisms).

Detailed Findings - DoR

4.5 - Digitisation could improve the efficiency of some manual approvals processes (cont.)



Recommended actions

- 4.5.1. Implement opportunities to digitise the application receipt phase of resource assessment processing, including the following:
 - a. Implementing digital application capability (e.g. smart forms) and automatic validation of an application (e.g. documents lodged for key requirements, noting qualitative appropriateness check may still be required);
 - b. Updating application forms to require proponents to specify an email address for correspondence; and
 - c. Removing the option for hard copy applications.
 - d. Provide proponent with the opportunity to save a draft application and continue submission before the due date.
 - e. Leverage the digital platform to communicate to tenderers.
- 4.5.2. Phase out payment options that are administratively onerous (e.g. cheques, bank transfers).
- 4.5.3. In planning for the future needs of the Exploration Program, consider the requirements of a new technology solution through:
 - a. Engage with the Department of Energy and Public Works to understand any future enhancements to QTenders; and
 - b. Assess the cost benefit of designing a customised IT solution versus the continued use of QTenders.

Detailed Findings - DoR

4.6 - Industry is seeking greater transparency relating to the outcome of tender activities



Background and observations

There is a desire from industry for improved communication regarding some aspects of the land release, EOI and tender process. The following observations were noted through our review of tender administration processes and consultation with industry stakeholders:

- Longer than expected delays and limited communication was reported by industry proponents between tender submission and award. DoR do not typically apply a shortlisting process to tendering decision, despite both articles of legislation providing for such an option. The duration between closure of a tender and selection of a preferred tenderer is largely dependent on the number of applications to be assessed.
- Since September 2020, disqualified tenderers under the *Common Provisions Act* must be rejected from any tendering process and give the tenderer notice of their disqualification. At the time of reporting, the ETR are yet to establish a process for rejecting disqualified tenderers under these provisions and therefore are at risk that recent legislative provisions are not applied due to lack of established process (and associated timeframes) or unavailability of the resources to undertake the assessment, including the evaluation panel.

Recommended actions

- 4.6.1. Consider opportunities to improve timeframes and transparency relating to tender outcomes. This could include implementation of a shortlisting mechanism, including a tiered process where the provision is applied once a threshold is exceeded (e.g. four applicants) and unsuccessful applicants are notified at this point. Considerations for this mechanism may include:
 - a. Clarity of delegation and basis of rejecting non-shortlisting applicants;
 - b. Natural justice requirements and the impact appeals may have on processing timelines;
 - c. Resource availability to process rejections and the impact on tender outcome timelines;
 - d. Improve timeframes around the assessment process (i.e. by using a risk based approach to tailor the assessment approach); and
 - e. Improve transparency over the tender process.
- 4.6.2. Define and implement the process for rejecting disqualified tenderers as required under recent changes to the *Common Provisions Act*, including:
 - a. When this step would occur (e.g. during open tender);
 - b. Mechanism for registration or rejection;
 - c. Publishing the criteria for disqualification on QTenders and within Tender documents;
 - d. Amending the Tender Compliance Checklist to ensure each tenderers status is reviewed; and
 - e. Whether the power to disqualify a Tenderer is to remain with the Minister or be delegated.

Detailed Findings - DoR

4.7 - There are inconsistencies in the storage and hand over of information between ETR and Assessment Hubs



Background and observations

ETR stores all documents for live tenders on SharePoint and when a preferred tenderer is confirmed, relevant artefacts are collated and emailed to Assessment Hubs for uploading into MMOL (SharePoint documents are removed at this point for security). During internal stakeholder workshops we were advised that whilst the use of SharePoint has improved record management, the filing and sharing of information required improvement and that there were instances where documents sent to the Assessment Hubs were incomplete.

Recommended actions

- 4.7.1. Reduce the potential for incomplete documentation being provided during handover. This can be achieved by:
 - a. Establishing a document storage protocol to improve SharePoint maintenance for enhanced document storage (particularly during longer tenders);
 - b. Providing clear status and transparency as to what is being provided and what is outstanding; and
 - c. Considering a system driven solution to transfer all information for improved information security and reduced risk of human error (and potentially automate the upload into MMOL).
- 4.7.2. As part of future system enhancements, develop a mechanism to enable tender information to be repurposed (with sufficient confirmation by an applicant to protect the proponent-led nature of resource assessments) within a set period of time (e.g. 12 months). This may include consideration of:
 - a. Requirement for an acknowledgement by proponent that identified documentation would form part of submissions for a subsequent tender;
 - b. Reviewing viability of previous assessments on future tenders;
 - c. System requirements that would enable tenderers to view and confirm documentation submitted over prior year; and
 - d. Evaluating probity, operational and system impacts of proposed changes.



5

Detailed
Findings
DES

Detailed Findings - DES

5.1 - Practices do not align with the defined strategy for risk based regulation in some areas



Background and observations

DES has published its Regulatory Strategy which outlines its vision for regulatory, compliance and enforcement activities and is reviewing its current strategy. Whilst we note this Strategy is currently under review, current published material pre-dates the current Departmental structure and leadership and is outdated in some respects. The Strategy acknowledges that “industry is best placed to identify the most appropriate way to manage their activities to ensure environmental outcomes are achieved and standards are maintained”. However this does not align with the lived experience of some proponents who have raised frustrations regarding a rigid interpretation of guidelines that is perceived to be misaligned with the risk of environmental harm in some instances. Particular concerns relate to the classification of major and minor amendments; the nature and volume of information required by proponents to support an application; conditioning of EAs; and the application of the progressive rehabilitation framework. Industry stakeholders have also raised some concerns that the EA process is unduly lengthy, inefficient and uncertain in some respects.

These concerns are partly a reflection of the important role that DES plays in balancing the priorities and objectives of industry proponents and other stakeholders. However there are opportunities to further improve the communication and collaboration with proponents prior to and throughout the assessment process and to further improve the systems and processes that support the exercise of judgement by assessors at various stages across the process. In particular:

- **Minimise impact of staff turnover:** A risk based approach to regulation requires the exercise of judgement by decision makers throughout the assessment process. Industry has raised concerns regarding what they perceive to be frequent movement of staff within the department which impacts on the continuity of knowledge and understanding of their application and contributes to inconsistency and lack of certainty throughout the process.
- **Improve guidelines to support decision making:** DES has a range of internal guidance material to support officers in the assessment process. There would be benefit in updating the following material to enhance clarity and consistency in decision making:
 - **Properly made and valid application** - The *Assessment requirements for making a decision for an environmental authority for an environmentally relevant activity* documents refer back to the EP Act without further practical guidance on how to assess whether an application is properly made.
 - **Public notification requirements for MLs** - The *Public Notice requirements and submissions about site-specific applications for environmental authorities for resource activities other than Mining* provides guidance for assessors regarding the requirements of the public notification process. There would be benefit in updating this guidance to provide further clarity regarding the respective roles of DES and DoR regarding ML public notification requirements.

Detailed Findings - DES

5.1 - Practices do not align with the defined strategy for risk based regulation in some areas (cont.)



Background and observations

- **Staff training and expertise:** There is typically an imbalance of knowledge and understanding between a proponent with intimate knowledge of its operations and application and an assessment officer who will be managing multiple applications concurrently with limited time to get across a diverse range of information. Initiatives to improve the technical and industry specific knowledge and understanding of officers will help to ensure that decision making is appropriately cognisant of the proponent's proposal and operations and aligns with the desire for risk based administration of the regulation.

Recommended actions

DES have commenced a range of activities to strengthen engagement with industry. As part of this program of work DES should:

- 5.1.1. Finalise the refresh of the Regulatory Strategy to reflect the Department's desire for regulation proportionate to risk.
- 5.1.2. Provide a more consistent engagement with proponents, for example by:
 - a. Establishing performance reporting to monitor continuity of case officers across proponents and across individual applications. This could inform intervention, where necessary, to mitigate the impact of turnover of staff to ensure continuity of case management and knowledge retention;
 - b. Implementing a peer review / quality assurance process to assess consistency of decision making.
- 5.1.3. Improve guidance and consistency regarding exercise of judgement by officers in decision making. This should consider:
 - a. Continuing to review and update procedures and guidance notes for officers;
 - b. Finalising the development of staff training packages for delegates such as statutory interpretation, good practice; and
 - c. Finalising a peer review / quality assurance process to assess consistency of decision making.
- 5.1.4. Improve technical and industry specific knowledge and understanding. This should consider:
 - a. Review and refresh of onboarding and routine training programs on industry trends, technology and initiatives (underway);
 - b. Periodic site visits.
- 5.1.5. Improve the effectiveness of engagement with industry through:
 - a. Establishment of a customer feedback mechanisms to measure proponent satisfaction regarding assessment process and capture key issues and concerns; and
 - b. Establishment of customer service standards (noting activity in this space for Permits and Licensing), stakeholder charter and engagement strategy by which DES will engage with proponents and other key stakeholders (underway).

Detailed Findings - DES

5.2 - There is a need for clear, consistent and transparent interpretation of regulatory standards



Background and observations

Lack of understanding and misalignment of expectations is an ongoing source of frustrations for both proponents and assessors. This results in further information requests and / or can cause unfavourable outcomes for the proponent. The following observations were made where a clearer and more transparent interpretation of legislative requirements could help to align understanding between applicants and assessors and help to improve the efficiency of the process:

- Division 3 of the EP Act sets out the requirements for a 'properly made' application. In practice, there is often misalignment of interpretation and understanding of these requirements between proponents and assessors which frequently requires rework of applications. For example, data from the coal business centre shows that 60.7% of all EA site specific applications required additional information.
- Submissions over the EA application by the public are required to be submitted in written form, however, there are no specific requirements regarding the form or content of submissions. Establishing an approved, (non compulsory) form for such submissions (similar to the EIS public notification process) would help to further improve the efficiency of the assessment of public submissions..
- Section 125 of the Act requires that applicants for an EA are a Registered Suitable Operator (RSO). S318R provides for the Chief Executive to receive a 'suitability report' for the purposes of determining whether an applicant is a RSO and s318S provides that the information in a 'suitability report' must not be used for any purpose other than to make the decision for which the report was originally obtained. DES assessment officers have advised that Section 318S has been interpreted by DES as prohibiting access to the previous suitability report by an officer that is subsequently considering the suitability of an applicant as part of the renewal process, which contributes to inefficiency and duplication of effort in some instances. There are similar challenges and delays associated with the sharing of information between DES and other agencies that are also authorised to determine a person or entity as an RSO.
- Due to the lengthy period of time it takes to complete an EIS (e.g. can take up to 4 years), new legislation may be in place from the time the EA application was initially assessed. As part of DES' interpretation of the legislation, the EA must be assessed against the legislation that was in place at the time the EA application was submitted. This requires the Business Centres to assess the EA using old templates and guidance documents and requires the team to be familiar with outdated legislation.
- Whilst it is noted that the EP Act provides minimal detail on ToR and EIS requirements, the absence of published policy guidance provides a challenge for both Government and industry in understanding how legislation is being applied in practice.

Detailed Findings - DES

5.2 - There is a need for clear, consistent and transparent interpretation of regulatory standards (cont.)



Background and observations (cont.)

- Proponents may submit an EIS with multiple options of activities to be performed. In these instances, DES must assess all options to the extent necessary to determine if an activity or component of a project (e.g. water supply) can be approved and what conditions would need to be applied. All options need to be described and assessed to the same level of detail. Early engagement between the proponent and DES can help to refine the number of options that are being proposed to avoid inefficient and unnecessary assessment of options that may be redundant.

Recommended actions

- 5.2.1. Clarify requirements to assess the EA application, including clarifying the requirements over what constitutes a properly made application under s127.
- 5.2.2. Consider centralising public response mechanisms to streamline the receipt and aggregation of feedback from the public. This could potentially include providing an online form, noting the public can still provide in a different format if desired.
- 5.2.3. Clarify and confirm interpretation of s318S of the EP Act relating to the sharing of prior RSO Assessment Reports where that previous report relates to an application by that person to become an RSO.
- 5.2.4. Consider reducing the time period between the lodgement of an application and final issue of an EA by re-introducing a lapsing provision (previously s231 of the pre-green tape EP Act) for when the next step in the process is not taken within a reasonable period.
- 5.2.5. Consider the interpretation and development of strong guidance on the content of: draft terms of reference (TOR), final TOR, submitted EIS, amended EIS, EIS Assessment Reports, and voluntary EIS application supporting information.

Detailed Findings - DES

5.3 - Duplication of tasks across different phases of the approval process



Background and observations

There are opportunities to further streamline and improve the process and sequencing of activities relating to environmental approvals in the following areas:

- The EIA team assesses whether or not an EIS is required to be developed using the EIS triggers listed in the *Criteria for environmental impact statements for resource projects under the EP Act guidance document*. However, the EA Business Centres separately make an assessment (using the same EIS triggers) and develop a report on whether an EIS is required. This is a time consuming assessment and could be further streamlined to consolidate effort across the two assessment teams.
- Assessment staff advised of challenges regarding past instances where proponents have not substantially complied with the public notification requirements (e.g. have not submitted notification in the correct newspapers or have not kept the notification online for the required period). It is understood that the predominant reason for this re-work and duplication is an absence of robust guidance provided to applicants as to what must be included, how notification must be performed and common errors made.

Recommended actions

- 5.3.1. Assess the value of the business centre preparing a report on whether an EIS is triggered, and if beneficial remove this step and enable it to remain the responsibility of the EIA team.
- 5.3.2. Minimise re-work by providing clearer guidance up front, including where the public notification has to be published and how long the notice must be published for. Instruct the proponent to perform a check on the day the Public Notice has been issued to ensure all links work properly.

Detailed Findings - DES

5.4 - System limitations are impacting procedural efficiency



Background and observations

Online Services is DES' portal for proponents to submit EA applications electronically and EA permits to be issued to proponents. We note there is a digital simplification project underway that considers a number of improvements to Online Services and other systems, which covers a number of issues raised during this engagement (and referenced below). Improvement opportunities identified during this engagement include:

- Each Business Centre uses their own bespoke approaches to project management to capture key actions and milestones to track the EA application progress and monitor against key legislative timeframes.
- Agents who are applying for an EA application on behalf of the proponent are unable to apply using Online Services due to system limitations and the lack of an 'agent functionality' (i.e. they cannot use Online Services because they are not the 'administrative user'). This results in agents using hard copy forms and the Permit and Licencing (PaL) manually entering the details into Online Services.
- EA hard copy forms are not easily accessible on the DES website. Proponents and agents often use previously saved superseded forms which results in the application deemed as 'not properly made'.
- There are opportunities to automate the use of paper based checklists in the early phases of an application, when forms are submitted online (e.g. assessment of whether a proponent can be a RSO, application validation).
- The Business Centres are unable to use Online Services to track actions and milestones. As a workaround, the application is manually entered into a project management tool (each Business Centre uses a different system). Due to Online Services system limitations, EA assessments are performed offline (using the Assessment Report Template) and then uploaded into Online Services (this is already rectified as part of the digital simplification project).
- Once an EA application is submitted via Online Services, workshop discussions noted that the application is frequently allocated to the Coal Business Centre Assessment team by default. This results in limited time allowed by other Business Centres to assess the EA application within the legislatively required time frame (this is already rectified as part of the digital simplification project).

Detailed Findings - DES

5.4 - System limitations are impacting procedural efficiency (cont.)



Recommended actions

Document system requirements required to enhance and digitise the EA and EIS processes, and complete a cost benefit analysis to inform their implementation timeframes. Broader system and digitisation opportunities include:

- 5.4.1. Agreeing and implementing a consistent, standardised project management system across all Business Centres to achieve improved consistency and realise efficiency gains from sharing and optimising current processes (underway as part of the EA simplification and dynamics initiatives);
- 5.4.2. Establishing capability to receive and process applications made by an agent on a proponent's behalf (underway as part of the EA simplification and dynamics initiatives);
- 5.4.3. Ensuring up to date EA forms are readily available on the DES website, or other centralised mechanism. This is expected to be addressed through the 'EA simplification and dynamics initiative' that is currently underway; and
- 5.4.4. Developing capability to digitally assess validity (e.g. completeness) and RSO compliance over EA applications submitted online (underway as part of the EA simplification and dynamics initiatives).

Detailed Findings - DES

5.5 - The timeliness and efficiency of approval processes could be improved in some areas through legislative reform



Background and observations

The timeliness, efficiency and effectiveness of the EA assessment process is dependent to a large degree on the existing legislative framework. This has been revised over time to address identified issues, align with contemporary practices across the resources industry and address evolving community expectations and policy direction. However there are some aspects of the existing framework that continue to provide challenges to the timely, efficient and proportionate administration of the regulation. Determination of regulatory reform requires consideration of a broad range of factors that are beyond the scope of this exercise. However a number of aspects have been identified that warrant consideration as part of future reform initiatives:

- S122 - s124 outlines various circumstances whereby a Standard application can be received and 'automatically' approved. It was observed that there are many instances where an application would not meet these conditions (therefore requiring a 'Variation' application that has much more rigorous information requirements), however still be assessed in the similar, streamlined manner (e.g. where activities occur in a buffer zone). The ERA Standards, including eligibility criteria and standard conditions, should be reviewed and modernised to ensure they reflect current operational and environmental practices (i.e. they are fit for purpose for proponents whilst maintaining current environmental obligations).
- S521 requires DES to notify all submitters when an Internal Review has been initiated. This can be time consuming and administratively onerous.
- Once the EA Assessment Report and any Objections from the public are issued to the proponent, they have 20 days to determine whether they accept the Report and all Objections or wish to dispute to Land Court as per s183. The EA and EA Assessment Report cannot be finalised until the 20 days has lapsed, even if the proponent notifies DES intent to not appeal via Land Court.
- The EP Act does not include a mechanism for early refusal of a project (i.e. at the application stage) that are considered likely to have unacceptable or invalid impacts on identified environmental values, are not practically feasible or are poorly planned.

Detailed Findings - DES

5.5 - The timeliness and efficiency of approval processes could be improved in some areas through legislative reform (cont.)



Recommended actions

In conjunction with other opportunities for legislative reform, consider changes that would improve the efficiency and consistency in interpretation for the following legislative areas:

- 5.5.1. Update standard conditions to better align to the perceived risk profile and appetite for current activities that require variation-specific application forms for Standard EA applications.
- 5.5.2. Consider alternative mechanisms to notify submitters on updates and outcomes (including when Internal Reviews are initiated) of EA applications or removing the requirement for DES to notify all submitters when an Internal Review has been initiated. This may require legislative reform specific to s521 of the EP Act.
- 5.5.3. Consider introduction of mechanisms to waive the 20 day decision period once notice has been given regarding Land Court, which may require amendments to s183 of the EP Act (identified as potential legislative amendment already).
- 5.5.4. Introduce a screening process upfront at the application stage that would allow the Chief Executive to make a decision that a project is unacceptable or invalid and would not be assessed (similar to provisions in the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act)) and insert a definition of 'clearly unacceptable' (already identified as potential legislative amendment).
- 5.5.5. Ensure that assessment staff receive appropriate training in the assessment process and interpretation of the relevant legislative requirements.



6

Detailed
Findings
OCG

Detailed Findings - OCG

6.1 - Promote early and effective engagement with proponents



Background and observations

The early and effective engagement with proponents is critical to the timeliness and efficiency of the approval process. There are various mechanisms in place that aim to achieve this engagement, including participation at pre-lodgement briefings; preparation of an initial advice statement (IAS); and various other formal and informal channels of communication between the proponent, OCG and other agencies. These processes provide an opportunity for identification of key risks, considerations and information requirements relating to the application in order to enable consistent understanding between the various parties. However engagement between proponents, OCG and other agencies is not always fully effective, leading to challenges in the following areas:

- Confirmation of development approvals sought through the coordinated EIS project process is important in the early stages of the EIS process. If it is unclear what approvals, permits and licenses are being sought by the proponent, and this information is provided later in the EIS process, it can prolong the EIS process as it may take proponents a longer time to provide more detailed project information to obtain conditions for these approvals from agencies. If proponents are clear on what type of approvals, permits and licenses they are seeking, they typically undertake studies required to inform these approvals early (ideally baseline studies have at least commenced before IAS is submitted).
- Changes made by the proponent to the project scope throughout the EIS process can affect agency assessment timeframes and change the critical project issues that may have been raised at the start of the EIS process (i.e. increased or decreased criticality). Scope changes could be reduced if project infrastructure and design requirements were firmed up at the IAS stage.
- Inconsistent information throughout EIS documentation can be problematic with responsibility for quality assurance resting primarily with government (i.e. increases time to review EIS documents and reduces capacity to provide feedback to proponents on important assessment matters).
- SIAs for projects assessed under the EP Act are subject to tight statutory timeframes. A clear understanding of the scope of potential impacts on the social environment is required as early as possible, with contemporary data. This enables efficient assessment and sets clear expectations for proponents that the SIA approval is on the critical path for the EIS process. This can be challenging to achieve where the process and requirements are not well understood by proponents, or where applications are otherwise of a poor quality.

Detailed Findings - OCG

6.1 - Promote early and effective engagement with proponents



Recommended actions

- 6.1.1. Strengthen collaboration with proponents through the EIS process under the EP Act by encouraging early engagement with OCG in the early stages of the EIS process, with a focus on:
 - a. Identification of the type of approvals, permits and licenses sought for their project;
 - b. Ensuring infrastructure requirements and project scope are confirmed in the IAS, in order to minimise the likelihood of scope changes throughout the EIS process that can affect assessment timeframes and information requirements.
 - c. Ensuring sufficient understanding by proponents of the relevant process and information requirements and the implication (timeframe and process) of project scope changes throughout the assessment process.
- 6.1.2. In order to ensure that EIS documents are of sufficient quality, consider the option to require the EIS to be reviewed and certified by a registered environmental/social impact assessment practitioner prior to submission to OCG.
- 6.1.3. Communicate to proponents the need to ensure early provision of a draft SIA (e.g. preliminary screening of impacts / benefits). The draft SIA should include:
 - a. Clearly defined (and justified) proposed study area;
 - b. Clear line of sight between baseline, impacts and mitigation strategies (to inform the SIMP); and
 - c. Latest available data/information and outcomes of recent consultation.

Detailed Findings - OCG

6.2 - Ensure early and effective cross-agency engagement



Background and observations

The Coordinator-General administers the SSRC Act. This involves assessment of SIAs for projects assessed under the SDPWO Act and the EP Act (administered by DES). There is a high degree of interaction and interdependence between proponents, OCG and the various other agencies that are involved throughout the process. There are currently two draft Service Level Agreements (SLAs) between DES and OCG (refer to 7.1.1), one under the SDPWO Act and one under the SSRC Act. The SLAs detail key timeframes and agency responsibilities for SIA assessment, however, this has not yet been finalised.

Early identification of critical issues through cross-agency collaboration is important in order to establish clear expectations of the information requirements that proponents are required to satisfy to obtain approvals. Failure to effectively identify and consider critical issues prior to the public consultation phase can result in inefficiency and delay.

Recommended actions

- 6.2.1. Enhance cross-agency collaboration by implementing SLAs and highlight the importance for partner agencies to raise critical project issues at the early stages of the EIS and / or SIA process. This would assist with establishing clear expectations of the information requirements proponents are required to satisfy in order to obtain approvals, and enable statutory timeframes to be met effectively.

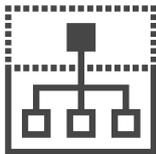


7

Detailed
Findings
Cross-Government

Detailed Findings - Cross-Government

7.1 - Increased coordination and collaboration between agencies is required



Background and observations

- Depending on the tenure, varying levels of assessment are performed by separate government agencies. Consultation across internal and industry stakeholders noted limited communication and transparency between DoR, DES and the applicant, relating to:
 - Application or pre-lodgement briefings and support;
 - Assessment of EIS adequacy, where cross-Government consideration can vary and reportedly contradict each other;
 - Status and expected timeframes for EA (and therefore tenure);
 - Outcomes (both refusal and approval) causing outstanding assessments to be redundant and challenges in understanding permit effective dates; and
 - Draft SLAs between involved agencies for clarity on roles, responsibilities and agreed protocols.

There may be benefit in establishing a coordinated case management process (for projects other than OCG and EP Act EIS) to create a single entry point for proponents, whereby a single Government agency is responsible for providing proponents with information on statutory requirements, case-managing and coordinating approvals across government.

- Public notification and Objection processes can be long and potentially duplicative which results in frustration for industry without significantly changing the opportunity provided for the community to challenge award processes. This review found inconsistent public notification requirements between Chapters 3 and 5 of the EP Act. Namely, Chapter 5 allows EA public notification to be performed as part of a coordinated process with DoR ML public notification hence, reducing the need to have multiple public notifications. However, this provision is not provided in Chapter 3 of the EP Act for EIS. This results in proponents having to publish public notification multiple times, at EIS ToR, EIS finalisation, for EAs and then MLs.

Recommended actions

- 7.1.1. Establish a mechanism to improve communication and coordination between Departments at the following points:
 - a. Collaboration on pre-lodgement processes (see 7.2.2);
 - b. EIS considerations and input;
 - c. Clear lines for escalation and inquiry on status of approvals by the proponent in relation to their application;
 - d. Communication on rejection and finalisation; and
 - e. Finalise both SLAs between OCG and DES pertaining to the EIS and SIA process, and consider applicability of broader, cross Government SLAs as it relates to resource assessments.
- 7.1.2. Streamline public notification processes to prevent unnecessary duplication and provide the public the opportunity to assess a project in its entirety, including consideration of a single platform for such notifications (consider 5.2.2 in parallel). This may require legislative amendments to Chapters 3 of the EP Act to standardise with Chapter 5.

Detailed Findings - Cross-Government

7.2 - End-to-end approval process and associated requirements for proponents are not well understood by some industry stakeholders



Background and observations

Given the complexity and investment required for resource assessments, there have been a number of initiatives across Government and industry to document and illustrate these processes. Whilst these are important, there remains opportunities to strengthen the communication with industry as to the approval process and what is required of them

- Despite the mapping activities aforementioned, there remains potential gaps in the understanding of what is required. For example:
 - MMOL outlines key landmark based steps as designed seven years ago when the system launched (some subject to manual workarounds and not reflective of out of system steps including EAs, Land Court etc);
 - QRC process maps outline key legislative steps required of proponents; and
 - Process maps developed during this engagement (not previously in place) outline administrative and system based steps completed by public servants.
- The extensive information required of the applicant is largely dictated by legislation. Internal workshops and industry feedback consistently noted that the following challenges lead to variability in the quality of information initially provided by a proponent:
 - Difficulties understanding what information is required and when, including varying degrees of policy, procedure and guidance material between Government agencies.
 - Varying degrees of how pre lodgement consultation is utilised across Government, including:
 - Increased investment from DoR in pre-lodgement meetings to improve transparency and relationships; and
 - Variable use of pre-lodgement meetings with OCG (and resulting absence of a draft/pre-release SIA) has impacted quality of assessment, resulting in unnecessary delays.
 - There is no single source of truth on resource assessments provided on public facing Government websites, rather a decentralised array of information shared via DoR, DES, OCG and Business Queensland websites.

As illustrated over the page, if an application required ongoing handovers, rework or reassessment (shown in “number of times an application is handled”), it has a direct impact on the time taken to evaluate a mining approval.

Detailed Findings - Cross-Government

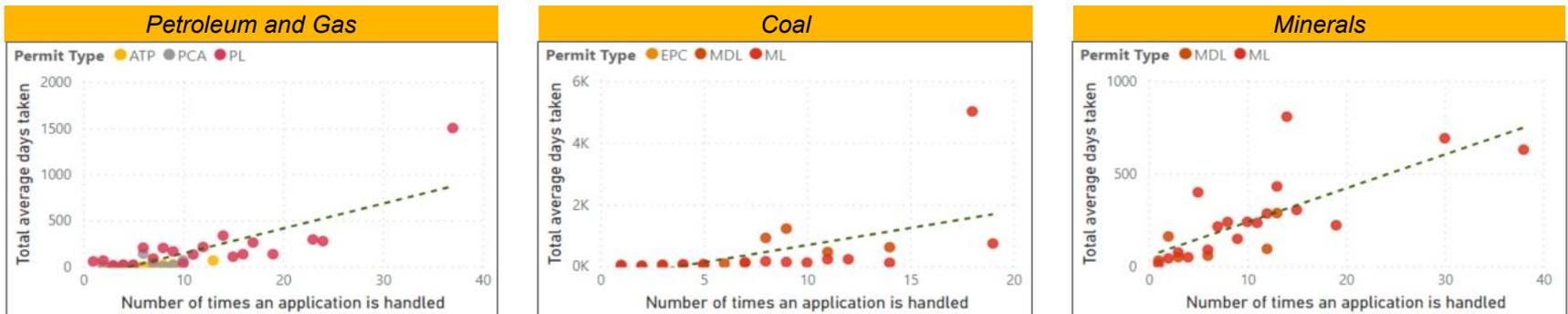
7.2 - End-to-end approval process and associated requirements for proponents are not well understood by some industry stakeholder (cont.)



Recommended actions

- 7.2.1. Collaborate with industry in the development of customer journey maps for each approval process to clarify key assessment points and activities undertaken on both sides.
- 7.2.2. Further increase the transparency of the application process and information requirements. This could be achieved through:
 - a. Improved use and effectiveness of pre-lodgement meetings across agencies to provide clarity as to what is required, how applicants can maximise the evidence in their initial application and inform assessors of project details;
 - b. Draw upon expertise from across Government (e.g. attendees from DoR, DES and OCG) for these meetings to serve as a collaboration foundation for the forthcoming approval process;
 - c. Capturing data on when pre-lodgement is utilised, to assess its impact on timeliness and quality of application;
 - d. Centralising information into a single source, with links to relevant agencies where required;
 - e. Facilitating webinars/training and awareness sessions with industry and consultants to further enhance proponents awareness and understanding of the process and relevant information requirements;
 - f. Finalise review and update over published guidance and criteria to ensure clarity and consistency in line with the relevant legislation; and
 - g. Consider publication of process maps.

Analysis of days taken to approve an application against the number of times an application was handled*



The visuals above include applications which have been completed between 2015 and 2021, and does not include any applications which are still in progress.

* "handle" indicates the number of times an application is touched during the review (decision forwarding) phase of the process.

Detailed Findings - Cross-Government

7.3 - Proponents do not have sufficient clarity in some areas regarding application status or escalation pathways



Background and observations

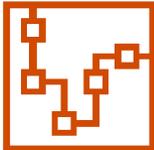
- Stakeholders noted a lack of visibility regarding the status of applications as a source of frustration. Understanding progress of their application provides context for investors and drives external decision making to ensure economic viability. Industry consultations noted:
 - Particularly for EA and EIS approvals, proponents are unable to gain insight as to how their application is progressing (or otherwise), next steps in the process and or how they can support the assessment;
 - Published KPIs provide some accountability and transparency regarding government performance as a whole, but do not assist in providing certainty regarding individual applications; and
 - Whilst DES has many statutory timeframes in the absence of published performance reporting, these statutory timeframes can exacerbate challenges where the timeframe limits the Department's ability for robust assessment and communication with the proponent (i.e. easier to decline or delay than ask for further detail).Industry stakeholders did note that MMOL does update select status bars as an application progresses, if and when an applicant logs into the system.
- Noting the challenges in cross-Government coordination, proponents consistently raised concerns in regard to the understanding of a central pathway to enquire into the status of an application, or provide feedback on experiences directly relating to resource assessments.

Recommended actions

- 7.3.1. Improve transparency of application progression in the following areas:
 - a. Identify key points of the approval process (utilising customer journey maps referenced in 7.2.1) to establish live-status tracking, through either push notifications (e.g. email) or enhanced online status updates;
 - b. Establish a mechanism to advise proponents of estimated decision dates (based on established confidence intervals of historical data), noting that this would be heavily subject to change (e.g. statutory timeframe extensions); and
 - c. Evaluate the effectiveness of key statutory timeframes seen as impacting Government's ability to assess available information.
- 7.3.2. Consider establishment of a coordinated case management process (for projects other than OCG and EP Act EIS) to facilitate engagement with proponents regarding status for each project approval, implement mechanisms that enables proponents to enquire regarding status, seek out support, escalate concerns or provide feedback on interactions with Government as it relates to resource assessments.

Detailed Findings - Cross-Government

7.4 - There is an opportunity for improved utilisation of data for procedural efficiency and improved industry engagement



Background and observations

As noted in QRC's 2020 Streamlining Report, the need for efficiency in reporting requirements is one of the most crucial reforms that must be prioritised across Government. The duplicative reporting requirements create unnecessary time and cost for both industry and government agencies. Whilst industry has recognised that the Geoscience Data Modernisation Project has improved efficiency and removed an element of duplicative reporting, a number of specific challenges remain:

- **Environmental impact studies:** Irrespective of where or the type of impact a proposed development will have, proponents are requested to undertake a suite of environmental studies (e.g. groundwater) through EA and EIS processes. Given many mining activities are in similar regions of the state, there may be opportunities to streamline how this data is used and reduce timeframes for resource assessments.
- **Social modelling:** Through industry consultation, improvement in data sharing could provide efficiencies given the economic and social investment that large mining operations bring to regional Queensland. Proponents are often requested to undertake modelling of social impact, including QPS ratios and traffic modelling. This modelling often requires the support of other Government agencies who own these datasets.

These datasets in one form or another, are held by Government agencies and documented on the public record. The opportunity presented to Government is to establish a centralised data aggregation mechanism where proponents are able to leverage directly relevant datasets or modelling outcomes that may be utilised for their own applications. This can result in significant efficiencies for applicants and are commercially viable for Government to better develop its relationship with industry. These efficiencies can also be of benefit to post award reporting requirements placed on proponents (e.g. production reports). It is noted that the extent to which resource assessment processes have been digitised varies across agencies. However all agencies rely to some degree on manual processes and records across the process which presents a challenge to information management and cross-agency sharing of data. Specific consideration will need to be given to uplift the use of technology where appropriate.

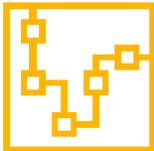
Additional challenges were reported in the requirement for proponents applying for multiple tenures to submit identical information, (e.g. financial statements, technical expertise, company information, eligible person evidence, Authorised Holder Representative forms).

Recommended actions

- 7.4.1. Document the suite of reporting and data requests made throughout resource assessments (and post approval reporting requirements) to assess cost / benefit of developing a program and technology capability for a centralised repository of data. This may include environmental studies (e.g. groundwater, biodiversity, etc.) for areas common to surrounding tenures/land holdings and SIA modelling, such as Queensland Police Service (QPS) and traffic modelling.
- 7.4.2. Create a risk-based approach to understand where information can be readily re-used (with validation from applicants to protect the proponent-led program) using enhanced system functionality or manual workarounds.

Detailed Findings - Cross-Government

7.5 - The order of some activities that involve inter- dependencies across agencies can be further enhanced to improve timeliness and efficiency



Background and observations

Across the government agencies there are several opportunities to improve the current sequencing of activities and reduce duplication of efforts. Whilst these may require legislative reform that should be considered alongside the broader reform agenda, there remains opportunities in the following areas:

- **Compensation Agreements:** Prior to grant of a ML, compensation agreements are to be determined and complied with for each owner of land subject to the application. However, this can require extensive negotiation including escalation to Land Court that can be subject to an appeal. This can cause significant delays in granting the lease. Such a move is considered to provide increased certainty in outcomes for proponents.
- **Standard EAs:** Once the application fee has been paid to DES, Standard EA applications are automatically approved, without any assessment, and the process will flow back into the DoR tenure application process. However, if the tenure application is not approved, the proponent would have had to pay DES the EA application fee regardless of the outcome. It is noted there is a very low rate of refusals.

Recommended actions

- 7.5.1. Develop changes that would enable the granting of MLs conditional to the agreement of compensation with land owners (including those before Land Court).
- 7.5.2. For eligible activities requiring a Standard EA applications, establish a conditional approval of tenure pending EA to minimise delay and unnecessary payment of EA application fees.

Detailed Findings - Cross-Government

7.6 - Reform opportunities were raised for government's consideration that go beyond resource assessment process improvement



Background and observations

The timeliness and efficiency of resource assessment processes are largely dependent on the broad range of legislative frameworks across all layers of Government. A number of issues raised during this review warrant further consideration by both industry and Government, however are beyond the scope of this exercise. These include:

- **Balance of regulatory and facilitation:** Challenges were raised regarding the tension between coordination and regulatory role of Government, particularly OCG. Industry and government stakeholders noted the benefits in being able to contact OCG to understand and receive updates on progress and support in progressing their application, however the dual role of facilitation and regulation (e.g. EIS and SIA) was observed as a potential limiting factor.
- **Emerging market trends:** Recent mining regulatory reform has established more robust requirements on resource and land rehabilitation (e.g. Financial Provisioning Scheme, requirements for Progressive Rehabilitation and Closure Plans). Stakeholders noted the emergence of a new 'market' in this sector, which currently have not being appropriately considered in how resource activities are regulated. For example, the Government should consider a 'rehabilitation tenure' as an extension of the current exploration/retention/production framework to specifically cover activities relating to site rehabilitation.
- **Better practice consideration** - The recommendations set out in this report provide opportunities to streamline resource assessments, however the opportunity remains for government to consider more holistic changes on industry better practice. For example, it is understood that Western Australia have established a mechanism for the DoR equivalent to complete low risk (e.g. Standard Applications). There would be merit in completing a more formal benchmarking and cross jurisdictional scan both within Australia and internationally. Fraser Institute's 2020 Investment Attractiveness Index suggests Nevada, Arizona and Saskatchewan are world leaders in geologic attractiveness and effects of government policy on attitudes toward exploration investment.

Recommended actions

- 7.6.1. Evaluate the basis and legislative reform required to establish a 'rehabilitation lease' to provide a regulatory framework over post mine rehabilitation work for re-mining of abandoned mines.
- 7.6.2. Complete an interjurisdictional scan to identify and assess the benefits of larger scale reform that would enhance the way government engages with industry.

© 2021 PricewaterhouseCoopers. All rights reserved. PwC refers to the Australian member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.

Liability is limited by the Accountant's Scheme under the Professional Standards Act 1994 (NSW)