Environment and Communications Legislation

Answers to questions on notice

Climate Change, Energy, the Environment and Water Portfolio

Inquiry: Environment Protection (Sea Dumping) Amendment (Using New

Technologies to Fight Climate Change) Bill 2023

Question No: IQ23-000190

Division/Agency: Environmental Permitting and Compliance Division

Topic: Import of carbon for the purposes of storage

Question Date: 29 June 2023

Question Type: Written

Senator Whish-Wilson asked:

There have been a number of media references to the Bill being intended for import of carbon for the purposes of storage (see this article in <u>The Age for example</u>), and the Minister's 2nd reading speech also referenced this (emphasis added):

'This means that Australia can start regulating both the import and the export of CO2 streams for sequestration into sub-seabed geological formations sooner, rather than waiting for the 2009 amendment to come into force for all parties internationally'.

The text of the legislation and explanatory memorandum explicitly reference exports and permit processes. However, we cannot find an explicit reference to imports (or suitable synonym).

- 1. Please detail how the Bill pertains to import of CO2 for the purposes of carbon capture and storage?
- 2. If provision for imports is intended, please detail how this will be regulated? Will it be under this legislation or another legislative/regulatory instrument?
- 3. If the amendments to the London Protocol are accepted, can the Minister confirm that this will allow Australia to make an agreement with other London Protocol parties to facilitate the import of CO2? If so, please advise where in the legislation (and explanatory memorandum) this is reflected. If it is not established in some other way in the explanatory memorandum, is the Government willing to update the explanatory memorandum to explicitly reflect this?

Answer:

- The Bill to amend the Sea Dumping Act is intended to support the ratification of the London Protocol amendment to regulate the export of CO₂ for sub-seabed sequestration. The Bill does not regulate importation. Any import of CO₂ for sub-seabed sequestration will require a bilateral agreement or arrangement between the exporting State and the Australian Government.
- 2. There are no provisions in the Bill to amend the Sea Dumping Act to regulate the import of CO₂.
 - a. Import of CO₂ will not take place until Australia has ratified the 2009 London Protocol amendment, deposited an instrument of Provisional Application, and an agreement has been reached between an exporting State and the Australian Government.
 - b. Any application to sequester imported CO₂ in sub-seabed geological formations within Australia's jurisdiction would be assessed against the same regulatory frameworks and to the same standard as domestically sourced CO₂.

3.	The criteria set out in new subsection 19(7B) ensures that an export to Australia may only
	be allowed with the explicit agreement of the Australian Government. The details of these
	agreements will be negotiated between exporting and receiving countries on a case-by-
	case basis. An export permit will not be issued until an appropriate bilateral agreement or
	arrangement is in place.