

## ***MCMPR 7 COMMUNIQUÉ***

### **SUMMARY OF MINISTERIAL COUNCIL MEETING, 3 AUGUST 2007, MELBOURNE**

Australian Government, State and Northern Territory Ministers responsible for minerals and petroleum met in Melbourne on 3 August 2007 for the 7<sup>th</sup> Meeting of the Ministerial Council on Mineral and Petroleum Resources (MCMPR). The meeting was chaired by the Hon Ian Macfarlane MP Australian Government Minister for Industry, Tourism and Resources, on behalf of the Hon Peter Batchelor, Victorian Minister for Energy and Resources. The Chair for the next session of the Council will be the Hon Christopher Natt MLA, Minister for Mines and Energy for the Northern Territory.

The main outcomes are detailed below.

#### **National Mine Safety Framework**

Significant progress had been achieved towards the implementation of a National Mine Safety Framework, with an excellent response from the recent public consultation process. Council endorsed the process going forward for the development of the remaining strategies over the next twelve months. Ministers noted that there remained some significant issues/challenges to implementation but reinforced that they remained highly committed to the process, and expressed their pleasure at the level of goodwill apparent between the parties in the Steering Group. This augurs well for a successful outcome. The Steering Group comprises representatives of governments, industry and unions and is chaired by the Hon Clive Brown. The Group is tasked with improving the consistency and efficiency of mine health and safety regimes across Australia.

#### **Carbon Dioxide Capture and Storage (CCS)**

The Council has been actively involved in the development of a regulatory framework for carbon capture and storage. Firstly, through the development of the *Australian Regulatory Guiding Principles for Carbon Dioxide Capture and Geological Storage* and more recently by contributing to the current processes to amend the *Commonwealth Offshore Petroleum Act 2006* to provide access and property rights for CCS activity in Commonwealth waters. Council noted progress on the development and timetable of the Commonwealth's enabling legislation. Ministers agreed that there was a need to consider and develop a national regulatory and management framework for the onshore and offshore environment, based on the agreed principles. Accordingly, Council agreed to rename the CCS Contact Officers Group as the Carbon Capture and Storage Working Group. This group will continue to be chaired by the Commonwealth, and will include representative from the States and Territories. It will report on the scope of a national framework for the regulation and management of offshore and onshore CCS and consider other issues, including the feasibility of a network of common user pipelines.

## Resource Exploration Issues

The Council has established a forum to continue the dialogue between industry and Government on minerals exploration, a key feature of the *Minerals Exploration Action Agenda* (MEAA) which successfully concluded at the end of 2006. A significant outcome following the MEAA was the Australian Government's funding of \$34.6 million over the next few years for the CSIRO's Minerals Down Under flagship which aims to sustainably unlock the value of Australia's mineral resources. The Minerals Down Under Flagship, in collaboration with partners such as Geoscience Australia, will enable the Australian minerals industry to realise up to \$A1 trillion worth of new resources. This builds on the increased funding for pre-competitive geoscience by the Australian Government, the States and the Northern Territory.

Membership of the new Minerals Exploration Advisory Group is broadly representative of the range of companies active in Australian mineral exploration and will bring a practitioners' perspective to Council consideration of key global and local minerals exploration issues.

It will work with the Standing Committee of Officials of the Council, and the Chief Government Geologists Subcommittee, to address exploration issues, then to report to Council.

Mr Derek Carter, Managing Director, Minotaur Exploration Ltd has agreed to chair the Group and presented his first report to Council at today's meeting.

## Natural Gas Supply Issues

At the 6<sup>th</sup> Meeting of the Council, Ministers agreed to the establishment of a joint working group (JWG) with the Ministerial Council on Energy to consider issues around the apparent competing goals of becoming one of the world's major LNG exporters and ensuring the long term supply of natural gas for domestic users. The JWG, chaired by Western Australia has been progressing three key issues: domestic/supply demand and prices, long term energy security and economic growth. The Group will consider barriers to supply, risks and benefits of major inter-jurisdictional gas projects and strategies to deliver enhanced supply for both the domestic and export markets. The JWG will be undertaking stakeholder consultation and its report will be delivered to Councils out of session later this month.

## Water

The Council has agreed to review and respond to the recommendations of the ACIL Tasman report *Water Reform and Industry – Implications of recent water initiatives for the mining, petroleum, energy, pulp and paper industries*. The work will build on the Council's *Strategic Framework for Water Management in the Minerals Industry* released last year and support the implementation of the National Water Initiative. The Council noted that the resources sector is an efficient and effective user of water that adds high value per mega-litre relative to other industries

The Council is concerned that, as water is a critical input to the resources sector, it is important that the resources sector, and the contribution that it makes to Australia's gross domestic product, is appropriately recognised in the implementation of the national water initiative. The Council also acknowledged that, given growing public

concern about water resources, the sector needs to demonstrate and be recognised for its performance.

### **Review of the National Offshore Petroleum Authority (NOPSA)**

Council endorsed terms of reference and the make up of an independent team for the review of NOPSA. A review of the operations of NOPSA is required after three years under the Petroleum Submerged Lands Act 1967 and is scheduled for early 2008. The review team will make recommendations to improve the overall operation of NOPSA and its Board and the safety performance of the Australian offshore petroleum industry. The review team will provide a report to the Commonwealth Minister within six months of the completion of the review.