Environmental Protection (Great Barrier Reef Protection Measures) and Other Legislation Amendment Regulation 2019

Explanatory notes for SL 2019 No. 234

made under the

Chemical Usage (Agricultural and Veterinary) Control Act 1988 Environmental Protection Act 1994 Planning Act 2016 Rural and Regional Adjustment Act 1994 State Penalties Enforcement Act 1999 Waste Reduction and Recycling Act 2011

General Outline

Short title

Environmental Protection (Great Barrier Reef Protection Measures) and Other Legislation Amendment Regulation 2019 (the Amendment Regulation).

Authorising law

Section 38 of the Chemical Usage (Agricultural and Veterinary) Control Act 1988 Section 580 of the Environmental Protection Act 1994 Section 284 of the Planning Act 2016 Section 44 of the Rural and Regional Adjustment Act 1994 Section 165 of the State Penalties Enforcement Act 1999 Section 271 of the Waste Reduction and Recycling Act 2011

Policy objectives and the reasons for them

The primary objective of this Amendment Regulation is to support changes being made by the *Environmental Protection (Great Barrier Reef Protection Measures) and Other Legislation Amendment Act 2019* (GBR Act) to strengthen the existing Great Barrier Reef protection regulations to improve the quality of water entering the Great Barrier Reef.

The Explanatory Notes to the GBR Act included the policy background to the suite of changes that include the GBR Act, this Amendment Regulation, the Great Barrier Reef (GBR) catchment map, agricultural environmentally relevant activity (ERA) standards, the ERA standard for new cropping and horticulture development, prescribed methodologies, and other associated documents (the Reef Regulations package). The Reef Regulations package is designed to complement other measures being implemented to improve Reef water quality, such as investment in industry-led best management practice programs.

The Reef Regulations package includes legislative changes to:

- enable objectives for reduced nutrient and sediment contaminant loads to be set for catchment waters flowing into the Great Barrier Reef;
- implement measures to achieve 'no net decline' to Great Barrier Reef water quality from new development from ERAs;
- enable minimum practice agricultural standards to be improved and set, targeting nutrient and sediment pollution from key agricultural industries (agricultural ERAs) that may affect Reef water quality (agricultural ERA standards);
- provide producers with an alternative pathway for meeting regulatory requirements through accreditation against a recognised best management practice (BMP) program, or like program; and
- require advisers to provide advice that is not false or misleading related to an agricultural ERA standard.

Achievement of policy objectives

The policy objective will be achieved by:

- prescribing the Great Barrier Reef catchment map that details the area captured by the Reef Regulations package;
- setting water quality objectives (i.e. pollution load limits) for dissolved inorganic nitrogen and fine sediment for each of the 35 river basins in the Great Barrier Reef catchment to ensure they are considered in regulatory decision-making;
- prescribing minimum agricultural practice standards (part of the agricultural ERA standards) and methodologies that aim to move producers to better farming practices that limit the contribution of excess nutrient and sediment run-off into the Great Barrier Reef catchment;
- ensuring that new agricultural ERAs (involving cropping or horticulture) meet farm design standards, in addition to the minimum practice agricultural standards, to achieve a 'no net decline' in water quality from new development;
- ensuring that new prescribed ERAs and resource activities do not result in additional nutrient and sediment loads reaching the receiving waters of the Great Barrier Reef;
- amending the *Rural and Regional Adjustment Regulation 2011* to remove Cape York from regions eligible for the Farming in Reef Catchment rebate scheme;
- making other consequential and administrative amendments, such as prescribing the contents of a summary of advice for tailored advice, including the GBR Act offences in the *State Penalties Enforcement Regulation 2014* so that a penalty infringement notice can be applied, amending the *Chemical Usage (Agricultural and Veterinary) Control Regulation 2011* to limit the regions to which agricultural chemical usage record keeping requirements will apply, and consequential renumbering in the *Waste Reduction and Recycling Regulation 2011* and the *Planning Regulation 2016*.

Great Barrier Reef catchment map

The Amendment Regulation amends the *Environmental Protection Regulation 2019* to prescribe the Great Barrier Reef catchment map. This is the map that outlines the area that makes up the Great Barrier Reef catchment, as defined in section 75 of the *Environmental Protection Act 1994*. The Great Barrier Reef catchment is made up of six regions - these are the Cape York, Wet Tropics, Burdekin, Mackay Whitsunday, Fitzroy and Burnett Mary regions. The map also outlines 35 river basins that fall within the six Reef regions, which align with the Great Barrier Reef water quality targets.

Setting pollution load limits for the Great Barrier Reef catchment

The Amendment Regulation amends the *Environmental Protection (Water and Wetland Biodiversity) Policy 2019* to prescribe 'end-of-basin anthropogenic load water quality objectives' (i.e. pollution load limits) for each of the 35 river basins in the Great Barrier Reef catchment. This policy will inform regulatory decision-making in relation to water quality outcomes for Queensland waters, supporting the objective of ecologically sustainable development under the *Environmental Protection Act 1994*. The requirement to consider pollution load limits will not be applied retrospectively.

The pollution load limits were derived from the Great Barrier Reef water quality targets set out in the Reef 2050 Water Quality Improvement Plan, which are based on rigorous scientific methods. Pollution load limits have been set for anthropogenic dissolved inorganic nitrogen and fine sediment in each of the 35 river basins within the Great Barrier Reef catchment. Anthropogenic loads are pollutants derived from human-based activities such as sewage treatment plants and farming. Pollution load limits are prescribed for dissolved inorganic nitrogen and fine sediment as these two pollutants have the greatest impact on water quality, and thus the health and resilience of the Great Barrier Reef. The pollution load limits are expressed as tonnes per year and are to be achieved by 2025.

The decision to regulate pollution load limits was driven by the Great Barrier Reef Water Science Taskforce recommendation to set pollution load limits in legislation for nutrient and sediment to help drive load reduction and assist with meeting the Great Barrier Reef water quality targets. Achievement of the pollution load limits will ensure that the quality of the water entering the Great Barrier Reef supports its Outstanding Universal Value, and maintains or improves ecosystem health and thus the Great Barrier Reef's resilience. Under section 78 of the *Environmental Protection Act 1994*, the Minister must review the pollution load limits every five years. This is in line with any updates to the Great Barrier Reef water quality targets and takes into account any new scientific information that is available (e.g. *2017 Scientific Consensus Statement: Land use impacts on Great Barrier Reef water quality and ecosystem condition* (the Scientific Consensus Statement)).

Prescribing agricultural ERA standards and methodologies

The Amendment Regulation amends the *Environmental Protection Regulation 2019* to prescribe the minimum practice agricultural standards that apply to sugarcane growers, beef cattle graziers, and banana growers. These standards, which are contained in the agricultural ERA standards, include commodity specific practices to ensure farmers can no longer use alternative high-risk farming practices that are likely to contribute excess nutrient and sediment run-off into the Great Barrier Reef catchment. They also include general record

keeping requirements (contact details, date and location of application of fertiliser, mill mud/ash and agricultural chemicals).

The minimum practice agricultural standards are an important mechanism to help achieve the pollution load limits prescribed in the *Environmental Protection (Water and Wetland Biodiversity) Policy 2019.* They come into effect in a staged manner to align with the regional priorities for water quality management, and commodities identified as posing the highest risk to water quality. Within three years of commencement, the minimum practice agricultural standards involving sugarcane, bananas, and beef cattle grazing will have taken effect in the Reef regions, with the exception of Cape York region where regional water quality targets have been met.

The Amendment Regulation also amends the *Environmental Protection Regulation 2019* to prescribe methodologies for sugarcane cultivation and banana growing in the Great Barrier Reef catchment. The prescribed methodologies ensure that producers calculate the appropriate amount of nitrogen and phosphorus to apply on their property to prevent over-fertilisation. This includes undertaking a soil test (sugarcane) and leaf test (bananas) and analysis to determine the characteristics of the soil or plant to ensure that only the necessary amount of fertiliser is applied.

Under section 81(4) of the *Environmental Protection Act 1994*, an agricultural ERA standard must be reviewed every five years. The Queensland Government has made a commitment to not substantially change the minimum practice agricultural standards for five years (from commencement of this Amendment Regulation) to give certainty to farmers while the requirements are being rolled out to the different commodities in different regions.

The Queensland Government is not applying the general record keeping requirements or the minimum practice agricultural standards to the Cape York during this time (5 years from commencement of this Amendment Regulation). This is because the Cape York region has met its water quality targets under the Reef 2050 Water Quality Improvement Plan.

Ensuring there is a 'no net decline' in water quality from new cropping and horticulture

The Great Barrier Reef Water Science Taskforce recommended the introduction of regulation to ensure a 'no net decline' in Reef water quality from new development. Achieving no net decline is necessary to ensure there is no further worsening of the Great Barrier Reef water quality problem and that new development does not compromise the water quality gains made to date.

As part of meeting this requirement, the Amendment Regulation is introducing a new prescribed ERA for new commercial cropping and horticulture in Great Barrier Reef catchment (ERA 13A). This means that producers who are starting an ERA 13A activity will be required to apply for an environmental authority prior to undertaking the activity. If approved, the activity will be conditioned to meet farm design standards to ensure that there is a 'no net decline' in water quality from their activities. Producers undertaking new cropping and horticulture activities will also be required to meet the relevant minimum practice agricultural standard.

There is a six-month transitional period where producers will not be required to obtain an environmental authority if they commence ERA 13A activities. This will allow time for producers to gather the information needed for an application, and for the Queensland Government to make an ERA standard that allows for a simplified application process for lower-risk activities. This ERA standard will be made under chapter 5A of the *Environmental Protection Act 1994*, which includes a mandatory consultation period and allows submissions to be made about the proposed ERA standard.

Ensuring there is a 'no net decline' in water quality from other prescribed ERAs and resource activities

As part of meeting the Great Barrier Reef Water Science Taskforce's recommendation, the Amendment Regulation will also amend the *Environmental Protection Regulation 2019* to achieve 'no net decline' in Reef water quality from other prescribed ERAs and resource activities.

The Amendment Regulation introduces mechanisms to address additional nutrient and sediment releases from new development or intensifications of use for prescribed ERAs and resource activities in the Great Barrier Reef catchment. New environmentally relevant activities (e.g. sewage treatment, waste disposal, certain mining activities, and land-based aquaculture) will be required to meet a 'no residual impact' requirement for dissolved inorganic nitrogen and fine sediment in the Great Barrier Reef catchment. Where activities cannot avoid or mitigate their water quality impacts, they will be able to meet this 'no residual impact' requirement through an offset condition guided by the Point Source Water Quality Offsets Policy for activities under the *Environmental Protection Act 1994*.

Farming in Reef Catchments Rebate Scheme

The Amendment Regulation amends the *Rural and Regional Adjustment Regulation 2011* to remove Cape York from the regions where farmers are eligible for a rebate. This is because existing agriculture will not be required to meet the minimum practice agricultural standards under the Reef Regulations package, in recognition of that region meeting its Reef 2050 Water Quality Improvement Plan targets. Consequently, the policy settings of the rebate (being to assist farmers to achieve compliance with the minimum practice agricultural standards) do not apply to that region. Further amendments are made to align the rebate scheme more closely with the GBR Act, now that it has received assent.

Consequential amendments

The Amendment Regulation also makes minor and consequential amendments as outlined in the Notes on Provisions.

Consistency with policy objectives of authorising law

The Amendment Regulation is consistent with the object of the *Environmental Protection Act* 1994, which is to protect Queensland's environment while allowing for development that improves the total quality of life, both now and in the future, in a way that maintains the ecological processes on which life depends (ecologically sustainable development).

The Amendment Regulation is consistent with the object of the *Chemical Usage* (*Agricultural and Veterinary*) *Control Act 1988*, which is to control the use of certain chemicals.

The Amendment Regulation is consistent with the *Planning Act 2016*, which is an Act to establish an efficient, effective, transparent, integrated, coordinated, and accountable system of land use planning, development assessment and related matters that facilitates the achievement of ecological sustainability.

The Amendment Regulation is consistent with object of the *Rural and Regional Adjustment Act 1994*, which is to establish the Queensland Rural and Industry Development Authority primarily to administer assistance schemes that foster the development of a more productive and sustainable rural and regional sector in Queensland.

The Amendment Regulation is also consistent with the objects of the *State Penalties Enforcement Act 1999*, which are:

- to maintain the integrity of fines as a viable sentencing or punitive option for offenders;
- maintain confidence in the justice system by enhancing the way fines and other money penalties may be enforced; and
- reduce the cost to the State of enforcing fines and other money penalties.

The Amendment Regulation is consistent with the objects of the *Waste Reduction and Recycling Act 2011*, which are to:

- promote waste avoidance and reduction, and resource recovery and efficiency actions;
- reduce the consumption of natural resources and minimise the disposal of waste by encouraging waste avoidance and the recovery, re-use and recycling of waste;
- minimise the overall impact of waste generation and disposal;
- ensure a shared responsibility between government, business and industry and the community in waste management and resource recovery; and
- support and implement national frameworks, objectives and priorities for waste management and resource recovery.

Inconsistency with policy objectives of other legislation

The Amendment Regulation is consistent with the policy objectives of other legislation.

Benefits and costs of implementation

Costs and benefits of implementation for the entire Reef Regulations package, including the amendments in this Amendment Regulation, were examined in the Explanatory Notes for the GBR Act. No further costs and benefits of implementation have been identified.

Consistency with fundamental legislative principles

The Amendment Regulation is considered consistent with fundamental legislative principles outlined in Section 4 of the *Legislative Standards Act 1992*. The Explanatory Notes for the GBR Act details how the legislation has had sufficient regard to the rights and liberties of individuals.

Consultation

The Department of Environment and Science has undertaken extensive consultation on the Reef Regulations package since August 2016 with peak agricultural and industrial representative bodies and individual producers, conservation groups, local governments and Natural Resource Management bodies. A Consultation Regulatory Impact Statement (RIS) was also released in September 2017 and again in January 2018 for a total period of 11 weeks. A Decision RIS was released in February 2019.

The Explanatory Notes for the GBR Act also details all consultation that has occurred in relation to the Great Barrier Reef protection measures package (including the Agricultural ERA standards for beef cattle grazing, sugarcane cultivation and banana cultivation; prescribed methodologies; and associated documents such as guidelines).

Consultation has also occurred on this Amendment Regulation, including formal information and consultation meetings on a draft of the amendments with peak bodies from the agriculture sector, from the resources and point source sectors, and from the conservation sector. Submissions were sought on the draft Amendment Regulation which resulted in minor edits to this Amendment Regulation, for example, including preparatory work for crop cultivation as part of the transitional provision within section 216.

In accordance with *The Queensland Government Guide to Better Regulation*, the Office of Best Practice Regulation (OBPR) was consulted on the full Reef Regulations package. On 18 October 2018, OBPR confirmed that the Decision RIS adequately addressed the full Reef Regulations package and advised no further assessment was required.

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Notes on provisions

Part 1 Preliminary

Short Title

Clause 1 states that this regulation should be cited as the *Environmental Protection (Great Barrier Reef Protection Measures) and Other Legislation Amendment Regulation 2019.*

Commencement

Clause 2 provides that this Amendment Regulation will commence on 1 December 1 2019. This commencement date aligns with the commencement date of the GBR Act.

Part 2 Amendment of Environmental Protection Regulation 2019

Regulation amended

Clause 3 states that this part amends the Environmental Protection Regulation 2019.

Insertion of new ch 2A

Clause 4 inserts new chapter 2A into the *Environmental Protection Regulation 2019* to prescribe the Great Barrier Reef catchment map and clarify the requirements for parcels of land located within multiple river basins.

Chapter 2A Great Barrier Reef catchment

Section 12A Great Barrier Reef catchment – Act, s 75

This section prescribes the Great Barrier Reef catchment map for section 75(1) of the *Environmental Protection Act 1994*.

The original three regions (Wet Tropics, Burdekin and Mackay Whitsunday) are being expanded to include a further three regions (Cape York, Fitzroy and the Burnett Mary).

The initial Reef protection regulations were introduced under the *Environmental Protection Act 1994* in 2009. These regulations aimed to reduce water pollution from agriculture in the highest priority regions (i.e. Wet Tropics, Burdekin and Mackay Whitsunday) of the Great Barrier Reef catchment.

In 2017, the Scientific Consensus Statement confirmed that poor water quality remains one of the leading causes of the poor state of coastal and reef ecosystems. The greatest water quality risks to the Great Barrier Reef are from discharges of nutrient, sediment and pesticides from the Great Barrier Reef catchment. The primary source of excess nutrient and sediment in the Great Barrier Reef catchment is diffuse source pollution from agriculture, with urban and industrial activities contributing at a local scale.

The Amendment Regulation broadens the reach of the existing Reef protection regulations to capture all regions that contribute nutrient and sediment run-off to the Great Barrier Reef.

Note: The Queensland Government is not applying the general record keeping requirements or the minimum practice agricultural standards to the Cape York region at this time. This is because the Cape York region has met its water quality targets under the Reef 2050 Water Quality Improvement Plan. However, new development will still be required to obtain an environmental authority in the Cape York region, so the region still forms part of the Great Barrier Reef catchment.

Section 12B Lots taken to be in particular river basins

This section clarifies that where a lot is located in more than one river basin, the land is taken to be located in the river basin where more than 50% of the total area is located. This section clearly outlines which river basin a parcel of land falls within.

This is needed because the minimum practice agricultural standards are being rolled out to different river basins at different times. This roll out of the standards is explained in more detail in the explanatory notes for clause 14 below.

Renumbering of ss 12A to 20

Clause 5 renumbers sections 12A and 12B so that they will become sections 13 and 14. The following clauses are also renumbered to fit.

Replacement of ch 3, pt 2

Clause 6 replaces existing chapter 3, part 2 of the *Environmental Protection Regulation 2019* related to the requirements for an agricultural ERA.

Part 2 of the current *Environmental Protection Regulation 2019* relates to the current chapter 4A of the *Environmental Protection Act 1994*. Part 4A of the Act is being replaced by the GBR Act, so part 2 of the *Environmental Protection Regulation 2019* also needs to be replaced.

The new part 2 will:

- prescribe the methodologies that must be complied with when undertaking an agricultural ERA; and
- specify the details required to be included in the summary of tailored advice made, and kept, by advisers.

Part 2 Agricultural ERAs

Division 1 Prescribed methodologies for agricultural ERA standards

Section 23 Prescribed methodologies for cultivation of bananas – Act, s 81 This section prescribes a methodology under section 81(6) of the *Environmental Protection Act 1994* (as amended by the GBR Act) for an agricultural ERA involving banana cultivation. The methodology for bananas will include requirements for working out the appropriate amount of nitrogen and phosphorus to be applied to a crop, plant or soil. It also outlines how to conduct a leaf test and analysis which can inform the calculation of the appropriate amount of nutrient to be applied. This will improve the quality of water leaving a property by reducing the run-off of excess nutrients into receiving waters in the Great Barrier Reef catchment.

Section 24 Prescribed methodologies for cultivation of sugarcane – Act, s 81

This section prescribes a methodology under section 81(6) of the *Environmental Protection Act 1994* (as amended by the GBR Act) for an agricultural ERA involving sugarcane cultivation. The prescribed methodology for sugarcane outlines requirements for working out the appropriate amount of nitrogen and phosphorus to be applied to a crop, plant or soil that does not exceed its needs. The prescribed methodology for sugarcane also outlines how to conduct a soil test and analysis which informs the calculation of the appropriate amount of nutrient to be applied.

In order to work out the appropriate amount of nutrient to be applied, the person must conduct a soil test to determine the characteristics of the soil. Performing a soil test and analysis will help prevent over-fertilisation by ensuring that only the necessary amount of nutrients is applied on the relevant agricultural property. This will improve the quality of water in the Great Barrier Reef catchment by reducing the likelihood of excess nutrient run-off leaving a property.

Division 2 Agricultural ERA advice

Section 25 Summary of tailored advice – Act, s 86

This section prescribes the detail of the summary of advice that must be kept in certain circumstances.

Section 86 of the *Environmental Protection Act 1994* (as amended by the GBR Act) states that an adviser must prepare a record of the 'tailored advice' given to a person carrying out the agricultural ERA, or to a person acting on behalf of another person who carries out the agricultural ERA. The record must include, amongst other things, a summary of the advice given that includes the details prescribed by regulation.

Not every kind of advice will need prescribed details. Where, for example, the advice makes a recommendation, then the summary would need to include some information about the recommendation. That is clear from section 86 of the Act, so no further detail needs to be prescribed.

Consequently, the prescribed detail focuses on advice given about the application of a fertiliser product where the kind of information that would need to be recorded is not obvious. This ensures that both producers and advisers are clear about the fertiliser product that should be applied to the land and the application rate.

Note: Chapter 4A, part 4 of the *Environmental Protection Act 1994* (as amended by the GBR Act) defines who an adviser is for the purposes of this section and what 'tailored advice' means.

Amendment of s 35 (Matters to be complied with for environmental management decisions)

Clause 7 amends section 35 of the *Environmental Protection Regulation 2019*, which sets out the matters that must be considered by the administering authority when making an environmental management decision about an environmentally relevant activity. In essence, this section requires the administering authority to consider the contaminants being released by an activity, and the impact the activity has on the receiving environment as a result.

Environmental management decisions are decisions that reference a regulatory requirement in the *Environmental Protection Act 1994*.

These are decisions about an environmental authority, a development approval or a transitional environmental program to the extent the decision authorises, places a condition on or varies a condition applying to the activity. An environmental management decision under the *Environmental Protection Act 1994* does not include a decision about the surrender of an environmental authority, an application for a minor amendment or an application for a progressive certification.

Regulatory requirements are a series of considerations, prohibitions, assessments, specified in the *Environmental Protection Regulation 2019*. Typically, regulatory requirements are matters that must be considered by the administering authority when making environmental management decisions and oblige the administering authority to consider imposing conditions for other stated matters.

However, the broad range of considerations for other prescribed ERAs and resource activities do not need to be considered for new commercial cropping and horticulture in the Great Barrier Reef, ERA (ERA 13A). Regulation of these activities is focussed on just the water quality impacts caused by the release of dissolved inorganic nitrogen and fine sediment into waters of the Great Barrier Reef catchment.

Consequently, this clause amends section 35(3) to exclude ERA 13A from having to be assessed against all of the matters ordinarily considered for other prescribed ERAs. Instead, this clause inserts new section 35(4) that details the matters that must be considered by the administering authority when making an environmental management decision about ERA 13A.

ERA 13A will undergo a more tailored assessment as new commercial cropping and horticulture activities in the Great Barrier Reef catchment are only being regulated for the

water quality impacts caused by the release of dissolved inorganic nitrogen and fine sediment into waters of the Great Barrier Reef catchment. This assessment will focus on:

- an environmental objective assessment for water and groundwater, to the extent that these provisions relate to the release of dissolved inorganic nitrogen and fine sediment;
- environmental values of waters in the Great Barrier Reef catchment, to the extent that they are affected by the release of dissolved inorganic nitrogen and fine sediment;
- strategic environmental areas in the Great Barrier Reef catchment, to the extent that they are affected by the release of dissolved inorganic nitrogen and fine sediment; and
- environmental protection policies, to the extent that they apply to the release of dissolved inorganic nitrogen and fine sediment to waters in the Great Barrier Reef catchment.

The tailored assessment of ERA 13A is based on the Scientific Consensus Statement which confirms that poor water quality continues to be a significant issue for Reef health and the main source of nutrient and sediment pollution is cumulative run-off from agricultural land use.

Insertion of new s 41AA

Clause 8 inserts a new regulatory requirement into chapter 4, part 3 of the *Environmental Protection Regulation 2019*, which details when the administering authority must refuse to grant an application when making an 'environmental management decision'. The existing provisions that similarly require the decision maker to refuse an application in particular circumstances, relate to wetlands and releases to groundwater.

Clause 7 above outlines what an environmental management decision is and when these provisions apply.

Section 41AA Release of particular contaminants to Great Barrier Reef catchment waters and other waters

This section applies when the administering authority is making an environmental management decision about an activity that releases dissolved inorganic nitrogen and/or fine sediment to waters in the Great Barrier Reef catchment, or the adjacent coastal waters.

This section addresses the Great Barrier Reef Water Science Taskforce recommendation to ensure no net decline in water quality from new development through the introduction of regulations. Achieving no net decline in water quality from new development is necessary to maintain downward pressure on pollutant loads in order to achieve the Great Barrier Reef water quality targets. This section only applies to a prescribed ERA or resource activity which is new or where an amendment is expanding the operation of an activity that is subject to an existing environmental authority.

This section requires the administering authority to refuse to grant an application if it considers that the activity will or may result in an additional impact from these contaminants (i.e. dissolved inorganic nutrient or fine sediment releases within the Great Barrier Reef catchment or adjacent coastal waters). The policy intent is that this requirement will apply both where the activity will release these contaminants (e.g. as part of its day-to-day operations) and where the activity may release these

contaminants (e.g. wet weather releases that would ordinarily be conditioned as part of the environmental authority).

A residual impact can be:

- o avoided, through measures which prevent a release to water;
- o mitigated on-site, through measures which treat water before it is released; or
- mitigated off-site (e.g. offset), through measures which ensure that there is no net decline in water quality from the new or amended activity.

Where a proponent can demonstrate no residual impact to the waters from the activity (or the amended activity for a major amendment application), this section will not be triggered.

Where a proponent chooses to undertake mitigation measures through a voluntary offset to achieve no residual impact, the offset would be guided by the Queensland Government's policies about point source water quality offsets. On 1 August 2019, the *Point Source Water Quality Offsets Policy* (the new Policy) was approved. The new Policy provides guidance to environmental authority holders for prescribed ERAs and resource activities who consider implementing water quality offsets to counterbalance proposed increases in discharge loads into the receiving environment. It encourages partnering with the administering authority and discussing technical requirements, including identifying offset solutions and sites, and the required evidence based assessment for an offset to counterbalance a residual impact.

The new Policy and its associated guideline were developed in consultation with key stakeholders, including local governments, water utilities, industry, Queensland Water Directorate, Queensland Resources Council, Local Government Association of Queensland, environmental groups and regional Natural Resource Management bodies.

This section does not apply to the prescribed ERA mentioned in schedule 2, section 13A (new commercial cropping or horticulture in the Great Barrier Reef catchment). Instead, ERA 13A will meet the no net decline requirement through conditions placed on an environmental authority for the activity. These conditions will require producers to comply with farm design standards, and these producers will also have to comply with any minimum practice agricultural standards relevant to their commodity. By conditioning the activity in this way, the policy intent is that the activity will meet the no net decline requirement.

In addition, marine dredging in the adjacent waters to the Great Barrier Reef catchment is excluded from the no net decline requirement. This is because the catchment limits do not monitor these releases and dredging outside the catchment is already tightly regulated under existing State and Commonwealth legislation.

Note: this section will take effect 12 months from commencement of this Amendment Regulation (see clause 11 below).

Amendment of s 183 (Holders of particular environmental authorities exempt from annual fee)

Clause 9 amends section 183 of the *Environmental Protection Regulation 2019* to exclude ERA 13A (new commercial cropping and horticulture in the Great Barrier Reef catchment) from having to pay an annual fee for the environmental authority. Typically, operators carrying out prescribed ERAs and resource activities are required to pay an annual fee, which is based on the environmental risk associated with the activity. This risk is represented by the aggregate environmental score (AES) which is calculated based on an environmental emission profile that takes into account emissions to land, air and water. Lower risk activities have no AES or a low AES.

Producers captured by ERA 13A are exempt from having to pay an annual fee as existing producers are not required to obtain an environmental authority to cultivate crops or horticulture. Since existing operators will not be charged an annual fee, the new cropping or horticulture producers are also not required to pay an annual fee.

Because application fees charged under section 183 are based on the annual fee plus 30% of the annual fee, the amended section retains the 30% fee to cover application costs whilst removing reference to the ongoing annual fee.

Note: the exemptions in subsection (1)(a) are already in the *Environmental Protection Regulation 2019*. Because subsection (1) is being omitted and reinserted as a drafting technique, these provisions must be reinserted. There is no actual change to these fee exemptions, just the additional fee exemption for ERA 13A.

Insertion of new ch 11, pt 4

Clause 10 inserts new part 4 into the transitional provisions chapter (chapter 11) of the *Environmental Protection Regulation 2019* to prescribe transitional provisions related to this Amendment Regulation. The transitional provisions relate to new section 41AA (Release of particular contaminants to Great Barrier Reef catchment waters and other waters) and to new ERA 13A (Commercial cropping and horticulture in Great Barrier Reef catchment).

Part 4Transitional provisions for Environmental Protection
(Great Barrier Reef Protection Measures) and Other
Legislation Amendment Regulation 2019

Section 214 Application of s 41AA during transitional period

This section defers the commencement of section 41AA (Release of particular contaminants to Great Barrier Reef catchment waters and other waters) until 12 months after the commencement of this Amendment Regulation.

This will allow prescribed ERA and resource activity applicants, who have been planning a new development prior to the legislation commencing, time to obtain an environmental authority under the previous regime.

The policy intent is that meeting the section 41AA requirement would need to be included in the planning stage of a development and, as such, the transition period

aims to exclude developments that have already been through the planning stage to avoid delaying the development.

Note: see the explanatory notes for clause 8 for an explanation of when the new section 41AA will apply.

Section 215 Application of sch 2, pt 2A generally

This section defers the commencement of the new ERA for new cropping and horticulture (ERA 13A) until 6 months after the commencement of the Regulation. The commencement date has been deferred to reduce the burden on producers who were ready to crop land.

This section also makes it clear that ERA 13A does not apply to areas where a development approval exists prior to the commencement of this section, while the development approval is in effect, provided the development approval is for:

- a) operational works related to high value agriculture clearing or irrigated high value agricultural clearing under the vegetation management framework; or
- b) a material change of use of premises that involves high value agriculture clearing or irrigated high value agriculture clearing under the vegetation management framework.

These vegetation management activities are being excluded as it is recognised that they have already undergone significant assessment for similar matters.

Note: development approvals are granted under the planning legislation, but the terms described are defined under the *Vegetation Management Act 1999*.

Section 216 Application of sch 2, pt 2A to activities on particular land

This section transitions existing producers for the new cropping and horticulture ERA (ERA 13A). It applies where a person is currently cropping their land or has cropped their land in the past 3 years, but does not meet the cropping history test because they have not yet cropped the land for long enough. This section essentially deems the person to have met the cropping history test until they have cropped the land for long enough to meet the test.

This section is necessary to ensure that existing cropping activities that were underway before the commencement of the regulation, but still less than three years old, are not disadvantaged by the cropping history test. This will include growers that have already started preparatory work to commence a new crop before 1 June 2020.

It ensures there is no potential for retrospective application of the farm design requirements to an existing cropping activity.

Amendment of sch 2 (Prescribed ERAs and aggregate environmental scores)

Clause 11 amends schedule 2 of the *Environmental Protection Regulation 2019* to insert new part 2A for the new environmentally relevant activity (ERA) for new commercial cropping

and horticulture in the Great Barrier Reef catchment (ERA 13A). It also makes a consequential change to numbering as a result of the renumbering by clause 5 of this Amendment Regulation.

Part 2A Cropping and horticulture activities

Section 13A Commercial cropping and horticulture in Great Barrier Reef catchment

Section 13A (or ERA 13A) regulates new cropping and horticulture activities. Cropping and horticulture activities are considered a prescribed ERA if:

- a) they are carried out on a commercial basis; and
- b) they are located in the Great Barrier Reef catchment; and
- c) the single enterprise has exceeded its cumulative five-hectare threshold in the river basin where the activity is being carried out.

The five-hectare size threshold is based on a producer's entire agricultural property within a river basin (i.e. properties owned, or part owned by the same individual or business). The producer's agricultural property includes any parcels of land within a river basin in the Great Barrier Reef catchment, regardless of whether the properties are on neighbouring land. The river basin scale was chosen for the five-hectare threshold as the Great Barrier Reef water quality targets are set at this scale. Using the same scale makes it easier to monitor and report on water quality achievements made.

Prescribing ERA 13A means that new cropping and horticulture activities will require an environmental authority, which if approved, will be conditioned to meet farm design standards. Producers carrying out new cropping activities will also be required to meet the commodity-specific minimum practice agricultural standards relevant to their commodity. These minimum practice agricultural standards will apply to the new cropping area from the time the environmental authority is granted, regardless of when the minimum practice agricultural standards would apply to established farms in the region (see explanatory notes for clause 14 below).

A person must apply for an environmental authority prior to commencing ERA 13A, which includes operational works associated with preparing the land for the activity (e.g. vegetation clearing, establishment of diversion banks and spoon drains and excavation).

As with all applications made under the *Environmental Protection Act 1994* for an environmental authority, the administering authority has the power to refuse the application if the risks to the environment are too high. Prescribing new cropping and horticulture activities will address additional nutrient and sediment releases from new activities, whilst allowing for future development that is compatible with the protection of the Great Barrier Reef.

ERA 13A does not include the cultivation of crops or horticulture using a closed system (e.g. hydroponics). For this part, a closed system means the cultivation of crops using a closed irrigation system preventing sediment or nutrient release to land or water such as hydroponics, where water is recycled on site or there is no possibility

of the activity releasing sediments or nutrients to receiving waters in the Great Barrier Reef catchment.

ERA 13A also does not apply to cropping or horticulture activities that are able to demonstrate a 'cropping history test'. A cropping history test can be demonstrated if cropping or horticulture activities have occurred on the land during at least three of the past 10 years, with one of those years being in the last five years preceding the commencement. The purpose of a cropping history test is to limit the burden on producers having to retrofit the farm design standards to the existing cropped areas on their farm.

Grazing was excluded from the requirement to obtain an environmental authority, as it is not anticipated that significant new areas will be established due to development constraints imposed by other regulatory frameworks. However, where graziers are growing crops commercially (e.g. fodder crops to be sold to other farmers), they may be captured by this requirement. This would not include fodder crops grown to be fed to the producer's own cattle, even if the fodder crop is harvested and stored for later use (e.g. growing and bailing hay for later use during dry or drought conditions) since the activity is not being carried out commercially.

Certain 'cropping' activities have also been excluded from this requirement as these activities already have sufficient sediment control measures in place to minimise sediment run-off to the Great Barrier Reef. These activities include:

- a) State forests, timber reserves and forest consent areas under the *Forestry Act* 1959; and
- b) Forest entitlement areas under the Land Act 1994; and
- c) A forest practice under the Vegetation Management Act 1999.

There is no aggregate environmental score (AES) for ERA 13A since the AES framework was established to determine the environmental risk associated with activities that will, or may, result in point source pollution. ERA 13A is considered an activity that results in diffuse source pollution and therefore the AES framework is not considered appropriate for informing an AES score.

Note: this requirement will commence 6 months after commencement of this Amendment Regulation and there are various transitional provisions to ensure that there is no retrospective application of the farm design requirements to an existing cropping activity (see clause 10 above).

Amendment of sch 3 (Aggregate environmental scores for particular resource activities)

Clause 12 makes a consequential amendment as a result of the renumbering done by clause 5 of this Amendment Regulation.

Amendment of sch 4 (Scheduled areas)

Clause 13 makes a consequential amendment as a result of the renumbering done by clause 5 of this Amendment Regulation.

Amendment of sch 7 (Approved ERA standards)

Clause 14 amends schedule 7 of the *Environmental Protection Regulation 2019* to prescribe the agricultural ERA standards for banana cultivation, beef cattle grazing and sugarcane cultivation.

Agricultural ERA standards are not like the existing ERA standards. The existing ERA standards are essentially an application document: an operator who can meet the eligibility criteria, and is happy with the standard conditions, can request a simpler assessment process for their application for an environmental authority (a standard application). Once their environmental authority is approved, they operate under the conditions of their environmental authority, regardless of the application type.

Agricultural ERA standards are different in that:

- No environmental authority is required.
- The eligibility criteria merely describe the activities that are captured.
- The standard conditions are the general record keeping requirements and minimum practice agricultural standards for the activity, so the standard conditions cannot be varied, and must be met or exceeded.

Consequently, the agricultural ERA standards are described differently from the existing ERA standards to keep these distinctions clear.

In addition, the agricultural ERA standards are made under section 768 (initial agricultural ERA standards) of the *Environmental Protection Act 1994* so that they are able to be prescribed initially without meeting the requirements of section 318A and 318B of the *Environmental Protection Act 1994*.

This is because there has already been extensive consultation on these standards with key stakeholders. Drafts of the standards were included for public consultation in the Consultation Regulatory Impact Statement *'Broadening and Enhancing reef protection regulations'* in September 2017. Since the introduction of the Environmental Protection (Great Barrier Reef Protection Measures) and Other Legislation Amendment Bill 2019 in February 2019, further consultation has taken place with key stakeholders on the detailed technical measures contained within the standards, the prescribed methodologies relating to the standards, and other associated documents, e.g. guidelines.

Comprehensive technical feedback has been sought through various processes, meetings and forums, including:

- the Technical Working Group for sugarcane with representatives from the cane industry, growers and conservation groups (April 2019)
- Paddock to Reef Science Forum (sugarcane focus), including industry representatives, growers, Natural Resource Management (NRM) bodies and scientists (Mar 2019)
- Australian Banana Growers Council (Feb and Mar 2019)
- Major Integrated Projects (MIPs)/NRM body meeting, including representatives from the grazing industry and peak bodies (Mar 2019)
- Departmental representation at other key stakeholder meetings and forums (ongoing), including grower groups, productivity boards, agronomic providers, and Landcare groups.

Additional technical feedback has been sourced via the targeted distribution of draft documents to peak bodies, industry groups, and conservation groups.

In response to feedback the agricultural ERA standards were revised to become more outcomes focused and increase clarity and understanding for agricultural producers.

The agricultural ERA standards have two basic components:

- General record keeping requirements (contact details, date and location of application of fertiliser, mill mud/ash and agricultural chemicals)
- Minimum practice agricultural standards requirements.

In keeping with the extensive consultation already undertaken on the standards, the Queensland Government has committed to not substantially amending these standards for the next five years (from commencement of this Amendment Regulation). This will give the regulated community certainty while the agricultural ERA standards for beef cattle grazing, sugarcane cultivation and banana cultivation are being rolled out.

The general record keeping requirements commence immediately to ensure consistency for those producers already required to keep records (beef cattle grazing and sugarcane in the Wet Tropics, Burdekin and Mackay Whitsunday regions) and to assist those other producers to prepare for the introduction of the minimum practice agricultural standards requirements (see below) in the coming years. These general record-keeping requirements will apply to the three commodities (sugarcane cultivation, banana cultivation and beef cattle grazing) in all Reef regions being regulated.

The minimum practice agricultural standards requirements in the agricultural ERA standards come into effect in a staged manner to align with the regional priorities for water quality management, and commodities identified as posing the highest risk to water quality. Within three years of commencement, the agricultural ERA standards involving sugarcane cultivation, banana cultivation, and beef cattle grazing will have taken effect in all Reef regions being regulated.

For new cropping and horticulture activities that relates to sugarcane cultivation and banana cultivation, the minimum practice agricultural standards will take effect when the environmental authority for the activity is approved. This is so that there is no net decline in water quality while the minimum standards are being rolled out to specific commodities in specific regions.

For the Cape York region, the Great Barrier Reef Report Card 2017 and 2018 showed that the water quality targets in the Reef 2050 Water Quality Improvement Plan have been met in Cape York. Therefore, the minimum practice agricultural standards will not take effect in that region for the next five years, unless a producer is commencing new commercial cropping and/or horticulture activities in the region. For new cropping activities in the Cape York region, the standard conditions of the general record keeping requirements and minimum practice agricultural standards will apply when the environmental authority takes effect, as is the case for other regions.

For sugarcane cultivation (other than new cropping), the minimum practice agricultural standards requirements of the agricultural ERA standard will come into effect immediately for the already regulated regions (Wet Tropics, Burdekin and Mackay Whitsunday), whilst

sugarcane producers in all other regions (Fitzroy and Burnett Mary) will have three years before the conditions take effect. As part of the minimum practice agricultural standards, the introduction of the requirement to complete a Farm Nitrogen and Phosphorus Budget will also be staged to provide time for growers to access agronomy services and complete their budget. The budget will be required in the Wet Tropics, Burdekin and Mackay Whitsunday two years after commencement, and three years after commencement in the Fitzroy and Burnett Mary regions.

For banana cultivation (other than new cropping), the minimum practice agricultural standards requirements of the agricultural ERA standard will come into effect one year after commencement for the Wet Tropics as this is a high priority water quality risk for nitrogen, and where the bulk of bananas are grown in Queensland. For all other Reef regions (Burdekin, Fitzroy, Burnett Mary and Mackay Whitsunday), where there is much less banana production, the minimum practice agricultural standards will come into effect three years after commencement.

For beef cattle grazing, the minimum practice agricultural standards requirements of the agricultural ERA standard will come into effect one year after commencement for the Burdekin, a region that has already been regulated previously and is a high priority water quality risk for sediment. For the Fitzroy region, which is also a high risk for water quality but has not previously been regulated, they will come into effect two years after commencement. Standards for beef cattle grazing will not come into effect until three years after commencement for all other Reef regions (Wet Tropics, Burnett Mary and Mackay Whitsunday) as these regions are a lower priority for managing the sediment risk to Reef water quality.

Amendment of sch 15 (Fees)

Clause 15 amends the fee schedule in schedule 15, part 2 of the *Environmental Protection Regulation 2019.* This amendment inserts the fees payable by a person applying for an environmental authority for ERA 13A. While the existing fee structure under the *Environmental Protection Regulation 2019* is being applied for ERA 13A applications, producers will not be required to pay an annual fee. Consequently, the fees have been calculated to include 30% of the annual fee that would have been payable if an annual fee was being required.

Fees include those for making a site specific or variation application for an environmental authority, and for making a major amendment to an existing environmental authority. The fees for making a standard application for an environmental authority or for a minor amendment to an existing environmental authority are already outlined in schedule 15.

Amendment of sch 19 (Dictionary)

Clause 16 amends the dictionary in schedule 19, part 2 of the *Environmental Protection Regulation 2019* to insert a definition for the term 'river basin'. This term is used in the new ERA 13A inserted by this Amendment Regulation.

Clause 16 also amends the dictionary to insert a definition for the term 'preparatory work'. This term is used in the new ERA 13A inserted by this Amendment Regulation, and in clause 11, which inserts section 216 of the *Environmental Protection Regulation 2019*.

It also makes a consequential change to numbering as a result of the renumbering by clause 5 of this Amendment Regulation.

Part 3 Amendment of other legislation

Division 1 Amendment of Chemical Usage (Agricultural and Veterinary) Control Regulation 2017

Regulation amended

Clause 17 states that this division amends the *Chemical Usage (Agricultural and Veterinary) Control Regulation 2017.*

Amendment of s 32 (Required record)

Clause 18 amends section 32 of the *Chemical Usage (Agricultural and Veterinary) Control Regulation 2017* to limit the regions to which agricultural chemical record keeping requirements apply.

Without this amendment, these chemical usage record keeping requirements could be interpreted as applying to all regions the Great Barrier Reef catchment.

The intent is that these provisions will continue to only apply to sugarcane growing and cattle grazing in the Wet Tropics, Burdekin and the Mackay Whitsunday regions.

This clause also makes consequential amendments to numbers as a result of the above change.

Amendment of sch 1 (Dictionary)

Clause 19 amends the dictionary to update references to the geographic area of the Great Barrier Reef and to update the definitions of relevant sugarcane growing and relevant cattle grazing.

Division 2 Amendment of Environmental Protection (Water and Wetland Biodiversity) Policy 2019

Policy amended

Clause 20 states that this division amends the *Environmental Protection* (*Water and Wetland Biodiversity*) *Policy 2019*.

Amendment of s 11 (Water quality objectives for waters)

Clause 21 amends section 11 of the *Environmental Protection (Water and Wetland Biodiversity) Policy 2019* (EPP Water) to prescribe water quality objectives for the 35 river basins in the Great Barrier Reef catchment.

The environmental values for these river basins are either already specified in existing documents in Schedule 1 of the EPP Water, or the definition in section 6 of the EPP Water applies. Consequently, this amendment does not prescribe environmental values, but only prescribes the water quality objectives.

The water quality objectives for the Great Barrier Reef catchment are pollution load limits. They define objectives for the physical, chemical and biological characteristics of the water (e.g. nitrogen content, dissolved oxygen, turbidity, toxicants).

This responds to the Great Barrier Reef Water Science Taskforce recommendation to set 'pollution load limits' for nutrients and sediment in legislation to support meeting Reef water quality targets.

Where the existing schedule 1 of the EPP Water prescribes water quality objectives for a river basin, these are concentration limits for the river basin. Consequently, for those basins which are also in the Great Barrier Reef catchment, both the existing concentration limits, and these new pollution load limits must be considered by the administering authority in making a decision.

Amendment of pt 9, hdg (Repeal)

Clause 22 amends the *Environmental Protection (Water and Wetland Biodiversity) Policy 2019* (EPP Water) to change the heading name for the existing repeal provisions as a consequence of the new transitional provision inserted by this Amendment Regulation.

Insertion of new pt 9, div 1, hdg

Clause 23 amends the *Environmental Protection (Water and Wetland Biodiversity) Policy* 2019 (EPP Water) to insert a heading name to separate the existing repeal provisions from the transitional provisions as consequence of the new transitional provision inserted by this Amendment Regulation.

Insertion of new pt 9, div 2

Clause 24 amends the *Environmental Protection (Water and Wetland Biodiversity) Policy 2019* (EPP Water) to include the transitional provision for when the new water quality objectives apply.

Division 2 Transitional provision for Environmental Protection (Great Barrier Reef Protection Measures) and Other Legislation Amendment Regulation 2019

Section 22 Application of s 11 during transitional period

This section inserts a new transitional provision for the water quality objectives for the Great Barrier Reef catchment.

The new water quality objectives work in with the new sections in this Amendment Regulation that relate to ensuring that there is a 'no net decline' in water quality from new development. Consequently, the new water quality objectives do not start to apply until:

- For new cropping and horticulture (ERA 13A), 6 months after commencement of this Amendment Regulation;
- For other prescribed ERAs and resource activities, 12 months after commencement of this Amendment Regulation.

For other decisions where the EPP Water is considered (e.g. a decision to issue an environmental protection order), the water quality objectives for the Great Barrier Reef catchment take effect upon commencement.

There is no need to specifically include a transitional provision for ERA 13A since the water quality objectives will not apply in any event until ERA 13A commences.

Consequently, this section delays the operation of the new water quality objectives to only apply to an environmental management decision (other than for ERA 13A) after 12 months.

Division 3 Amendment of Planning Regulation 2017

Regulation amended

Clause 25 states that this division amends the Planning Regulation 2017.

Amendment of sch 24 (Dictionary)

Clause 26 makes consequential amendments as a result of the renumbering done by clause 5 of this Amendment Regulation.

Division 4 Amendment of Rural and Regional Adjustment Regulation 2011

Regulation amended

Clause 27 states that this division amends the the *Rural and Regional Adjustment Regulation 2011*.

Amendment of sch 13 (Farming in reef catchments rebate scheme)

Clause 28 amends schedule 13 (Farming in reef catchments rebate scheme) of the *Rural and Regional Adjustment Regulation 2011* to remove the Cape York region from the regions eligible for the rebate.

The Queensland Government is not applying the general record keeping requirements or the minimum practice agricultural standards to the Cape York region during this time (5 years from commencement of this Amendment Regulation). This is because the Cape York region has met its water quality targets under the Reef 2050 Water Quality Improvement Plan.

Consequently, the policy settings of the rebate (being to assist farmers to achieve compliance with the minimum practice agricultural standards) do not apply to the Cape York region.

Schedule 13 has also been amended to tie definitions more closely to the GBR Act, now that it has received assent.

Division 5 Amendment of State Penalties Enforcement Regulation 2014

Regulation amended

Clause 29 states that this division amends the State Penalties Enforcement Regulation 2014.

Amendment of sch 1 (Infringement notice offences and fines for nominated laws)

Clause 30 amends schedule 1 of the *State Penalties Enforcement Regulation 2014*. This clause inserts penalty infringement notice (PIN) amounts for offence provisions that were introduced by the GBR Act.

The standard conditions in an agricultural ERA standard are of two types:

- conditions about activities that must be undertaken (or activities that are prohibited); and
- conditions about records that must be kept.

Pursuant to the Department of Environment and Science's enforcement guidelines, enforcement action is a last resort and comes after the department has worked with landholders to improve their practices through education and awareness raising.

Where a contravention of the agricultural ERA standard warrants the issue of a PIN, the policy intent is that the PIN should be lower for the record keeping requirements.

To ensure that it is clear for both compliance officers and possible defendants which PIN applies in the circumstances, the record keeping conditions are specifically identified in each agricultural ERA standard.

Division 6 Amendment of Waste Reduction and Recycling Regulation 2011

Regulation amended

Clause 31 states that this division amends the *Waste Reduction and Recycling Regulation* 2011.

Amendment of sch 9 (Dictionary)

Clause 32 makes consequential amendments as a result of the renumbering done by clause 5 of this Amendment Regulation.

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