

Proclamation – Mineral and Energy Resources and Other Legislation Amendment Act 2024

Explanatory notes for SL 2025 No. 87

made under the

Mineral and Energy Resources and Other Legislation Amendment Act 2024

General Outline

Short title

Proclamation commencing certain provisions of the *Mineral and Energy Resources and Other Legislation Amendment Act 2024*

Authorising law

Section 2 of the *Mineral and Energy Resources and Other Legislation Amendment Act 2024*.

Policy objectives and the reasons for them

The objective of the Proclamation is to fix 1 October 2025 as the date of commencement for Part 9 and Schedule 1, Part 2, amendments to the *Mineral and Energy Resources (Financial Provisioning) Act 2018* (MERFP Act) of the *Mineral and Energy Resources and Other Legislation Amendment Act 2024* (Amendment Act).

Part 9 and Schedule 1, Part 2 of the Amendment Act amends the MERFP Act to implement recommendations of a review of Queensland's financial provisioning scheme that refine the operation of the scheme and reduce risk to the State. The amendments to the MERFP Act:

- reduce the compliance and administrative burden by increasing the prescribed rehabilitation cost for risk assessments from the current level of \$100,000 to \$10 million;
- introduce an additional risk category and set appropriate percentage contributions to better reflect company risk profiles;
- increase the fund threshold for better credit rated entities to \$600 million to increase the availability of financing;
- make changes to the scheme to increase flexibility and clarify assessment pathways for environmental authorities; and
- ensure petroleum and gas sites are eligible for remediation grants.

Achievement of policy objectives

Commencing the provisions of the Amendment Act will achieve the policy objective.

Consistency with policy objectives of authorising law

The Proclamation is consistent with the objectives of the Amendment Act.

Inconsistency with policy objectives of other legislation

There is no inconsistency with the policy objectives of other legislation.

Benefits and costs of implementation

There are no costs to government associated with the proclamation of these provisions.

As outlined in the explanatory notes for Mineral and Energy Resources and Other Legislation Amendment Bill 2024 for amendments relating to the MERFP Act:

- the Government will not incur costs for the development and implementation of these amendments due to work being performed by scheme staff, which is self-funded from the Scheme Fund;
- implementation will benefit industry through improvements to efficiencies in aligning risk assessments for mining companies;
- the Queensland environment will benefit with greatly increased rehabilitation incentivisation in the risk assessment process; and
- following implementation of these amendments to the scheme, the costs to Government from pre-commencement disclaimed un-rehabilitated petroleum mine sites will be lessened by allowing those abandoned sites to be eligible for grants from the Scheme Fund.

Consistency with fundamental legislative principles

The Proclamation is consistent with fundamental legislative principles.

Consultation

Industry and stakeholders are accepting of the amendments and support having them implemented to realise proposed efficiencies and cost savings. Industry stakeholders are aware of the proposed commencement date of 1 October 2025.