

Mineral Resources (Reporting Requirements) Amendment Regulation 2020

Explanatory notes for SL 2020 No. 207

made under the

Mineral Resources Act 1989

General Outline

Short title

Mineral Resources (Reporting Requirements) Amendment Regulation 2020

Authorising law

Section 417 *Mineral Resources Act 1989*

Policy objectives and the reasons for them

The Department of Natural Resources, Mines and Energy (DNRME) collects geoscience and other information (required information) from the resources companies that it regulates through a framework of reporting obligations in the *Mineral Resources Act 1989*, *Petroleum Act 1923*, and *Petroleum and Gas (Production and Safety) Act 2004*, and their associated regulations.

This information allows DNRME to maintain and develop an understanding of the geology of Queensland, and the financial and technical performance of the resources companies that it regulates.

The policy objectives of the *Mineral Resources (Reporting Requirements) Amendment Regulation 2020* (Amendment Regulation) are to:

- provide a confidentiality and publication framework that provides an appropriate amount of time for information to remain confidential prior to it being published;
- establish a more modern and responsive reporting framework; and
- clarify the information requirements for certain documents and reports under the Regulation that must be lodged to DNRME by resource companies.

The Amendment Regulation also establishes a transitional period to protect commercial-in-confidence information that was submitted to DNRME under the old confidentiality and publication regime.

Achievement of policy objectives

The policy objectives will be achieved by:

- providing a new schedule to the *Mineral Resources Regulation 2013* that defines a series of confidentiality periods for activity reports, partial relinquishment and surrender reports, final reports, activity reports for coal or oil shale mining leases, relinquishment or surrender reports for coal or oil shale mining leases, and coal seam gas (CSG) well completion reports;
- substituting the detailed information required under the *Mineral Resources Regulation 2013* for a requirement that the report contain any other data or information required under a practice direction;
- providing guidance about what geoscience data is required and how it is provided in view of improvements in technology, with a focus on moving from 'static reports' or summaries to the acquisition of raw data;
- providing that the mineral and coal reporting guideline is a practice direction to ensure compliance by industry;
- specify the requirements of a CSG well abandonment report, that coal or oil shale mining lease or transitional lease holders are required to lodge with DNRME; and
- extending lodgement timeframes for certain documents under the *Mineral Resources Regulation 2013* to better reflect the time it takes to process geoscience data.

Consistency with policy objectives of authorising law

The Amendment Regulation is consistent with the policy objectives of the authorising law as it supports an administrative framework necessary to facilitate and regulate the carrying out of responsible minerals and coal exploration and production activities.

Inconsistency with policy objectives of other legislation

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

Benefits and costs of implementation

The Amendment Regulation is required to ensure that the regulatory framework supporting the *Mineral Resources Act 1989* functions appropriately. A robust framework regulating mineral and coal exploration and production benefits government and industry by clarifying stakeholder obligations, responsibilities and entitlements.

Implementing the Amendment Regulation should not result in any increase in costs for government or industry and will provide future benefits that increase the quality and value of the data captured by geoscience reports. Any costs to DNRME will be met within existing resources.

Consistency with fundamental legislative principles

The Amendment Regulation has been assessed for consistency with fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992* and is not considered to breach any fundamental legislative principles.

The introduction of confidentiality periods effectively means that information that was submitted to DNRME under the prior reporting regime can now be publicly released at the end of the prescribed confidentiality period. The legislative standard under section 4(g) provides that legislation should not adversely affect the rights of an individual retrospectively, and this publication may engage with the right of some individuals to maintain commercial information in-confidence.

However, the potential of this engagement is limited because the amendment regulation establishes transitional provisions that allow tenure holders which are affected by these provisions to re-submit certain reports in a way that meets the standard required but protects commercial-in-confidence information.

Consultation

DNRME conducted a review of the current geoscience reporting regime and identified a number of issues. Through the review, DNRME consulted extensively with the Queensland Resources Council and the Association of Mining and Exploration Companies and held regular meetings with tenure management service providers to keep them informed of changes.

Further consultation was undertaken with industry groups about the introduction and length of the proposed confidentiality periods. Further consultation with industry was undertaken once the draft regulation and draft practice direction were available. DNRME has run industry workshops and events from February 2018 to November 2019 and further activities are planned to educate companies on their responsibilities under the proposed changes.

Feedback from the consultation has informed the policy objectives of the Amendment Regulation. Outside of the issues raised about the confidentiality periods which were addressed by adding the transitional period that allows re-lodgement of reports, feedback from industry centred on ensuring there was an adequate timeframe for adapting to the new reporting regime. This feedback has been addressed by adding a transitional period that provides that any reporting that is due between commencement and 30 June 2021 is not due until 30 June 2021.

The Queensland Productivity Commission advised that the proposals appear unlikely to result in significant adverse impacts and therefore excluded from further regulatory impact analysis under the Queensland Government Guide to Better Regulation.

NOTES ON PROVISIONS

Clause 1 provides that the short title of the regulation is the *Mineral Resources (Reporting Requirements) Amendment Regulation 2020*.

Clause 2 provides that the regulation commences on 1 October 2020.

Clause 3 provides that the regulation amends the *Mineral Resources Regulation 2013*.

Clause 4 amends section 13 of the *Mineral Resources Regulation 2013*, to simplify the detail required in activity reports for exploration permits and mineral development licences. The amendment also introduces a general obligation to include any other data or information for the report that is required under the practice direction.

Clause 5 amends section 14 of the *Mineral Resources Regulation 2013*, which details the requirements for an expenditure statement. This section has been simplified by removing provisions about exceptions and making it specific to activities conducted under the work program.

Clause 6 omits section 15 of the *Mineral Resources Regulation 2013*. This section previously required tenure holders to submit additional information with the first activity report lodged for an exploration permit or mineral development licence. This section is no longer required due to amendments made to section 13 and the requirement to comply with the practice direction.

Clause 7 amends section 16 of the *Mineral Resources Regulation 2013* to simplify the detail required in partial relinquishment reports and partial surrender reports. It also introduces a general obligation to include any other data or information for the report that is required under the practice direction.

The clause also amends the definition of general area information to provide that the term is defined by reference to spatial information rather than a map, spreadsheet, or a general description of topographical features.

Clause 8 amends section 17 of the *Mineral Resources Regulation 2013* to simplify the provision and require information about the reason that the tenure ended.

Clause 9 amends section 29A of the *Mineral Resources Regulation 2013* to simplify the detail required in activity reports for coal or oil shale mining leases, and introduces a general obligation to include any other data or information for the report that is required under the practice direction.

To allow for mining leases to be reported by project, the clause also provides that reports may be lodged two months after either:

- a day approved by the chief executive; or
- the anniversary day.

The clause also omits the definition of 'mine working envelope' to 'mine workings', and provides that spatial information should be submitted instead of 'plans'.

Clause 10 amends section 29B of the *Mineral Resources Regulation 2013* to provide a general obligation to include any other data or information for a relinquishment report for coal or oil shale mining leases that is required under the practice direction.

Clause 11 amends section 29C of the *Mineral Resources Regulation 2013* to provide a general obligation to include any other data or information for a surrender report for coal or oil shale mining leases that is required under the practice direction.

Clause 12 amends section 29F of the *Mineral Resources Regulation 2013* to provide a general obligation to include any other data or information for a daily drilling report that is required under the practice direction.

The clause also provides a definition for proppant for the section and also makes a minor clarifying amendment to the definition of stimulation.

Clause 13 amends section 29G of the *Mineral Resources Regulation 2013* to clarify some of the information requirements for a CSG well completion report, and to provide a general obligation to include any other data or information for a CSG well completion report that is required under the practice direction.

The clause also extends the lodgement timeframe to provide that holders may lodge these report within 12 months after the rig release day for the well.

Clause 14 inserts a new section 29H into the *Mineral Resources Regulation 2013* which establishes an obligation on the holder of a coal or oil shale mining lease or transitional lease to lodge a CSG well abandonment report.

The holder must lodge a report about the abandonment of the well within six months after the well has been abandoned. The section also specifies the information which must be included in the CSG well abandonment report.

This new report provides consistent reporting requirements for abandoned CSG wells under both the *Mineral Resources Regulation 2013* and abandoned wells under the *Petroleum and Gas (General Provisions) Regulation 2017*.

Clause 15 amends section 31B of the *Mineral Resources Regulation 2013* to provide that holders are required to report the taking of associated water within one calendar month rather than within twenty business days.

Clause 16 Inserts a new Chapter 4, Part 2 – Confidentiality periods for required information into the *Mineral Resources Regulation 2013*. The new part contains two new sections – section 87 and section 88.

New section 87 prescribes the beginning and end of the confidentiality periods for section 382 of the *Mineral Resources Act 1989*. These periods are prescribed in new schedule 3A. This section also provides that there is no confidentiality period for CSG well abandonment reports under certain circumstances and that required information that is not contained within schedule 3A does not attract a confidentiality period.

New section 88 prescribes a list of ways that the chief executive may publish that required information.

These provisions are consistent with the *Petroleum and Gas (General Provisions) Regulation 2017*.

Clause 17 amends section 94 of the *Mineral Resources Regulation 2013* to replace a heading to provide that the section also deals with the giving or lodging of documents, as well as the making of submissions.

Clause 18 inserts a new Chapter 4, Part 14 into the *Mineral Resources Regulation 2013* to provide transitional provisions. The new part contains two new sections – section 116 and section 117.

New section 116 creates a transitional provision that applies if a person would otherwise be required to give or lodge a report after commencement of the amendment regulation but before 30 June 2021. Under the transitional provision, that person will not have to give or lodge the report until 30 June 2021.

New section 117 creates a transitional provision that applies if the holder of a mining tenement lodged information before commencement of the amendment regulation, and:

- the information has not already been publicly released, and
- a confidentiality period would apply if the information had been lodged after commencement.

Under this section, the holder of the tenement may give the chief executive notice that they intend to re-lodge the information. The holder of the tenement must identify when that information will be re-lodged. The section prescribes limits on this transitional, and the dates by which information must be lodged.

The new section also prescribes specific confidentiality provisions for information lodged before commencement if the holder does not give the chief executive notice.

Clause 19 inserts a new schedule 3A into the *Mineral Resources Regulation 2013*. This schedule prescribes the confidentiality period for required information, including the type of information that is required and the day on which the confidentiality period ends.

Clause 20 amends schedule 6 to add a number of definitions to the dictionary that are required to effect the changes made throughout the amendment regulation.