

4 September 2015



Ms Alexandra O'Mara
Executive Director, Resources & Infrastructure Policy
Department of Planning & Environment
GPO Box 39
SYDNEY NSW 2001

RE: INTEGRATED MINING POLICY

Dear Ms O'Mara

Thank you for the opportunity to comment on Stage 2 of the Integrated Mining Policy (IMP). Stage 2 invites comment on the following aspects of the IMP:

- Planning Agreement Guideline
- Post Approval Guideline – Annual Review
- Post Approval Guideline – Web-Based Reporting
- Post Approval Guideline – Independent Audits
- Water Policy and Regulation (Summary Document)

CCA has focused its submission to general comments about the terminology of the policy and the Post Approval Guideline Annual Review and the Post Approval Guideline Independent Audits.

We have also based our comments on the advice of Department of Planning and Environment (DPE) officials, who have advised that the intention is the policy will be interpreted broadly to include all and State Significant Developments (SSD), capturing the extractive industry.

Our comments should be seen in the broader context of our reform suggestions as it relates to the CCA Planning and Assessment Framework, which has been previously provided to the DPE.

1) About CCA

Cement Concrete & Aggregates Australia (CCA) is the peak body for the heavy construction materials industry, which includes the cement manufacturers, concrete suppliers and the extractive industry.

The NSW Department of Industry, Skills and Regional Development will shortly release updated data on the amount of construction materials extracted in NSW. CCA understands, the industry is currently extracting approximately 45m Tonnes of construction materials each year. The bulk of these materials are used to manufacture cement and the 8 million cubic metres of concrete that are used to support the building of our homes, roads, hospitals, schools, dams, bridges, ports and office buildings.

2) Integrated Mining Policy Terminology

CCA members do not consider themselves as “miners” and the legislative instruments that do contain the word “mining” or “mine” is long held to exclude extractive operators. It is therefore unfortunate that a policy, which is meant to include the extractive industry is ambiguous by the use of this exclusive terminology.

CCA is concerned with the subsequent confusion, which may arise from key aspects of the IMP and whether they apply broadly or are restricted to just mining operations. For example, CCA members must prepare and submit an Annual Review for DPE as a condition of their Development Consent.



However, the opening sentence of the guidelines limit the scope by the use of the terminology "State significant mining developments".

3) Post Approval Guidelines – Annual Review

As stated above SSD extractive operators are required to prepare and submit an Annual Review for the DPE as a condition of the Development Consent issued by them.

CCAA congratulates DPE on issuing these guidelines as a means to assist industry navigate the Annual Review reporting, however it must be noted that the duplication of reporting is a burden, costly, time consuming and a disincentive to do business in NSW.

This 'green tape' is alluded to in the Guidelines where it states "*The Government is working to improve alignment between the Annual Review and Annual Return*".

CCAA endorses this view most strongly and would ultimately like to see just one report issued for all relevant Government agencies. CCAA does not have a preference but sees merit in making the coordinating agency, DPE, given it approves the Development Consent and oversees the Environmental Impact Statement of the proponent.

CCAA believes DPE should then facilitate a copy of this document to the EPA, Office of Environment and Heritage, Office for Water amongst other Government agencies.

As it currently stands, CCAA members find themselves reporting the same environmental issues to multiple agencies, but are required to comply with each individual agency's reporting regime, which quite often means the same information is not only duplicated but must be adapted to different forms, timelines and criteria to ensure compliance.

This duplication is costly, resource intensive and adds no environmental benefit to the extractive operations.

CCAA believes a whole-of-government approach, coordinated by DPE, is the most sensible approach and recommends at the very least ending the duplication of environmental reporting.

4) Post-Approval Guidelines – Independent Audits

Independent Audits should be abolished. Again, this is an area of gross duplication which adds no value to operational compliance, serves no purpose to protect the environment and is nothing but a costly burden for the operator.

The DPE has the discretion to place a condition on the Development Consent for an Independent Audit. Unfortunately, this discretionary power has been exploited to the degree that it is now a mandatory feature for every proponent.

DPE generally requires an Independent Audit every 3 years, although, CCAA has got examples where it has been required of an operator within much shorter periods of time. There is also examples of the Independent Audit being required every 5 years. This inconsistency is confusing.

However, it must be asked why there is even a need for a further Independent Audit to take place where an operator has:

- Provided an EIS for public scrutiny;
- Prepares an Annual Review for DPE;
- Prepares an Annual Return for the EPA;
- Generally required to publish data on a website;
- Hold meetings with a Community Consultative Committee (CCC); and
- Is subjected to periodic inspections and site visits by both the compliance sections of DPE, EPA and the Department of Resources and Energy (DRE).

CCAA has long maintained a policy preference for risk based regulation. These Independent Audits breach this principle, because notwithstanding an operator's compliance, good environmental procedures, systems and management, the condition for an Independent Audit is still placed on them as a condition of Development Consent prior to extraction taking place. This is a disincentive to improve environmental performance.

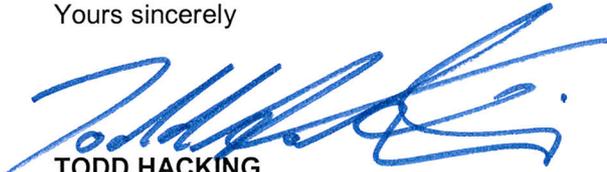
CCAA considers that DPE or the EPA have the capacity to require an Independent Audit where an operator's performance does not meet expectations. This could be linked to the EPAs new Risk Based Licensing system and would be easily accommodated if, once again, a whole-of-government approach is taken in regards to SSD.

5) Conclusion

In conclusion, CCAA is grateful for the opportunity to comment on these aspects of the Integrated Mining Policy. In an era, where the DPE has been tasked with removing red and green tape and ending duplication, the Annual Review and the Independent Audits should be seen as 'low picking fruit'. These documents add limited value to environmental performance and compliance and as such should be reformed in the case of the former and abolished in the case of the latter.

CCAA remains willing and able to assist and support DPE should it choose to take up this suggestion and the author can be contacted any time at todd.hacking@ccaa.com.au or (02) 9667 8351.

Yours sincerely



TODD HACKING
STATE DIRECTOR, NSW & SA