

TRANSBOUNDARY CARBON CAPTURE AND SEQUESTRATION – ESTABLISHING BILATERAL INSTRUMENTS | *PUBLIC CONSULTATION PAPER*

Australian Energy Producers | 11 September 2026

Australian Energy Producers welcomes the opportunity to provide feedback on the *Transboundary Carbon Capture and Sequestration – Establishing Bilateral Instruments* public consultation paper.

Australian Energy Producers welcomes the Government's progress with Singapore and supports the proposed approach to the bilateral instrument for transboundary carbon capture and storage (CCS). The elements outlined in the consultation paper provide an appropriate basis for safe, effective and accountable transboundary offshore CCS cooperation. The instrument should be finalised as a priority to provide the certainty needed to support investment and project development. Australia and Singapore already share a significant and trusted energy relationship including trade in liquefied natural gas (LNG) and refined petroleum products. Establishing a pathway for the future movement of CO₂ would deepen this relationship and support both countries' emissions-reduction and economic objectives.

Transboundary CCS represents a significant economic and emissions-reduction opportunity for Australia and the region. Australia's world-class CO₂ storage resources, extensive industry expertise and robust regulatory framework provide a clear comparative advantage. Singaporean CO₂ volumes could support economies of scale, underpin investment in shared transport and storage infrastructure and improve access to CCS for Australia's hard-to-abate industries. This would support least-cost pathways to net zero, industrial decarbonisation and competitiveness, while creating jobs, regional supply-chain opportunities, export revenue and long-term investment.

The final bilateral instrument should preserve regulatory and commercial flexibility and avoid unnecessary prescription. Existing national and international legal frameworks and standard commercial arrangements provide a strong basis for managing operational, environmental and commercial risks. The final instrument should focus on matters requiring government-to-government agreement, avoiding duplication of domestic requirements or constraints on project-specific arrangements.

Recommendations

- **Finalise the Australia–Singapore bilateral instrument as a priority.** Accelerating bilateral arrangements will support CCS economies of scale, strengthen investment certainty and help position Australia as a regional CCS hub.
- **Avoid unnecessary prescription in the final bilateral instrument.** The instrument should be limited to matters requiring bilateral coordination and should not duplicate or prescribe matters already governed by national and international legal frameworks or appropriately addressed through standard commercial arrangements.

Australian Energy Producers would welcome further opportunities to provide input as the bilateral instrument is developed to help ensure the final framework is practical, proportionate and commercially workable. Responses to the questions posed are provided below.

Question 1: What are the expected or anticipated impacts to you or your community of any of the elements in the proposed bilateral instrument with Singapore for transboundary offshore CCS?

The proposed bilateral instrument would provide greater certainty and help unlock investment in transboundary CCS. Clear government-to-government arrangements for respective roles, responsibilities, emissions accounting and information sharing would reduce regulatory uncertainty, support project development and strengthen confidence across the Australia–Singapore CCS value chain. The instrument would also deepen Australia’s longstanding energy relationship with Singapore by creating a pathway to expand cooperation from LNG and refined petroleum products to CO₂ management.

By enabling transboundary CCS, the instrument would support emissions reductions in Australia and across the region. CCS plays a unique role among a portfolio of emissions-reduction technologies because it can address emissions from existing facilities, including gas and LNG production, and industrial processes in hard-to-abate sectors such as cement, chemicals, ammonia, iron and steel. Establishing a pathway to transport and store CO₂ from Singapore would not only support emissions reductions in Singapore and across the region, but also underpin the development of shared CO₂ transport and storage infrastructure in Australia, deliver economies of scale, reduce unit costs and improve access to CCS for Australian industry.

A regional CCS hub could create jobs, attract investment and generate significant economic benefits for Australia. The proposed bilateral instrument would help Australia capitalise on its world-class CO₂ storage resources, extensive industry expertise and robust regulatory framework. Wood Mackenzie has estimated that importing regional CO₂ for permanent storage in Australia could generate hundreds of billions of dollars in revenue for the Australian economy.¹ In Western Australia alone, the CSIRO and Global CCS Institute found that CCS hubs could attract significant overseas investment, boost the state’s economy by billions of dollars and generate 37,000 construction jobs and 500 permanent jobs.²

Question 2: What additional elements (i.e., anything not included in the list above) should Australia seek to include in the bilateral instrument to support and ensure safe, effective and accountable transboundary offshore CCS cooperation with Singapore, and why?

Australian Energy Producers does not consider that material additional elements are required in the bilateral instrument. The elements outlined in the consultation paper provide an appropriate and comprehensive basis for safe, effective and accountable cooperation with Singapore. The comments below relate to how those elements should be implemented. Expanding the instrument beyond matters requiring bilateral coordination could introduce unnecessary complexity and prescription.

The bilateral instrument should not prescribe uniform CO₂ stream composition requirements. CO₂ streams may have different characteristics depending on their source, transport method and storage project. The proposed Australian National Action List and Sea Dumping permit process

¹ Wood Mackenzie (2024), published in *Australian Energy Producers Journal*.

² CSIRO & GCCSI (November 2023), [CCUS Hubs Study](#).

provide a pathway for assessing CO₂ stream composition and incidental associated substances consistent with Australia's obligations under the London Protocol. Further prescription in the bilateral instrument is therefore unnecessary and could constrain otherwise safe and viable projects.

Question 3: What environmental, regulatory, operational, financial or liability impacts associated with transboundary offshore CCS should Australia consider in developing a transboundary offshore CCS framework?

Environmental and operational impacts should be assessed on a risk-based, project-specific basis. Assessments should consider both the likelihood and potential consequences of identified risks, alongside the overall emissions-reduction benefits of transboundary CCS. They should also recognise the extensive operational experience and established practices supporting offshore CCS and maritime transport. Existing environmental, offshore and maritime frameworks and commercial practices provide appropriate mechanisms for assessing and managing these impacts.

Once within Australia's jurisdiction, imported CO₂ should be managed in the same way as Australian-sourced CO₂. The environmental and operational risks of CCS are independent of the country of origin of the CO₂. Australia's existing regulatory frameworks provide appropriate mechanisms for assessing and managing risks. The bilateral framework should therefore address matters arising from the cross-border movement of CO₂ without imposing separate or duplicative requirements on CCS activities undertaken in Australia. Separate requirements based solely on the origin of the CO₂ would increase costs, delay investment and undermine project viability without improving environmental or safety outcomes.

Government responsibilities and emissions-accounting arrangements should be clear without dictating commercial arrangements. The framework should identify the respective jurisdictional and regulatory responsibilities of Australia and Singapore. Responsibility for emissions accounting should transfer at an agreed point of import into Australia. Consistent with existing practice, custody, title, risk and liability should continue to be agreed between the parties through project-specific commercial agreements.

Question 4: What technical, monitoring, reporting, verification, information sharing or governance provisions and measures should Australia seek to establish with Singapore to support the transport, transfer and offshore sequestration of CO₂ streams across jurisdictions?

Australian Energy Producers supports government-to-government data sharing under fit-for-purpose monitoring, reporting and verification arrangements. These arrangements should align with established national and international methodologies, including relevant approaches developed by the Intergovernmental Panel on Climate Change and under Australia's National Greenhouse and Energy Reporting scheme. They should provide confidence in the capture, transport, transfer and permanent storage of CO₂ across jurisdictions. CO₂ volumes should be accurately measured and verified at practical points across the value chain, including loading and offloading. Data sharing should draw on these measurements and existing reporting data, avoid duplicative requirements and remain adaptable as technologies and projects develop. The timing of information sharing should align with existing regulatory reporting cycles wherever practical.

Information sharing should be proportionate and protect commercially sensitive information. Australia and Singapore should first consider whether existing government-to-government

arrangements provide an appropriate mechanism for exchanging information relevant to transboundary CCS. If an additional mechanism is required, it could be established through the Singapore-Australia Green Economy Agreement. Any additional information-sharing requirements should be limited to what is necessary to meet each country's regulatory and emissions-accounting responsibilities and should avoid requiring companies to report the same information more than once.