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International Energy Agency says gas bans must be lifted

State and Territory governments must lift their unjustified bans on natural gas development or risk squandering Australia's energy advantage, the International Energy Agency (IEA) has warned.

APPEA Chief Executive Dr Malcolm Roberts said the IEA review of Australia's energy policies released in Canberra today confirmed the urgent need to remove senseless State bans and restrictions on gas operations.

"The message to policymakers from the IEA's Executive Director, Dr Fatih Birol, could not have been clearer," Dr Roberts said.

"Dr Birol identified the number-one step Australia can take to deliver secure and affordable energy removing bans on unconventional gas projects.

"Coal seam gas from Queensland already supplies almost 60 per cent of the east coast gas market. States that have blocked unconventional gas projects are using more and more coal seam gas, but are paying a hefty premium to transport this gas from interstate.

"As Dr Birol stated this morning, more gas supply will put downward pressure on energy prices and smooth Australia's transition to a low-emissions future."

Dr Birol also forecasts that Asia's demand for LNG will almost triple over the next 20 years, creating a huge economic opportunity for Australia.

The Chinese government is leading this demand growth, recognizing LNG as a cleaner fuel for the environment. Fuel switching to gas reduces the airborne pollution which is responsible for an estimated 2.2 million premature deaths in China.

Dr Roberts said the IEA report made it clear that restricting gas exports was not a sustainable solution to concerns about domestic supply.

"The IEA report echoes industry's concerns that gas reservation policies risk worsening the problem by discouraging new investment in gas projects," he said.

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