

February 11, 2022

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] WA 6004

(Sent via email: [REDACTED])

Dear Sir/Madam,

**RE: PROPOSED CARBON FARMING INITIATIVE**

The Australian Petroleum Production & Exploration Association (APPEA) would like to thank you for the opportunity to provide comment on the proposed carbon farming initiative being led by the Department of Biodiversity, Conservation and Attractions (DBCA). The specific request from the Department of Mines, Industry Regulation and Safety (DMIRS) was to comment on how the proposed carbon farming initiative may impact resource access in the event a third-party carbon farming proponent secures a carbon farming project and *Land Administration Act 1997* (LAA) land tenure via the proposed diversification lease.

**Oil and gas industry in Western Australia**

APPEA is the peak national body representing upstream oil and gas explorers and producers with interests in Australia. APPEA's member companies account for more than 95 per cent of Australia's petroleum production, the majority of which is produced from facilities located in, or in waters adjacent to, Western Australia (WA). The oil and gas industry in WA is a major contributor to the state and national economies creating jobs and business opportunities whilst providing oil and gas to domestic and international consumers. Further information about APPEA and the Australian oil and gas industry can be found at [www.appea.com.au](http://www.appea.com.au).

**Comments on the proposed carbon farming initiative**

APPEA attended a briefing session held by the Department of Planning, Land and Heritage (DPLH) on Wednesday, 15 December 2021 which provided a specific industry focused overview of the proposed amendments to the LAA. APPEA understands that a new form of non-exclusive leasehold tenure, for uses such as carbon farming or clean energy generation, is required to meet certain Government objectives that will contribute to a net zero emissions target by 2050.

APPEA supports the intent of the proposed carbon farming initiative to contribute to the State's goal of net zero emissions by 2050, provide job opportunities for traditional owners, and enhance conservation values through targeted activities such as feral animal control, weed removal and fire management. APPEA notes that projects will only proceed to on-ground delivery following consultation, engagement, and consent from native title holders.

In response to the consultation question raised by DMIRS, relating to the circumstance where a third-party carbon farming proponent secures a carbon farming project and a diversification lease, APPEA has the following comments.

1. APPEA is supportive of the proposed initiative and APPEA members have incorporated emissions reductions strategies and targets in their current and future activities planning to achieve net zero emissions by 2050. To achieve emissions reduction, companies will need access to a range of decarbonisation opportunities and pathways, of which carbon farming is one. This initiative provides an opportunity for companies to diversify their options for carbon offsets through carbon bio-sequestration activities.
2. APPEA notes that Section 5 of the LAA will still apply such that rights to minerals, petroleum and geothermal energy can still be registered over the land.<sup>1</sup> Given this provision will still apply following the amendments, APPEA understands that petroleum rights will not be negatively impacted by a third-party carbon farming project.
3. Given that amendments to the LAA proposes that the new tenure (diversification lease) is non-exclusive leasehold tenure, without creating 'private land' which would otherwise exclude access by other parties such as resources companies and native title holders, APPEA is supportive of the amendments and supports the alignment of views across all three Departments that resource rights, including license and permit rights, will be protected.

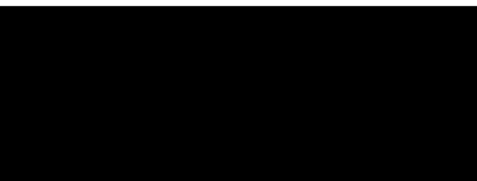
## Conclusion

APPEA is supportive of a new diversification lease to provide a form of tenure that can support the establishment of clean energy projects and the expansion of carbon farming while protecting resource rights.

APPEA welcomes continued engagement and consultation opportunities with DBCA, DPLH and DMIRS and thanks each Department for its early engagement on the carbon farming initiative.

If you have any queries on any of the information provided in this submission, please do not hesitate to contact [REDACTED] on [REDACTED] or [REDACTED].

Yours faithfully,



**Claire Wilkinson**  
Director – Western Australia

---

<sup>1</sup> [Section 5, Lands Administration Act 1997.](#)