



Proposed Initiative: **Shared Policy (and Risk Assignment) Framework for Large Developments**

Objective – to create an agreed policy framework to ensure greater foresight, co-benefits and transparency around major developments in the North. The framework will include for example agreed principles, risk assignment, offset policies, and shared compatibility criteria. Adoption of such a framework will generate improved longterm policy stability for investors and businesses, a stronger social licence to operate and greater awareness and management of risks.

Desired Outcome – new large developments maintain the enduring values (social, cultural, economic, and environmental) of North Australia. They are strategic, have multiple benefits, are well placed, enduring, and generate a positive legacy. Decision making is transparent, considered and accounts for risk, externalities, cumulative impacts and benefits etc.

Possible lead partners – industry peak bodies, CDU and other research/policy institutions, private companies, Land Councils/NAILSMA, Regional Development Australia, environment organisations, Local Government.

Steps

1. Start a conversation with industry stakeholders, banks, risk managers, NGOs and the commercial sector to agree on approach and outcomes (eg RDAs across three States host conversations). Determine if the framework should focus on eg mining developments in the first instance.
2. Identify the strengths, weaknesses, opportunities and risks of current decision making (frameworks) for major developments by analysing current policies, legislation, plans and information bases.
3. Use this information, as well as a review of frameworks internationally, to recommend options for use in Northern Australia
4. Agree on shared principles as the basis for a framework to guide investment in large/high impact developments in Northern Australia
5. Work together to develop a risk assignment policy (ie who bears the risk of foreseen and unforeseen future social and environmental impacts of development activities). A clear risk assignment provides greater certainty to investors, companies and the public about how future social and environmental impacts will be managed, enabling appropriate investment and planning decisions to occur.
6. Work together to develop an offsets policy for large developments
7. Work together to develop shared criteria (and associated maps) to proactively identify development options that are compatible with identified local to international values, resource availability, local conditions, community aspirations etc
8. Seek broader endorsement of the framework
(please see also notes on next page)

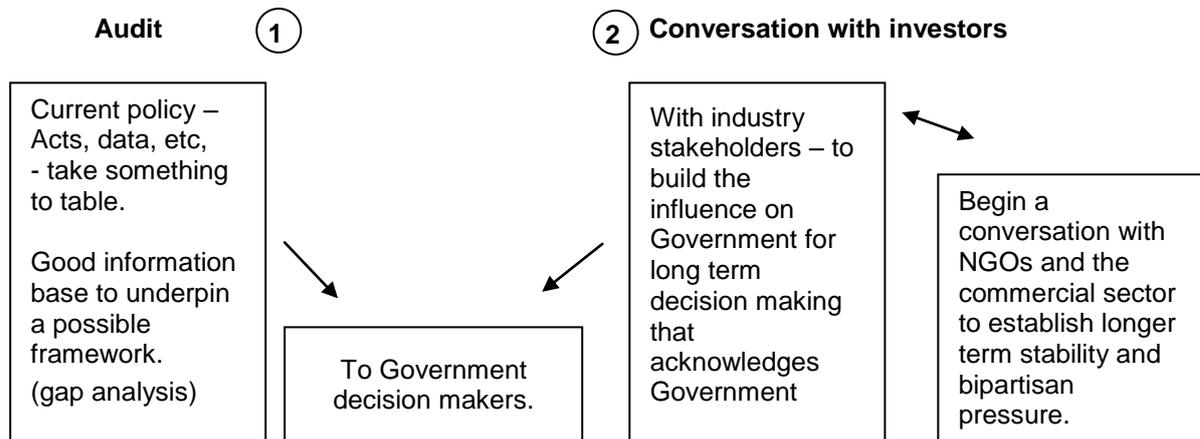
Considerations

- The framework will need to be embedded in a robust land use planning process, based on good data and good science
- Conversation with investors –“how can we work with you?” -this initiative needs to build a Group with influence on government decision making processes.
- Criteria need to consider risks of large developments (eg what if the project closes or fails, how to buffer and offset impacts), and to consider life cycle responsibilities (what is the transition at the end of mines and other projects?), as well as be able to weigh up brownfields vs greenfields sites. A risk assignment distributes risks between governments and private companies eg according to categories of cause such as natural events, improvements in knowledge, or changes in government policy.

- Analysis needs to revisit plans and previous consultations (eg IPA Healthy Country Plans)
- The framework could include a grievance mechanism and “footprint” assessment
- The framework could inform drafting of Development Prospectus' by Indigenous communities (build on existing models such as those in Cape York).
- Investigate existing frameworks to build from eg Victorian Land Conservation Council process.

Notes

Steps 1 and 2 (Schematic from Roundtable)



- ① Hosting conversations, building relationships eg via RDA Northern Alliance
- ② Participants make up commercial, ngo and Governments, etc, to feed into the White Paper process or other convening forums

Notes re Step 4

Example principles for preferred investment:

- Generates multiple benefits to economic sectors and for service delivery to communities:
 - catalytic = drives economic activity which provides long term benefit to services/quality of life
- Increases Indigenous employment and community wellbeing
- Enhances natural and cultural values overall
- Increases “liveability” across Northern Australia;
- Increases security – resources, conservation, social outcomes
- Encourages co-investment from private sources:
 - reduces cost to Government (spreads funding further),
 - brings expertise / knowledge – private and community sectors,
 - ensures final product is more fit for purpose.
- Accept some industries / activities may not be appropriate in some places
- Aim for shared vision not just “common ground”, recognises trade-offs and compromises.

Notes re Step 7

- A quantifiable checklist to assess, identify and agree on criteria and mapped areas that are amenable or not amenable to particular types of development, in order to improve resource access security and minimise conflict
- A checklist for whether a particular development hits a red light for a particular site
- May be able to agree on some areas based on the criteria at the outset eg North Kimberley, Arnhem Land stone country
- Rise above politics – collaborate across the environmental sector and major industry to get to an agreement – industry to watch over and Government will listen

(This scope is based on collated recommendations from the infrastructure, resource access and large development pathway groups)