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5 July 2023

Committee Secretary
Senate Environment and Communications Legislation Committee
PO Box 6021
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RE: SENATE INQUIRY: ENVIRONMENT PROTECTION (SEA DUMPING) AMENDMENT (USING NEW TECHNOLOGIES TO FIGHT CLIMATE CHANGE) BILL 2023

The Australian Petroleum Production & Exploration Association (APPEA) welcomes the opportunity to input into the Senate Environment and Communications Legislation Committee's inquiry into the provisions of the *Environment Protection (Sea Dumping) Amendment (Using New Technologies to Fight Climate Change) Bill 2023*.

APPEA strongly supports the provisions of the Bill, its passage by the Senate and its recognition of the importance of carbon capture, utilisation and storage (CCUS) to meeting net zero in Australia and the region. In supporting the Bill, APPEA would like to highlight the following key points:

- CCUS is proven technology with over 25 years of experience storing CO₂ safely and permanently offshore, in deep sub-seabed geology.
- Without the import and export of CO₂, countries with limited domestic CO₂ storage potential will find meeting emissions reductions targets technically challenging and more expensive.
- The transboundary transport of CO₂ can lead to near-term emissions reductions from Australian projects as well as broader economic benefits.
- The import of CO₂ for permanent storage represents an opportunity for Australia to leverage our world-class CO₂ storage resources and extensive CCUS experience and capacity to become a regional CO₂ storage focal point.

For further information on the importance of CCUS to Australian and regional climate mitigation, the environmental benefits and impacts of exporting and importing CO₂ streams for the purpose of sub-seabed storage, the international market for CO₂ import and export, and interaction of the proposed amendments with greenhouse gas inventories and regulatory and reporting streams, please see **APPEA's submission to the House of Representatives Standing Committee on Climate Change, Energy, Environment and Water's inquiry into the 2009 and 2013 amendments to the 1996 London Protocol.**¹

Reaching net zero by 2050 will be "virtually impossible" without CCUS.² CCUS is a proven technology with decades of experience globally. CCUS plays a unique role amongst a portfolio of emissions reductions technologies as it can address emissions from existing facilities, mitigate emissions from hard-to-abate industry, support low-carbon hydrogen production and underpin large-scale carbon removal. The International Energy Agency Net Zero Emissions (NZE) Scenario requires 1.2 billion tonnes of CO₂ to be captured annually in 2030, increasing to 6.2 billion tonnes in 2050.³ To achieve this

¹ Australian Petroleum Production and Exploration Association Submission to the inquiry into the amendments the London Protocol, 2023 https://www.aph.gov.au/Parliamentary_Business/Committees/House/Climate_Change_Energy_Environment_and_Water/Completed_inquiries

² IEA, CCUS in Clean Energy Transitions, 2020: <https://www.iea.org/reports/ccus-in-clean-energy-transitions>

³ IEA, World Energy Outlook, 2022: <https://www.iea.org/reports/world-energy-outlook-2022>



“the NZE Scenario requires more than ten new CCUS equipped facilities to be commissioned each month between [November 2022] and 2030” alongside accelerated deployment of renewable energy, energy efficiency, low-carbon hydrogen and a range of other emissions reductions technologies. The Intergovernmental Panel on Climate Change median scenarios see 17 billion tonnes of CO₂ stored per year in 2050.

The transport of CO₂ across international boundaries for permanent storage will play an important role in reducing industrial emissions at scale both in Australia and the region. The import and export of CO₂ is expected to play an important role in meeting net zero targets in our region. Countries such as Japan, South Korea and Singapore have limited CO₂ storage potential and are seeking to partner with Australia for storage solutions given our abundant geological CO₂ storage resources, industry expertise, and world-leading regulatory frameworks. It can also create efficiencies of scale to facilitate the fast-tracking of emissions reductions from Australian industry. In Europe, similar trading relationships are being established around the North Sea’s offshore CO₂ storage resources.

Australia’s comprehensive regulatory frameworks for CO₂ storage ensure any local environmental risks are identified and mitigated effectively. Commonwealth and state CCUS legal and regulatory frameworks along with CO₂ storage guidelines in the London Protocol and international CCUS standards provide a comprehensive basis for the effective management and mitigation of environmental and other risks associated with CO₂ storage. Decades of project experience also underscore that geological storage of CO₂ is a safe, proven and effective abatement solution.

APPEA and its members extend the offer to the Senate Committee to provide further detail on CCUS technologies and projects being undertaken in Australia and globally as well as on the importance of the import and export of CO₂ to Australia and the region.

Yours sincerely

Samantha McCulloch
Chief Executive