

31 March 2015

Mr Peter Cochrane and Professor Colin Buxton
Co-Chairmen
Bioregional Advisory Panels
Commonwealth Marine Reserves Review
cmrreview@environment.gov.au

Dear Mr Cochrane and Professor Buxton,

RE: Marine Reserves Review

Ports Australia is pleased to provide this submission to the review of management plans for the Commonwealth Marine Reserves. We attended the November meeting with national-level stakeholders and will be present at the next meeting in April. We have encouraged our members to attend meetings held by the Bioregional Advisory Panels. Several of our members have made their own submissions to the Panels. We have attached copies of those submissions from the Pilbara Ports Authority and Dalrymple Bay Coal Terminal Management Pty Ltd.

Ports Australia - Representation

Ports Australia is the peak industry body representing all port authorities and corporations, both publicly and privately owned, at the national level. Ports Australia is a constituted company limited by guarantee with a Board of Directors, comprising the CEOs of 11 member ports. Our website is at www.portsaustralia.com.au

Strategic Policy Interest

Management plans are very powerful instruments. They are enabling documents that set out the conditions and activities that can take place in a marine reserve. This review represents the perfect opportunity for the review panel to recommend to the Australian Government that multiple uses, particularly for ongoing port and shipping activity, are permitted in marine parks.

Port and Shipping Activity

We support the declaration of all of the marine reserves but with the proviso that recognition must be given to existing activities within the declared areas which pre-date the declaration of all of the reserves. There should also be process to ensure existing and proposed developments do not trigger additional assessments or duplication in process, if already approved under other regulatory instruments.

In particular, the management plans must permit the continuation of shipping and other port-related activities within the zones. Therefore, operations for existing ports and approved port development areas, recognised and designated shipping channels and anchorage areas should be classified as Special Purpose Zones (Ports) (IUCN VI).

The management plans should also align marine-based operational principles and definitions against those already established under national and international codes and standards in order to avoid duplication when commercial vessels are operating in these areas. Current controls under IMO and MARPOL provide for an adequate and balanced approach to the protection of the marine environment, whilst recognising critical infrastructure and development.

We support the requirements for ballast water exchange under the Biosecurity Bill. Ports Australia would like to be consulted should there be any changes to these measures under the management plans.

We recall with some considerable concern, opinions expressed by representatives of at least one environmental NGO indicating that they did not support shipping (either commercial or defence vessels) travelling through any of the marine reserves. This indicates a lack of understanding of the economic importance of shipping to our supply chains and to the broader Australian economy.

The total sea freight task (imports and exports) was \$502.4 billion in 2012/13. Shipping accounts for over 99% of Australia's total trade, by weight. In FY 2012 – 13, there were more than 31,000 vessel calls at Australia's 46 major ports. Australia's economy is projected to grow at an annual rate of 3% to 2025. From now to 2025, Australia's trade is forecast to grow by 129%, nearly double the rate of world trade growth.

What does this mean for the number of vessels calling at Australian ports? Between 2013 and 2025, vessel activity at Australian ports is forecast to grow by 28%. Bulk vessels, mainly at regional ports, are expected to account for 56% of this activity, with containerhips accounting for 26%.

The largest growth in total trade movements between 2013 and 2025 will occur at Melbourne and Brisbane (both 34%) followed by Sydney and Fremantle (both 28%). Containerised trade at all Australian ports is forecast to almost double by 2025. Subtropical and tropical regions of Qld and WA are likely to experience high growth in bulk export trade of iron ore, coal and LNG.

Ports are critical to maintaining and growing the Australian economy, enabling the export of our agricultural and mineral commodities and imports such as fuel, cars and household goods that support our communities. The importance of ports is recognised in the National Ports Strategy, the draft Queensland Ports Strategy and other related state and territory transport legislation and regulations. Port growth will be required in the future to support increasing population and enable development of Australia's resource and agricultural industries. Ports Australia strongly believes that port growth can continue while also ensuring important environmental values are protected.

Ports are consistently demonstrating that they are good environmental citizens. We do not support a lessening any reduction in standards. Rather, we identify strongly with the Government's intention to construct clear and unambiguous management plans for the Commonwealth Marine Reserves.

In recent years Australia has evolved as a high cost economy with elevated regulatory risk. Industry views our ability to retain a competitive advantage in our overseas markets as dependent upon improved regulatory certainty and lower costs associated with regulatory processes.

We are therefore seeking regulatory certainty and transparency with the management plans. Too often we have witnessed capriciousness in the delivery of the regulatory process that has extended time lines, added costs, introduced iterative processes and embodied prejudice towards port and shipping activity.

Our ports are central to some of the biggest infrastructure developments around the coastline. We recognise that major projects can cause community concern and one of the best ways of addressing those concerns is by fulfilling obligations and demonstrating full compliance with environmental assessments and by ports showing that they are willing participants in a clear and transparent assessment processes.

We require unambiguous recognition that our shipping channels and anchorage areas are key elements of our national infrastructure akin to our road and rail networks in defining the capacity and efficiency of our international supply chains.

Any prohibition of anchoring except in areas to be determined could have a detrimental impact should a shipping incident occur in one of the marine reserves. The ship may need to anchor (if possible) in order to prevent any collision with a reef and to allow the ship to carry out emergency repairs (again, if possible). We therefore need sensible management plans that permit remedial action to be taken by or on behalf of shipping should an emergency occur in Commonwealth Marine Reserves.

Dredging

Dredging of shipping channels and berth pockets is a vital activity to ensure that Australia's transport supply chains – both terrestrial and maritime - remain efficient and open. Efficient, commercial ports are critical for the export of our agricultural and mineral commodities and for a range of imports including household goods, manufactured products, vehicles, machinery and fuel. Maintenance and growth of our economy depends directly on seaborne trade.

Capital dredging is undertaken for major port expansion to create new or improved existing channels and berths.

Regrettably, the Commonwealth Minister for the Environment has announced a ban on the disposal at sea in the Great Barrier Reef World Heritage Area of material from capital dredging undertaken by Queensland ports. This policy is unsustainable in economic, logistical and, importantly, in environment terms. This action was taken without industry consultation and ignores the science which tells us that clean, dredged sediments are usually best left in a marine environment.

Support for offshore disposal was documented in the Great Barrier Reef 2014 Strategic Assessment which concluded that land-based disposal was not a viable long term option given the nature of marine sediment and lack of availability of suitable land.

Regrettably, the science has been discarded and instead the policy has been dictated by an activist ideology that has swayed the Commonwealth and Queensland Governments.

The science tells us that dredging has an insignificant impact on the health of the Reef and that governments should focus on other influences such as the run-off of pesticides and nutrients from other land uses.

Maintenance dredging is also an essential activity to remove shoaling and maintain designated channel depths so as to allow ships to safely access wharves and associated

road and rail connections. If maintenance dredging is not undertaken the port is unable to sustain declared depths, with consequent and profound safety implications, which impacts shipping operations and compromises the statutory responsibility of the port corporations to maintain safety and efficiency.

Unanticipated delays in approvals for maintenance dredging can have major implications for ports. Certainty of approvals is essential to allow maintenance dredgers to be contracted. This is particularly the case in Queensland where ports share the availability of dredge plant the “*Brisbane*” and scheduling is completed up to a year in advance. Failure to have approvals in place for an allocated dredging slot with the dredger can have major ramifications.

The Australian Maritime Safety Authority is internationally recognised as being a leader in undertaking rigorous port state control with regard to inspections and detentions (where necessary) of foreign ships entering our ports. AMSA has already declared that two foreign vessels are not to return to Australian waters until significant problems with those ships have been rectified.

If ports were unable to undertake capital or maintenance dredging, we face the prospect of size restrictions being placed on vessels. This will inevitably result in smaller and older vessels from the global fleet visiting Australia. Older vessels worsen over time and the risks to our maritime environment from these ships cannot be overstated. Older, smaller vessels will also result in a loss of supply chain efficiency.

Approvals and permissions for capital and maintenance dredging must go through a number of assessment processes, depending upon the location of the dredging campaign and the site at which the dredged material is placed at sea. Ports must comply with assessment and approval conditions under the three Commonwealth Acts:

- *Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act)*;
- *Environment Protection (Sea Dumping) Act 1981*; and
- *Great Barrier Reef Marine Park Act 1975*.

In addition, state legislation is also assessed and joint permits are considered where boundaries overlap.

We do not want to see the recommendations to the Government for the management plans for the Commonwealth Marine Reserves adding an additional layer of bureaucracy to the assessment and approvals process for either capital or maintenance dredging.

Well-planned dredging activities are essential for the environmental management of dredged material. Project design is the primary method used by our ports to minimize the dredging footprint and the subsequent volume of sediment to be placed at sea. Long term approaches such as port master planning (see below), port environmental management plans and long-term sea dumping permits for maintenance dredged material all contribute to improved planning and project design. Knowledge of sediment movements, potential sources of contamination and how contamination status has changed over time informs the management of dredging and disposal projects. Our ports regularly undertake comprehensive range of environmental surveys, monitoring and sampling of dredged material.

Ongoing strategic port planning, approaches that consider improved environmental outcomes (including beneficial reuse options and net benefit frameworks) and management of the regions surrounding ports all have a role to play in the future management of dredged material.

The placement of clean dredged material in the Multiple Use Zone (IUCN Category VI) of the Reserves is consistent with permitted uses within the zone which include “*activities associated with port operations and development, including maintenance dredging and the dumping of spoil*”.

Ports Australia’s Dredging and Australian Ports Report

The regulatory processes associated with capital and maintenance dredging proposals have over time become more complex, uncertain and expensive imposing a direct cost on our trades to the extent that the notion of “sovereign risk” has seeped back into the discussion.

In an effort to bring some factual and scientifically-based evidence to the debate about dredging, Ports Australia commissioned an independent review of recent port dredging projects in tropical and sub-tropical Australian ports. A copy of the report is attached.

The report found that the environmental impacts were generally consistent with or less than those approvals granted by the relevant regulators. The report aims to bring some balance back to the debate about the impacts of dredging, many of the facts about which have been and continue to be deliberately misrepresented by some groups, particularly in relation to impacts on the Great Barrier Reef.

The report’s findings confirm that dredging and dredged material placement are subject to detailed and complex approval processes under international, commonwealth and state legislation.

The vast majority of dredging in northern Australian ports involves clean sediments and, where any toxic materials are identified, they are disposed of on land and not at sea. The report also demonstrates the substantial effort and resources that ports put into responsibly assessing and managing dredging projects to protect areas of high conservation value.

We have commissioned a similar report on our temperate ports and once it has been completed, a copy will be forwarded to the panel. This second report will complement the first report on subtropical and tropical ports.

Master Planning

Ports Australia is a strong advocate of port master planning. To that end, we commissioned a paper *Port Master Planning – Leading Practice* and released it in August 2013. A copy is provided together with this submission. The framework developed envisages engagement with relevant stakeholders and planning commitment to leading practice environmental values.

Port master planning carried out to specified standards and aligned with regulatory benefits can commit agencies to certainty and consistency in regulatory requirements, certainty in timelines, and simplification of process generally.

There is a growing realisation that a transparent process of master planning offers genuine benefits including securing a community licence to operate and develop and to broadening recognition and ownership of imperatives such as protecting access corridors, buffer zones and freight precincts. While a transparent master planning process does not imply that there will be agreement by all, notably on the part of some green NGOs, it sets aside the capacity for such groups to claim that plans are not out there for all to see. Political

support for master plans then adds the element of certainty that then begins to build a more secure investment environment.

Conclusion

We are seeking clarity, consistency and transparency with the recommendations to the Government for the management plans for the Commonwealth Marine Reserves that are based on sound scientific principles, real-life operational practicalities relating to ports and shipping operations, economic imperatives and cost effectiveness.

Thank you for the opportunity to comment.

Yours sincerely,



David Anderson
Chief Executive Officer