

Environmental assessment

Middle Arm Sustainable Development Precinct (MASDP)

What is the Middle Arm Sustainable Development Precinct

The Department of Infrastructure, Planning and Logistics (DIPL) is seeking environmental approval for a 'development ready' industrial precinct on the Middle Arm peninsula. If approved, it may include low emission hydrocarbons, renewable hydrogen, minerals processing, carbon capture and storage and advanced manufacturing.

The precinct would cover approximately 1500 hectares of the 2200-hectare Middle Arm peninsula, in an area designated for gas-based, low emissions sustainable industries.

Middle Arm is already home to the Santos Darwin LNG Project at Wickham Point, and the INPEX LNG Project at Bladin Point.

The concept of sustainable development precincts was outlined in the Territory Economic Reconstruction Commission (TERC) 2020 report to support the delivery of a \$40 billion economy by 2030. The sustainable development precinct concept is designed to drive industry diversification, exports, jobs and population growth, whilst still meeting commitments to reach net zero emissions by 2050.

The essential elements of a sustainable development precinct are:

- co-location of industries with shared infrastructure needs
- integration and maximising use of renewable energy
- efficient water use, including reuse and waste water treatment where possible
- Circular economy principles including recycling of waste streams.

What is a referral?

Proposed development that has the potential to have a significant impact on the environment must be 'referred' to the Northern Territory Environment Protection Authority (NT EPA) for assessment and approval in accordance with the Northern Territory's Environment Protection Act 2019 (EP Act).

The referral's purpose is to inform the regulators about the proposed development and provide enough

information to allow the regulator to make a judgement on the proposal's potential to have a significant impact on the environment.

DIPL has referred the Middle Arm Sustainable Development Precinct as a 'strategic proposal' rather than a 'proposed action', which is the category that a specific individual project would fall into.

Referral to the Australian Government

Proposed development that is likely to have a significant impact on a matter of national environmental significance requires assessment and approval under the national Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act). This aligns with, but is separate from, the referral under the Northern Territory process.

On 31 March 2022, the Chief Minister of the Northern Territory and the federal Minister for the Environment entered into a statutory agreement under section 146 of the EPBC Act to undertake a 'strategic assessment' of the MASDP.

What is strategic environmental assessment?

Strategic assessments are large scale assessments and, unlike project-by-project assessments which look at individual actions, consider a broader set of development activities over a larger scale and timeframe. They are designed to provide certainty for both industry and the community.

An example is the program to establish an industrial precinct at Middle Arm on Darwin Harbour, with a range of potential industry types and multiple proponents. This approach can be more efficient than doing project-by-project assessments and looks at cumulative impacts rather than assessing the impacts of individual projects in isolation.

Under the EP Act (NT) and under the EPBC Act (federal) a proposed development can be assessed and approved via a strategic environmental assessment.

The MASDP is the first 'strategic assessment' in the Northern Territory.

Strategic assessments should provide greater upfront certainty for developers while also delivering better environmental outcomes for the significant environmental values at Middle Arm and the broader Darwin Harbour.

A strategic assessment:

- considers the competitive advantage of a precinct or region
- considers scenarios of development and the implications for issues such as land clearing, water and energy use, emissions and discharges and infrastructure needs
- determines the potential cumulative positive and negative biophysical, economic, social, cultural and health impacts
- provides advice on the most appropriate types of projects that might be approved and conditions that should apply to project-level approvals
- recommends governance structures, such as management of the precinct, conditions that should apply to individual projects and ongoing monitoring and management of all potential impacts
- outlines desired sustainability outcomes and how they are best achieved.

What will be included in an Environmental Impact Statement (EIS)?

The EIS is a document used to systematically identify environmental impacts from a proposed development or a strategic proposal.

Under Northern Territory environmental law the 'environment' means all aspects of the surroundings of humans including physical, biological, economic, cultural and social aspects.

The EIS must consider how the MASDP may impact the land, sea, air, freshwater systems and people.

Additionally the EIS must consider how matters of national environmental significance will be impacted. The Terms of Reference determine what needs to be included.

Terms of Reference for Strategic Assessment by an EIS under the EP Act (NT Terms of Reference)

The final NT Terms of Reference were issued by the NT EPA on 29 September 2022 following a period of public consultation and feedback that took place from 12 April – 10 June 2022. The NT Terms of Reference detail the information that is required to be provided in the EIS to meet the requirements of the NT EP Act.

Terms of Reference for a Part 10 Strategic Assessment under the EPBC Act (Commonwealth)

The Commonwealth Minister for the Environment agreed to finalise the Commonwealth Terms of

Reference on 4 October 2023. This followed public consultation and feedback on the Commonwealth Terms of Reference between 11 May – 10 June 2022. The finalised Commonwealth Terms of Reference detail the information that must be provided in the EIS as required under the EPBC Act.

Whilst the two assessment and approval processes described in this fact sheet are separate, and do have separate Terms of Reference, there is an opportunity to deliver a single EIS that meets the requirements of both regulators, and to ensure that the public exhibition periods are concurrent.

The public submission process provides an opportunity for community members to provide their comments, contribute knowledge and make suggestions.

The Mitigation hierarchy

In making decisions about actions that affect the environment DIPL has a responsibility to follow the environmental decision making hierarchy to:

Ensure that actions are designed to avoid adverse impacts on the environment.

Identify management options to mitigate adverse impacts on the environment to the greatest extent practicable.

If appropriate, provide for environmental offsets in accordance with the EP Act for residual adverse impacts on the environment that cannot be avoided or mitigated.

How do you have your say?

Communication and stakeholder engagement is an important part of precinct planning and environmental assessment. DIPL will provide regular updates on the project to keep people informed.

Formal feedback points include:

- engagement to inform the draft Environmental Impact Statement
- public exhibition of the MASDP Program and draft Environmental Impact Statement
- development of supplementary information
- public exhibition of supplementary information (NT EPA only).

To keep up to date on the latest information and for opportunities to provide feedback, scan the QR code or visit

middlearmprecinct.nt.gov.au

Alternatively, you can email contact.MASDP@nt.gov.au

