DRAFT GREAT BARRIER REEF PORTS STRATEGY 2012-2022

Lauren Stiles : 8/20/1: #3798497

RECOMMENDATION:

That Council supports the Draft Great Barrier Reef Port Strategy 2012-2022 and notes the advice from Ports North that it has been consulted in the preparation of the Strategy.

EXECUTIVE SUMMARY:


Consultation on this document will inform a Queensland Ports Strategy and the actions that government undertakes with industry, port authorities, communities and other partners to optimise the future operation and function of ports in Queensland.

The Draft Strategy also aims to complement the Great Barrier Reef Coastal Zone Strategic Assessment being undertaken jointly by the Australian and Queensland Government.

The Draft Strategy includes a number of questions about the future operation of Queensland’s port network in order to obtain specific feedback during the consultation period. The State Government is requesting particular consideration and response regarding the following matters:

- the best use of each port;
- assessment and management of environmental impacts;
- strategic use of port land;
- improvements to port planning including master planning;
- commercial funding models and barriers to investment; and
- other opportunities to improve efficiency and minimise environmental impacts.

The closing date for submissions is 14 December 2012.
BACKGROUND:

The Australian and Queensland Governments have committed to ensuring the Great Barrier Reef retains the values for which it was declared a World Heritage Area. As part of this commitment, they are working in partnership to undertake a comprehensive strategic assessment (Great Barrier Reef Coastal Zone Strategic Assessment) of the Great Barrier Reef World Heritage Area and adjacent coastal zone which will guide the management of the reef for the next 25 years.

The Great Barrier Reef Ports Strategy is intended to inform the Great Barrier Reef Coastal Zone Strategic Assessment as it relates to the management and planning of ports, particularly the protection of matters of national significance.

The Draft Strategy also responds in part to the UNESCO report of June 2011, which expressed concern at the rate of proposed port development within the Great Barrier Reef World Heritage Area.

In July 2012, the Queensland Government signed up to be part of the National Ports Strategy along with all other State Governments. The overriding aim of the National Ports Strategy is improving the integration and performance of Australia’s ports.

COMMENT:

The Draft Strategy outlines how ports facilitate Queensland’s four pillar economy and highlights the importance of protecting the Great Barrier Reef into the future. The Draft Strategy presents the following vision for the future development of ports in the Great Barrier Reef region:

*The Queensland Government’s vision for the future of the port network within the Great Barrier Reef region is to develop an efficient Queensland port network that will grow a four pillar economy while protecting the Great Barrier Reef.*

The following five principles are provided to support the vision and direct the government’s approach to port development over the next ten years. These principles will be reviewed every five years.

**Principle 1:** Strategic use of ports to facilitate economic growth

**Principle 2:** The right balance between economic development and environmental protection

**Principle 3:** Maximise efficiency throughout the port system

**Principle 4:** A whole of network approach

**Principle 5:** Clarity and transparency in port planning

Further descriptions, case studies and guiding questions for consultation are provided for each of the five principles.
Planning

Any future development involving the expansion of port activities will be determined by State and Federal legislation as the activities are outside the area administered by Council’s planning scheme. Such activities are typically assessed by both State and Federal government agencies through number of legislative frameworks.

Economic Development

The following economic development comments are provided for each principle:

Principle 1: Strategic use of ports to facilitate economic growth

The Port of Cairns is a major contributor to economic growth and output in the region with benefits impacting on many industry sectors.

The competitive advantage of the Port of Cairns is the fact that it is a unique multi-purpose regional port that caters for a diverse range of customers from bulk and general cargo, cruise shipping, super yachts, fishing fleet, mine servicing operations, reef passenger ferries and Queensland’s only Naval base – HMAS Cairns.

The Port of Cairns’ competitive advantage also lies in the extensive and experienced ship building and repair services with a number of slipways and dry docks up to 3,000 tonne capacity for a diverse range of ship maintenance requirements.

Principle 2: The right balance between economic development and environmental protection

Council supports Port North’s approach to environmental management that focuses on both regulatory requirements and improving performance through the implementation of best practice environmental management measures and effective community and stakeholder consultation.

Principle 3: Maximise efficiency throughout the port system

Investment in port infrastructure in Cairns should support the competitive advantages identified above but with a focus on investment that supports expansion of:

- Navy/Defence/Border Protection;
- The extensive ship building and repair services; and
- Tourism.

Council supports the private sector investment in the Port of Cairns.

The Port of Cairns has an extensive land holding that is important for attracting investment.

Council also supports any efforts to cut red tape and to provide more certainty about assessment and approval processes.
**Principle 4: A whole of network approach**

The Port of Cairns has long been the natural consolidation and redistribution centre for supplies that are shipped to the coastal communities north of Cairns as well as the Torres Strait Islands and the Gulf of Carpentaria. Council supports any approach that would see this coastal shipping service expanded and also considered as port supporting disaster recovery (as an alternative to road or air transportation).

**Principle 5: Clarity and transparency in port planning**

Council supports an Industry led approach to consistent, coordinated, long term master planning across ports to provide certainty to the private sector, communities and local government.

**CONSULTATION:**

Council officers have liaised with the Far North Queensland Ports Corporation Limited (Ports North) during the review of the draft Strategy and have been advised that Ports North have been consulted throughout the development of the Strategy and are supportive of the draft Strategy.

The consultation period for the Draft Strategy started on 1 November 2012 and will close on 14 December 2012.

**CONSIDERATIONS:**

**Corporate and Operational Plans:**

The Draft Strategy complements the Council’s Corporate Plan vision to balance economic development, environmental management and social well-being.

**Statutory:**

The Draft Strategy is a non-statutory document.

**Sustainability:**

A sustainability assessment is not required for Reports For Noting

**Options:**

1. That Council supports the Draft Great Barrier Reef Port Strategy 2012-2022 and notes the advice from Ports North that it has been adequately consulted in the preparation of the Strategy.

ATTACHMENTS:

Attachment 1 – Draft Great Barrier Reef Ports Strategy 2012-202 (draft for consultation)

Lauren Stiles
Planning Officer

Kelly Reaston
Acting General Manager Planning and Environment
Great Barrier Reef Ports Strategy 2012–2022
For public consultation
October 2012
The Department of State Development, Infrastructure and Planning leads a coordinated Queensland Government approach to planning, infrastructure and development across the state.

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Foreword

Queensland is part of a global economy. Ports connect Queensland with the world and grow our four pillar economy. Our connections with the rest of the world will influence our future. We export world-class agricultural produce and resources to markets across many nations. We are home to world-class tourism icons that attract visitors from countries near and far. We have an enviable lifestyle that is supported by diverse economic opportunities and unique natural endowments.

Most of our major ports are based along the coastline of the Great Barrier Reef—a natural phenomenon of such unique beauty and environmental value that it is accorded World Heritage Status by UNESCO. The Great Barrier Reef also supports a range of activities and industries, making it critical to the economic and social wellbeing of more than one million Queenslanders.

The Queensland Government will ensure that port development in the Great Barrier Reef region occurs in a balanced and incremental way to support economic development while maintaining the outstanding environmental value of this world renowned icon.

The principles contained in the Great Barrier Reef Ports Strategy outline the Queensland Government’s strategic approach to port development. We will work with industry and stakeholders to optimise the use of existing port areas and minimise environmental impacts.

The State Government is committed to finding the right balance between economic development and environmental protection. We have already demonstrated this commitment by limiting rail corridor development in the Galilee Basin to only two corridors and scaling back proposed port expansion at Abbot Point.

To realise our economic potential we must provide investment and development certainty. The Great Barrier Reef Ports Strategy will help to provide greater confidence, transparency and certainty for industry, community and all stakeholders by setting out this government’s position on port development in the region.

We want to hear from you about how we can optimise Queensland’s port network, provide greater certainty and deliver economic and environmental outcomes for all Queenslanders.

The Honourable Jeff Seeney MP
Deputy Premier and Minister for State Development, Infrastructure and Planning
Contents

1. About this strategy .................................................................................................................. 5
2. Consultation .......................................................................................................................... 6
   Have your say ......................................................................................................................... 6
3. Ports facilitate Queensland’s four pillar economy ............................................................... 7
4. Protecting the Great Barrier Reef ....................................................................................... 9
   Environmental impacts ......................................................................................................... 9
   Social impacts ...................................................................................................................... 10
   Shipping ............................................................................................................................... 11
   Shipping management .......................................................................................................... 12
5. Principles for future port development .............................................................................. 14
   Principle 1: Strategic use of ports to facilitate economic growth ........................................ 15
   Principle 2: The right balance between economic development and environmental protection ......................................................................................................................... 17
   Principle 3: Maximise efficiency throughout the port system ............................................. 20
   Principle 4: A whole of network approach .......................................................................... 22
   Principle 5: Clarity and transparency in port planning ......................................................... 25
6. Implementation and review ............................................................................................... 27
7. References ........................................................................................................................... 28
   Endnotes ............................................................................................................................. 29
1. **About this strategy**

The *Great Barrier Reef Ports Strategy* presents the vision and principles guiding the Queensland Government’s approach to future port development and planning in the Great Barrier Reef coastal region to 2022.

Consultation on this document will inform a *Queensland Ports Strategy* and the actions that government undertakes with industry, port authorities, communities and other partners to optimise the future operation and function of ports in Queensland.

The strategy also complements the Great Barrier Reef Coastal Zone Strategic Assessment being undertaken by the Queensland Government.

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**Great Barrier Reef Coastal Zone Strategic Assessment**

The Australian and Queensland governments are committed to ensuring the Great Barrier Reef retains the values for which it was declared a World Heritage Area and that it continues to be one of the best managed marine protected areas in the world.

Both governments are working together to undertake a comprehensive strategic assessment, under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), of the Great Barrier Reef World Heritage Area and adjacent coastal zone which will guide the management of the reef for the next 25 years.

The Queensland Government is leading the coastal component examining coastal development including planning for urban, industrial and port development and the processes and management arrangements in place to ensure development occurs sustainably and does not impact unacceptably on the reef’s unique values.

The *Great Barrier Reef Ports Strategy* will inform the strategic assessment as it relates to the management and planning of ports, particularly the protection of matters of national environmental significance.

The Great Barrier Reef Marine Park Authority is leading the marine component of the comprehensive strategic assessment which looks at the arrangements in place to manage and protect the Great Barrier Reef region.

Strategic assessment reports will be available for public consultation in early to mid 2013.

2. Consultation

Questions have been posed throughout this document for response. They are directed towards the future operation of Queensland's port network. Issues for consideration include:

- the best use of each port
- assessment and management of environmental impacts
- strategic use of port land
- improvements to port planning including master planning
- commercial funding models and barriers to investment
- other opportunities to improve efficiency and minimise environmental impacts.

Have your say

The Queensland Government is seeking your input on the Great Barrier Reef Ports Strategy. The closing date for submissions is 14 December 2012. Submissions can be made by:

Online survey:  www.getinvolved.qld.gov.au
Email:  GBRportsstrategy@dsdip.qld.gov.au
Post:  GBR Ports Strategy Project Manager
        Department of State Development, Infrastructure and Planning
        PO Box 15009
        City East QLD 4002

For further information and to download a written submission form, visit www.dsdip.qld.gov.au/GBRportsstrategy or call 13 QGOV.
3. Ports facilitate Queensland’s four pillar economy

Ports are essential to the function and growth of Queensland’s four pillar economy based on tourism, agriculture, resources and construction. The Queensland Government is committed to working with industry, across government and private partners to optimise the efficiency of the state’s port operations.

The Great Barrier Reef is internationally renowned for its outstanding biodiversity and beauty. As such, the Great Barrier Reef is recognised by UNESCO as a World Heritage Area. The reef is also recognised as a multiple-use area that supports a range of activities and industries such as tourism, fishing, boating and shipping. Ports adjacent to the reef support a vast amount of economic activity (Figure 1); almost 200 million tonnes throughput occurs at these ports annually.

**Great Barrier Reef ports fast facts:**
- average annual throughput of GBR ports (2006-2011): 196 million tonnes
- approximate value of export trades from GBR ports (2011-2012): $40 billion
- portion of total volume of throughput in Queensland annually (2010-2011): 78 per cent
- portion of total throughput volume at GBR ports from coal (2010-2011): 79 per cent.

*Source: Port Trade Statistics, Ports Australia; Office of Economic and Statistical Research*

Ports adjacent to the Great Barrier Reef support each of the four pillars of the Queensland economy.

Resources: Resources from Australia’s largest coal deposits as well as significant lead, zinc, silver, gold and copper reserves make their way to global markets through ports along the Great Barrier Reef.

Agriculture: Agriculture and grazing catchments make up a majority of the land use adjacent to the Great Barrier Reef. Produce, particularly sugar, makes its way to global markets through ports in the Great Barrier Reef region.

Tourism: The Great Barrier Reef and surrounding regions are globally recognised tourist destinations and support a significant portion of Queensland’s tourism industry. Ports are essential to Queensland’s growing cruise shipping industry.

Construction: Port development and related infrastructure and freight corridors support significant construction activity.

A balanced approach to economic growth within the Great Barrier Reef region is required to ensure the integrity of this world renowned site is not compromised.
Figure 1  The role of ports adjacent to the Great Barrier Reef
4. Protecting the Great Barrier Reef

The Great Barrier Reef is internationally renowned for its outstanding biodiversity and beauty and as the world’s most extensive coral reef ecosystem, has been recognised by UNESCO as a World Heritage Area. It remains the most protected reef and one of the best managed marine areas in the world.¹

The reef extends over 2300 kilometres along the eastern coast of Queensland from the Torres Strait to north of Bundaberg. Adjacent to the reef are regional communities that are home to more than one million Queenslanders. Its proximity to these towns and cities means that the reef is a recognised multiple-use area, supporting activities and industries such as tourism, fishing, boating and shipping.

To ensure the sustainability of the reef as a multiple-use area, extensive management arrangements have been put in place across governments to regulate activities across the Great Barrier Reef region. The Australian Government Great Barrier Reef Marine Park Authority has management jurisdiction of the Great Barrier Reef Marine Park in collaboration with a range of Queensland and Australian government agencies.

Environmental impacts

The Great Barrier Reef Marine Park Authority’s Great Barrier Reef Outlook Report 2009 identified a number of major threats to the health of the Great Barrier Reef including climate change, declining water quality from catchment runoff, loss of coastal habitats from coastal development and impacts from fishing. Threats to the health of the reef from ports and shipping were identified as moderate and localised.¹²

A recent study by the Australian Institute of Marine Science (AIMS) in Townsville and the University of Wollongong, reported the decline in coral cover on the Great Barrier Reef can be attributed to storm damage (48 per cent), coral predation by Crown of Thorns Starfish (42 per cent) and coral bleaching (10 per cent).¹³

While it is not possible to protect the reef from many of the risks it faces, like tropical storms; the Queensland Government is continuing to fund initiatives to improve its resilience to pressures. Improving water quality, tackling the crown of thorns starfish and directing resources to where they can generate the greatest benefit for the reef are priorities for the Queensland Government.

Coastal ecosystems in and adjacent to the Great Barrier Reef, including those in port areas, form the critical connection between land and sea. Numerous vulnerable habitats and species are present within and adjacent to port areas and their related activities, including dredging and ship anchorage areas.

The Queensland Government, through this Great Barrier Reef Ports Strategy, is seeking to balance the protection of important habitats and environmental values, with the need to facilitate economic infrastructure that ensures the growth of Queensland’s four pillar economy.
Queensland can build on its well-established processes to measure and manage environmental impacts of port development. Working with relevant private proponents, environmental impacts are assessed and management strategies developed to cover impacts relating to: climate change, natural hazards, coastal environment, nature conservation, water resources, air quality, greenhouse gas emissions, noise, vibration, and cultural heritage including Indigenous cultural heritage.

Consultation question

• How can we meet the demand for port capacity while minimising environmental impacts?

Social impacts

The Queensland Government recognises the social and community impacts of port and associated infrastructure development.

Land use planning is an important tool to manage sustainable development and minimise social impacts. The Queensland Government is seeking to ensure the best use of land around ports to balance efficient access to ports with urban development.

Proponents of resource projects are required to assess the project’s social impacts and develop a social impact management plan. This includes assessment of:

• the social and cultural impacts of development
• the impact of workforce requirements during both the construction and operation stages
• mitigation and management strategies for social impacts, including cumulative impacts.

Consultation question

• What are important factors in social and cultural planning?
Shipping

The strong growth of Queensland’s economy, particularly in the resources sector, has seen an increase in port use and shipping over the last 10 years. In 2001 there were 3583 ship calls to ports within the Great Barrier Reef region. These numbers reached their highest point to date in 2010 with 4487 ships calling at ports within the Great Barrier Reef region.\(^1\)

Shipping numbers are driven by: the level of demand for Queensland exports; the rate at which supply can meet that demand; and the rate at which Queensland purchases international commodities. Fluctuations in demand, competition between supply countries and production constraints mean that shipping number forecasts change regularly. Given the heavy concentration of coal exports in the throughput of ports adjacent to the Great Barrier Reef, changes in demand and supply of coal are likely to have a significant effect on future shipping numbers.

Figure 2 presents low, medium and high growth forecast scenarios for ship calls in the ports adjacent to the Great Barrier Reef over the next ten years.\(^1\)

![Figure 2: Forecast scenarios of total number of ship calls (low, medium and high)](image)

The simulated forecast illustrates that the highest likely ship call numbers in 2022 is approximately 6100. A more likely approximate scenario is between 5650 and 5900, which represents around three to four per cent annual growth in Queensland’s trade volume. The average annual growth rate in trade volume over the last ten years is around three per cent.\(^1\)

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1 Modelling conducted by the Department of State Development, Infrastructure and Planning. These scenarios are modelled on trend data from the past ten years of activity, capturing both imports and exports. In addition to trend data, the modelling above also incorporates forecasts from the Australian Bureau for Resource and Energy Economics (BREE) for liquefied natural gas (LNG) and coal export capacity that is coming online over coming years. BREE forecast scenarios diverge at 2017 which is reflected above.

Ship call forecasts have also been released in a study by PGM Environment, Great Barrier Reef Shipping: Review of Environmental Implications, as part of the Cumulative Environmental Impact Assessment at Abbot Point. This study forecasts a ‘probable case’ of 7,446 ship calls by 2020. This forecast is higher than the forecast included above. The reason for this variation is due to the different methodologies that were employed. The PGM Environment study considered forecast data from individual ports based on required port allocation of future projects. As the PGM Environment study points out, these figures presume that the allocated capacity will be fully utilised, and do not take account of likely fluctuations in demand. This means that the PGM Environment forecast is likely to be high.
Shipping management

Over the last decade the Queensland and Australian governments have strengthened measures to manage the safety of navigation and minimise the risk of shipping incidents and their associated environmental impacts. As a result, there has been a decline in the rate and overall number of shipping incidents even though shipping numbers have increased.

Shipping through the Great Barrier Reef region is highly regulated. Ship management measures for the region include:

- compulsory and recommended pilotage regimes for the key shipping routes and ports (requiring a local pilot who understands local conditions, navigation and shipping routes)
- navigation marking shipping routes in the Great Barrier Reef and ports
- a number of vessel traffic service centres providing a monitoring and surveillance system and traffic information service for shipping in Queensland ports and throughout the Great Barrier Reef and Torres Strait
- designated anchorage areas for ports
- the establishment of designated shipping areas and defined traffic routes, limiting shipping to specific zones along the Great Barrier Reef (see Figure 3).

North East Shipping Management Plan

Shipping safety measures in the Great Barrier Reef are generally managed through the North East Shipping Management Group. The group is developing the North East Shipping Management Plan which is assessing whether the current safety and management measures will be effective in 10–20 years time if shipping activity continues to increase. The plan will set strategies for managing shipping in the Great Barrier Reef with the aim of reducing the risk of a shipping incident and pollution of the marine environment. The North East Shipping Management Plan will be finalised by the end of 2012.

Members of the group include: Maritime Safety Queensland; the Australian Maritime Safety Authority; Great Barrier Reef Marine Park Authority; Australian Department of Infrastructure and Transport; Australian Department of Sustainability, Environment, Water, Population and Communities; Australian Department of Resources, Energy and Tourism; and the Australian Department of Agriculture, Fisheries and Forestry.

Source: www.amsa.gov.au
Consultation question

- What are the opportunities for owners, charterers, terminal operators, ports and government to improve shipping management?
5. Principles for future port development

The Queensland Government’s vision for the future of the port network within the Great Barrier Reef region is to develop an efficient Queensland port network that will grow a four pillar economy while protecting the Great Barrier Reef.

The following principles support this vision:

**Principle 1:** Strategic use of ports to facilitate economic growth

**Principle 2:** The right balance between economic development and environmental protection

**Principle 3:** Maximise efficiency throughout the port system

**Principle 4:** A whole of network approach

**Principle 5:** Clarity and transparency in port planning

These principles will govern the government’s approach over the next ten years and will be reviewed every five years.\(^2\)

The outcomes of consultation will inform actions to apply these principles through a *Queensland Ports Strategy* and achieve a balance of economic growth and environmental protection.

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**National Ports Strategy**

The Council of Australian Governments endorsed the *National Ports Strategy* in July 2012 as part of a collaborative approach to the future development and planning of Australia’s port and freight infrastructure.

Agreed priorities in the *National Ports Strategy* include: planning for relevant ports; ensuring plans can be executed; improving land side efficiency, reliability, security and safety of container ports; and promoting clarity, transparency and accountability.

The Queensland Government is leading the way in applying the priorities of the *National Ports Strategy* to increase the efficiency of Queensland’s port network.

The principles outlined in the *Great Barrier Reef Ports Strategy* are consistent with the priorities of the *National Ports Strategy*.

*Source:* www.coag.gov.au

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\(^2\) The strategy’s time horizon has been set to a period within which generally reliable demand forecasts can be made, and recognises the transformative effect that technological advances may have on the use and operation of Queensland’s ports over the next decade.
Principle 1: Strategic use of ports to facilitate economic growth

- The effective operation of ports in the Great Barrier Reef region is fundamental to supporting Queensland’s four pillar economy.
- Strategic use of ports according to areas of competitive advantage will maximise the efficiency of Queensland’s port system.

Ports are a critical node in the supply chains of most industries in Queensland. The ports adjacent to the Great Barrier Reef World Heritage Area are some of the country’s most productive. Their effective operation underpins the growth of Queensland’s four pillar economy.

Ports respond to industry and population growth. As growth continues, Queensland’s port network will need to meet import and export demand.

Strategic planning is required to determine how to meet future demand while making the best possible use of Queensland’s port infrastructure. This requires each port to focus on those trades where it has a strategic advantage. Strength of regional supply chains, connecting infrastructure, and land use priorities determines where each port should focus its future growth plans.

The Queensland Government supports an integrated port network operating at peak efficiency with minimal duplication in infrastructure investment. The state encourages each port to concentrate on matching its freight throughput with its competitive strengths.

Figure 4  Future resource commodity export movements to Great Barrier Reef ports

Principles for future port development
Consultation questions

- How can ports better integrate activity to support and benefit stakeholders?
- What are the competitive strengths of each port in the Great Barrier Reef region?
- How can ports maximise their competitive advantages?

Case study: Growing the cruise shipping industry

In 2011-2012, 239 cruise ships visited Queensland ports, contributing approximately $588.8 million to the state’s economy. The cruise shipping sector is also an important job creator, especially in regional areas, and supports more than 2000 jobs.

Improving Queensland’s cruise ship capacity is a key to achieving Queensland’s tourism strategy—to double visitor expenditure by 2020. Given the importance of the cruising industry to Queensland’s tourism sector it is important to consider the long term planning for and operation of the state’s ports to provide adequate berths, passenger processing facilities and supply chain networks.

Source: www.cruisedownunder.com
Principle 2: The right balance between economic development and environmental protection

- Port development decisions informed by rigorous analysis of full costs and benefits, including consideration of how to minimise environmental impacts to the Great Barrier Reef and other environmental values.
- Restrict any significant port development, within and adjoining the Great Barrier Reef World Heritage Area, to within existing port limits for the next 10 years.
- Environmental assessments of port development to have an increasing focus on cumulative impacts including shipping.
- Innovative solutions to improve the environmental sustainability of ports.
- A whole of region approach to offsetting impacts, that cannot be avoided or mitigated, that directs funds to tackle the most significant issues facing the Great Barrier Reef region.

Port development is essential for the growth of Queensland’s economy. So too is the protection and health of our environmental assets, notably the Great Barrier Reef. The Queensland Government is committed to getting the balance right between economic prosperity and environmental protection.

Commercial investment decisions must fully account for all costs of doing business, including the costs of managing environmental protection.

Limiting significant port development to within existing port limits over the next ten years will ensure that impacts on environmental values are contained. Fewer, larger port areas will mean less disruption to the environment and marine wildlife than would occur if new port areas were established.

Innovative solutions

Ports, industry and governments across the world are exploring new and innovative approaches to port development and shipping, to try to minimise environmental impacts.

Green port solutions are being adopted across the globe including energy efficient loading equipment, environmentally sensitive port design, and technological advancement to improve efficiency and minimise the impacts of noise, waste, pollution and dredging. Alternatives to large port operations are also being adopted internationally including the use of barges and trans-shipping.
Cumulative environmental impact assessment raises the bar on environmental performance. Rather than focusing on the impacts of a single project, cumulative impact assessments take a strategic view of the effect of a pipeline of development activity over time. An innovative model for this kind of assessment is being piloted at Abbot Point through North Queensland Bulk Ports Corporation, as the port authority, and private proponents.

**Case study: Abbot Point Cumulative Environmental Impact Assessment**

The developers of proposed new coal terminals at the Port of Abbot Point have undertaken a comprehensive investigation of environmental impacts from their port development projects.

The Cumulative Impact Assessment will help ensure that the Port of Abbot Point is designed and developed in a manner consistent with environmental best practice and considerate of the outstanding universal value of the Great Barrier Reef World Heritage Area.

North Queensland Bulk Ports Corporation, as the port authority, and BHP Billiton, GVK Hancock Coal and Adani, as the developers of future terminal projects at the port, have come together to produce a consolidated assessment report that provides comprehensive information to inform individual approval decisions at the port.

This collaborative and proactive approach to measuring cumulative impacts is the first of its kind and provides an opportunity to raise the bar on environmental performance.


Consideration of the cumulative impacts of development requires a partnership approach to adaptive environmental management, where impacts are measured and mitigation strategies are developed collectively over time.

Greater flexibility in the offsets regime will support adaptive environmental management, where activity can be refocused to where it will lead to the greatest environmental outcome.
Review of offsets

The Queensland Government is currently reviewing the framework for environmental offsets in Queensland. Offsets are required when options for development to avoid and minimise impacts are exhausted and there is an unavoidable residual impact on environmental values.

The review will deliver a fast, fair and simple policy that provides a streamlined framework that integrates existing policies for vegetation, koalas, and marine fish habitat. The review will refocus offsets towards: financial payments directed towards land management; restoration and recovery works; and provide a more strategic approach for provision of land-based offsets.

This greater flexibility in the offsets regime will enable offsets in the Great Barrier Reef catchment to be refocused to where they will deliver the greatest benefit for the Great Barrier Reef World Heritage Area and matters of national environmental significance.

Source: www.ehp.qld.gov.au

Consultation questions

- How can environmental management at ports be improved?
- What standards can be set for cumulative environmental impact assessment of major port development?
- What innovative approaches to port development could be considered to limit environmental impacts?
Principle 3: Maximise efficiency throughout the port system

- Maximise use of existing infrastructure and port capacity.
- Incremental expansion of port capacity in a scaled way to meet actual demand.
- Maximise private sector investment, through innovative, cooperative funding models.
- Streamline regulation and environmental assessment and approval processes to provide certainty.

Investment in port infrastructure must support the best use of ports. Infrastructure investment decisions need to make good commercial sense, underpinned by rigorous economic assessments of full costs and benefits, and consideration of alternative options for optimising investment spend.

While the government will take a long term view of the planning needs for growing industry, investment decisions will be made incrementally. The state’s focus is on time-effective infrastructure delivery.

Private sector investment, particularly through innovative, cooperative funding models, is the path for future port growth in Queensland. The state government will support the private sector to develop infrastructure as and when required.

Case study: Facilitator for Abbot Point

The Queensland Government has appointed a facilitator to consult with coal companies and other parties regarding development of new coal export facilities at the Port of Abbot Point. This appointment follows the government’s decision not to proceed with the previously proposed Multi-Cargo Facility and Terminals 4 to 9 as the economic and environmental cost of such expansion did not match current demand.

The government will work with industry to determine efficient and commercially viable development solutions to new coal export capacity at Abbot Point. This process will take into account the broad opportunities for development across the lifespan of the Abbot Point port and supporting infrastructure, seeking a responsible and practical staged development process. This is an opportunity to explore funding models that provide for increased private sector ownership and funding of port infrastructure.

Source: www.treasury.qld.gov.au

Certainty is critical for setting the conditions for investment. The Queensland Government is working hard to cut red tape and to provide more certainty about assessment and approval processes.
Projects Queensland has been established within Queensland Treasury and Trade and is working to enhance the infrastructure assessment and procurement processes within government. The strategic assessment of the Great Barrier Reef coastal zone is working to streamline assessment and deliver greater certainty across industry and the community.

Consultation questions

• What are the best measures to benchmark port performance?
• How can we increase the efficiency of existing port capacity and infrastructure?
• What are the opportunities for regulatory reform to maximise efficiency?
• What are innovative, cooperative funding models for port development?
• What are the barriers to private sector investment in expanding port capacity and the efficient use of existing infrastructure?
Principle 4: A whole of network approach

- Transport corridors and landside linkages are critical to port efficiency.
- Common use of supporting infrastructure provides economies of scale.
- Long term planning horizons will allow for optimal infrastructure investment to be made when demand requires.

Ports are a vital part of supply chains across the state. The economic returns generated through movement of goods to international markets filters across the state. Equally, supply chain disruptions due to bottlenecks at ports can echo throughout regional economies.

Any improvement to the performance and efficiency of ports must consider what occurs well beyond the boundaries of port areas. The transport networks which stem from ports extend across hinterlands to sites of production (Figure 5). Efficient movement across each stage in this network impacts the performance of ports.

Port access through landside linkages like transport corridors, road, rail, hardstand areas, logistics are all considerations in increasing efficiency. Limiting significant development to within existing port limits allows further opportunities to plan for efficient, high capacity transport corridors, connecting ports to suppliers and markets.
North Queensland resource supply chain

The Queensland Government is working with local governments and industry leaders to deliver on the $1.66 million federally funded North Queensland resource supply chain project. This work will build on the Mount Isa to Townsville Economic Zone (MiTEZ) 50-year Supply Chain Plan. Inspired by the successful Hunter Valley Coal Chain, the supply chain project will establish cooperative and innovative solutions to increase the efficiency and productivity of supply chains that support the region’s resource sector.

Case study: Galilee Basin infrastructure corridors

The Queensland Government has announced development of two rail corridors to service new and existing coal mines in both the Galilee and Bowen Basins as a preferred option. A west to east corridor will join the existing Queensland Rail National network near Moranbah and will link the central Galilee Basin to the coal ports of Abbot Point, Hay Point and the proposed new coal terminals at Dudgeon Point within the Port of Hay Point.

A south to north rail corridor will be defined along the proposed GVK-Hancock Coal alignment to facilitate the construction of new standard gauge rail lines to link the proposed large-scale, vertically integrated mining operations in the southern Galilee Basin to Abbot Point.

The government’s decision for two corridors assures a coordinated approach that will replace eight different railway proposals. The government will continue to work with all mining companies, rail proponents, farmers, landowners and the community to progress the development of the Galilee Basin.

The government has also commenced development of a Galilee Basin Infrastructure Framework to guide decision making on the coordinated, timely and cost-effective provision of infrastructure to meet the needs of the coal mining industry and the community. The framework will outline the government’s intentions for infrastructure development in the Galilee Basin and is expected to be released in late 2012.

Source: www.dsdip.qld.gov.au

State Development Areas are a mechanism under the State Development and Public Works Organisation Act 1971 to facilitate the establishment of industry to achieve strategic economic and social outcomes for Queensland. Three major ports within the Great Barrier Reef region are supported by State Development Areas providing, amongst other services, opportunities for facilitating transport networks and port access issues while providing industrial land to service port activities.
National Land Freight Strategy

Infrastructure Australia has recently released a National Land Freight Strategy for consideration by the Council of Australian Governments. The strategy outlines recommendations for meeting the forecast doubling of freight movements by 2030. Integration across jurisdictions, innovative funding structures like ‘user pay’ models and finding new efficiencies in existing infrastructure form some of the recommendations.

The Queensland Government is committed to maximising the efficiency of Queensland’s freight movements, finding the most effective commercial models for infrastructure funding, providing certainty to industry and cutting red tape.

Source: www.infrastructureaustralia.gov.au

Consultation questions

- What whole of network solutions could improve access to each port?
- How can we best plan for future infrastructure corridors?
- What structures or partnerships could support better integration across supply chains?
Principle 5: Clarity and transparency in port planning

- Industry led approach to consistent, coordinated, long term master planning across ports to provide certainty to the private sector, communities and local government.
- Best practice port planning principles, with common criteria for each port’s economic, environmental and social planning.
- Better integration across all levels of planning; national, regional, municipal and port to streamline processes and drive efficiency.

The Queensland Government is focused on delivering confidence, transparency and certainty for the private sector, industry and communities. A consistent approach to master planning across ports will allow for improved strategic planning so that Queensland can be prepared for future growth.

All Queensland ports are required by the Transport Infrastructure Act 1994 to prepare a land use plan at least every eight years to identify current and proposed use of port land, coordinate and integrate the core matters relevant to the land use plan and identify desired environmental outcomes for the land.

Ports vary widely due to geography, marine factors such as channel depths, size and scale and trade profiles. This means that the focus of planning can vary significantly across Queensland’s ports.

Improving consistency across port planning will provide greater certainty for stakeholders and investors about the future operation of individual ports. In line with the National Ports Strategy, the Queensland Government is committed to working with industry to improve the consistency and integration of port planning.

A consistent and integrated planning approach is necessary to ensure best port land use, including consideration of factors such as connecting road and rail transport systems.

There is also a need for systematic, integrated state-wide reporting so that ports can demonstrate continuing progress against benchmarked standards for environmental planning, management and monitoring.
Case study: Single State Planning Policy

The Queensland Government has announced it will simplify and streamline the planning and development system in Queensland by establishing a new single state planning policy that considers the state’s interests as a whole.

The single policy will incorporate and replace all fifteen existing state planning policies. New state interests will also be included where necessary, such as tourism and port protection to further support prosperity and economic development throughout the entire state.

The new single planning policy is expected to be in effect by the first quarter of 2013 following extensive consultation with industry and the community.

Source: www.dsdip.qld.gov.au

Consultation questions

- How can we optimise land use around strategic ports?
- How can we best achieve consistent and integrated master planning across unique ports?
- How can we learn from best practice in establishing port planning principles that meet the needs of each port?
- What are opportunities to improve port governance?
6. Implementation and review

The results of consultation will inform actions to implement the principles of the Great Barrier Reef Ports Strategy.

The Queensland Government will work in close partnership with ports, industry and all levels of government on the development and implementation of actions to implement these principles at a state-wide level through a Queensland Ports Strategy.

The Queensland Government’s approach to port development will be reviewed every five years to ensure consistency with the changing needs of industry, ports and the environment.

Consultation question

- What are the partnership opportunities to implement the principles in the Great Barrier Reef Ports Strategy?
7. References

A number of published studies and plans have been referenced and considered in the development of the Great Barrier Reef Ports Strategy. These include but are not limited to:


- Department of Transport and Main Roads, *Port Trade Statistics*


- Queensland Resource Council, *Stakeholder briefing paper prepared for the 36th Session of the World Heritage Committee*, St Petersburg, Russia, June 2012

A number of further studies on port related matters are also currently being undertaken. Relevant findings from these studies and reports will be used to inform the Queensland Ports Strategy.
Endnotes


