



Australian Government
Department of Industry,
Science and Resources

Offshore environmental management review

Key findings and next steps

Summary

This paper summarises the key findings of a review of the regulatory framework for the environmental management of offshore petroleum and greenhouse gas storage activities under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGs Act) and associated regulations.

The review was guided by the terms of reference approved by the Minister for Resources on 9 February 2024. It included engagement with a range of stakeholders, including First Nations representatives, fishing industry, oil and gas industry, environmental groups, local, state and Commonwealth agencies and the offshore petroleum and greenhouse gas storage regulator (NOSPEMA). Valuable feedback was also received from the public during public consultation in early 2024.

The review initially focused on the consultation requirements for regulatory approvals under the Offshore Petroleum and Greenhouse Gas (Environment) Regulations 2023 (Environment Regulations). This work identified a need to improve clarity, consistency and transparency in consultation processes, informed by stakeholder feedback and recent court decisions.

It further identified improvements to future-proof the regulatory framework, including strengthening regulatory clarity, enhancing transparency and accountability, and aligning the regime with broader national environmental reforms.

These reforms are intended to support a more effective, transparent and consistent environmental management regime while maintaining strong environmental protections.

Finally, the review considered interaction with broader reforms, including changes to national environmental law under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and arrangements supporting streamlined approvals through NOPSEMA.

Context of the review

The Australian Government commenced a 3-year review of the offshore environmental management regime in 2023 to ensure it remains fit for purpose and supports a productive and environmentally sustainable offshore resources industry.

The regime applies to petroleum and greenhouse gas storage activities in Commonwealth waters ('offshore activities'). It is primarily administered under the OPGGS Act and the Environment Regulations.

The initial focus was on the consultation requirements for offshore petroleum and greenhouse gas storage regulatory approvals, responding to emerging stakeholder concerns about unclear obligations, inconsistent practices and ineffective consultation outcomes.

Broader aspects of the environmental management regime were subsequently examined. This included regulatory clarity, transparency, compliance, and alignment with other Commonwealth environmental and cultural heritage frameworks.

Engagement with industry, regulators and other stakeholders has highlighted key challenges, including complexity in regulatory requirements, overlapping processes and administrative burden during approvals.

The review aims to ensure the regime effectively manages environmental risks across the lifecycle of offshore activities, while reducing duplication, improving efficiency, and supporting consistent, transparent decision-making.

Key findings

Consultation requirements

The review found that the consultation requirements for offshore activities lack clarity, resulting in inconsistent practices and, in some cases, ineffective consultation outcomes. Stakeholders reported uncertainty regarding who must be consulted, how consultation should occur, and the level of information that needs to be shared as part of the consultation process.

Key issues identified include:

- unclear definitions (e.g. ‘relevant person’) leading to inconsistent interpretation and differing expectations
- poor targeting and accessibility of information
- variability in consultation timeframes and processes
- limited transparency in how stakeholder input is considered.

To address these issues, the review identified opportunities to introduce clearer and more prescriptive consultation requirements. Further consultation is expected to occur in due course to support the development of legislation.

EPBC Act reforms

The EPBC Act reforms were passed in Parliament in November 2025.

The reforms included a new power for the Minister for the Environment to be able to declare that actions approved by NOPSEMA under the OPGGS Act do not require a separate approval under the EPBC Act, subject to conditions being met.

These reforms address a longstanding issue which effectively froze the existing streamlining arrangements. This meant that the regulation of offshore environmental management under the OPGGS Act could not be improved or significantly altered without breaking streamlined approvals under the EPBC Act. It included not being able to make changes based on the findings of this review.

As a first priority, the department will continue to work to achieve a declaration from the Minister for the Environment that actions approved by NOPSEMA do not require separate approval under the EPBC Act. Further work to implement the findings of the review will then be undertaken.

Other opportunities identified

Theme 1 – Improving environmental outcomes and efficiencies

The current regime is objective-based, requiring companies that hold offshore oil and gas titles (known as titleholders) to demonstrate that environmental impacts and risks are reduced to as low as reasonably practicable (ALARP) and to acceptable levels. This

provides flexibility for diverse offshore activities but can create ambiguity and inconsistent interpretation.

Issues identified include:

- application of ALARP
- consideration of ecologically sustainable development principles
- absence of a broad environmental duty
- clarity of Offshore Project Proposal and environment plan requirements
- clarity of management of change processes and oil pollution emergency planning requirements
- potential duplication in publishing environment plan summaries.

Theme 2 – Improved transparency, compliance & enforcement

The review identified opportunities to strengthen transparency, compliance and public confidence. While the regime already includes public comment on offshore project proposals, consultation on environment plans and publication of accepted environment plans, several areas may benefit from clearer requirements.

Issues identified include:

- titleholder monitoring obligations
- content and timing of environmental performance reports
- publication of environmental performance and incident information
- clearer enforcement tools
- whether penalties under the offshore regime remain appropriate compared with equivalent environmental law settings.

Theme 3 – Alignment with national environmental reforms

The review considered how the offshore environmental management regime should align with reforms to the national environmental law, cultural heritage protection and underwater cultural heritage arrangements.

It included considering whether offshore regulatory settings remain consistent with broader government expectations for environmental protection, accountability, transparency and emissions-related management.

Next steps

The government has allocated funding for the 2026–27 financial year to progress the reform work, including:

- progression of amendments to the consultation requirements for offshore petroleum and greenhouse gas storage while ensuring alignment with the national environmental law reforms as they are implemented

- progression of the opportunities identified in the themes (as presented in Table 1).

Table 1: Reform opportunities and pathways

Opportunity	Description	Outcomes
Clarify consultation requirements	Introduce draft consultation reforms	Improved consistency, more effective consultation, and better identification of environmental risks
Strengthen regulatory clarity	Improve clarity of key regulatory concepts (e.g. ALARP, ESD, environmental duties, plan requirements)	Reduced ambiguity and support more consistent decision-making
Improve reporting and transparency	Strengthen environmental performance reporting and consider publication of information	Increased regulators' oversight to support improved public confidence
Align with national environmental frameworks	Ensure consistency with EPBC Act reforms, cultural heritage frameworks and broader environmental policy	Coherent, future-aligned regulatory framework