

# Red tape thwarts net zero targets

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## Green projects delayed

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Australia risks missing out on hundreds of millions of dollars of foreign investment and failing its net zero targets because renewable projects are tied up in red tape for up to five years, a new report says.

The Clean Energy Investor Group (CEIG) and Herbert Smith Freehills report says projects are being bogged down by complex environmental assessments under the Environment Protection and Biodiversity Conservation (EPBC) Act.

The CEIG wants reform of environmental laws and more resources to deal with the backlog, which threatens net zero targets being pursued by the federal government.

CEIG chief executive Richie Merzian said most renewable projects referred to the EPBC three years ago still had not received a final decision.

"This hampers investment, it risks further increases in the cost of capital and is detrimental to Australia's net zero transition," Mr Merzian said.

"Australia is competing for capital with the rest of the world, with three-quarters of the investment in renewable projects coming from overseas. No one wants to build more coal-fired power stations so we have to build new generation."

This week the Tasmanian business community called on Prime Minister Anthony Albanese to intervene over Environment Minister Tanya Plibersek's delays to a major wind farm there.

Ms Plibersek was on Monday due to either approve or decline a \$1bn, 900MW wind

farm on Robbins Island in Tasmania's northwest, but has instead delayed a decision until March 7.

Mr Merzian said that despite investors needing certainty from what should be a standard government approval process, there had been an almost doubling of project referrals under the EPBC from 2020 to 2023 – rising from 23 to 40. Only six of 19 project referrals to the EPBC from 2021 had received final approval, with none from 2023 having received a green light.

Mr Merzian said it was not just a matter of more bureaucrats, but more co-operation between the states on environmental approvals.

"Some of the states mirror the federal approval process so you are having to do the same survey twice," he said.

Mr Merzian said that while major EPBC reforms before parliament required urgent progress, the federal government could act now on a number of quick wins to secure the confidence of investors, support emissions targets and lower electricity prices.

The report calls for "administrative wins" to speed up approvals, including aligning of state and federal assessment processes to eliminate duplication, limiting requests for additional information to reduce procedural bottlenecks and increasing resourcing within the Department of Climate Change, Energy, the Environment, and Water (DCCEEW) to handle assessments efficiently. It also wants standard environmental conditions to improve predictability and transparency.