

Impact Analysis Statement

Summary IAS

Details

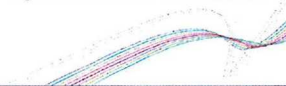
Lead department	Department of Environment, Science and Innovation
Name of the proposal	<i>Environmental Protection (Air) Amendment Policy 2024</i>
Submission type (Summary IAS / Consultation IAS / Decision IAS)	Summary IAS
Title of related legislative or regulatory instrument	<i>Environmental Protection (Air) Policy 2019</i>
Date of issue	March 2024

For proposals noted in table below

Complete and delete rows where applicable. No further analysis is required.

Proposal type	Details
Minor and machinery in nature	N/A
Regulatory proposals where no RIA is required	N/A
Cabinet exemptions	N/A

*Refer to [The Queensland Government Better Regulation Policy](#) for regulatory proposals not requiring regulatory impact analysis (for example, public sector management, changes to existing criminal laws, taxation).



For all other proposals

What is the nature, size, and scope of the problem? What are the objectives of government action?

An Impact Statement was prepared by the National Environment Protection Council (NEPC) regarding various options for sulfur dioxide (SO₂), nitrogen dioxide (NO₂) and ozone (O₃) standards within the National Environment Protection (Ambient Air Quality) Measure (AAQ NEPM).

The NEPMs are legal instruments that specify national standards for a variety of environmental issues. They are binding on all Governments that are members of the NEPC Committee, which comprises the head of each jurisdictional environmental agency. Queensland has enacted this framework through the *National Environment Protection Council (Queensland) Act 1994*.

AAQ NEPM Goal

'To achieve National Environment Protection Standards as assessed in accordance with (set) monitoring protocol.'

Desired Environmental Outcomes

Ambient air quality that allows for the adequate protection of human health and well-being.

AAQ NEPM Amendments

The previous AAQ NEPM standards were based on the understanding of the health effects at the time it was introduced. With a greater understanding of the health effects from air pollution there has been an identified correlation between exposure to SO₂, NO₂ and O₃ and an increase in the daily mortality and hospital admissions for respiratory and cardiovascular causes.

The scope of pollutants was limited to the three gases that are the subject of the Impact Statement as well as particulate matter with an aerodynamic diameter of less than or equal to 2.5 micrometres (PM_{2.5}). The latter was included as some existing abatement measures were expected to reduce PM_{2.5} emissions. A reduction of PM_{2.5} emissions is expected to deliver subsequent benefits to human health due to the strong health evidence of the effects of PM_{2.5}.

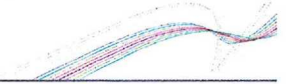
The desired outcomes from the varied AAQ NEPM were to manage gaseous pollutants to allow for adequate protection of human health and wellbeing. The objectives of the amendments to the *Environment Protection (Air) Policy 2019* (EPP Air) are to align the EPP Air objectives with the National Environment Protection (Ambient Air Quality) Measure (AAQ NEPM).

What options were considered?

The options considered to deliver the desired outcomes were:

- No change to the current framework
- Commonwealth legislation
- Voluntary guidelines
- Inter-governmental agreement or memorandum of understanding
- Variation of the AAQ NEPM standards

A variation of the AAQ NEPM standards was determined to be the desired option to continue to facilitate a harmonised national framework for monitoring and reporting of SO₂, NO₂, O₃ and PM_{2.5} in conjunction with the framework already established under the AAQ NEPM.



What are the impacts?

If the variation of the AAQ NEPM were not made, existing standards may be set at a level inconsistent with what would protect the health of the Australian population, based on contemporary science and knowledge. This would, in turn, mean the desired environmental outcomes of the AAQ NEPM are not met. This is also applicable to not amending the Air EPP. It will also result in Queensland having environmental performance and reporting standards that are inconsistent with other jurisdictions. This would fail to deliver the objectives of the Inter-Governmental Agreement on the Environment, in particular the goal of the National Competition Policy, the 'level playing field' and certainty for business decision-making objectives.

The Impact Statement prepared by NEPC found there are health effects arising from exposure to O₃, NO₂ and SO₂ in Australian cities at current concentrations. The associated combined health costs due to mortality and hospitalisation over the period 2010-2014 were of the order of \$562 million to \$2.405 billion nationally, depending on the choice of concentration-response function (CRF). The CRF defines the change in a health outcome per unit increase in pollutant concentration.

The full AAQ NEPM Impact Statement can be found on the NEPC website.

The direct compliance cost and direct government costs to the State of Queensland is negligible. The reasoning for this is that the direct compliance cost represents industry related costs to adjust to the change. Industry will not need to proactively adjust to the new requirements as operating sites will already hold existing permits. If an operational site emits air pollution, generally the approval to operate consists of set air release conditions. It is important to note though that power exists in the *Environmental Protection Act 1994* to amend existing permits, if considered necessary or desirable, in response to a new or amended environmental protection policy. New operators requiring an approval will have their applications individually assessed against the airshed the site is located within, with assessment decisions on individual sites being required to consider the Air EPP.

The direct government cost is negligible as outside of amending the Air EPP, government will have a minor amount of changes to make to guidelines, information sheets and web site materials in addition to applying the new standards as part of the assessment process. These changes apply to both State and Local Government.

Who was consulted?

Consultation for the varied AAQ NEPM was conducted nationally with the release of a Consultation Package, in May 2019, with a 12-week period for submissions. During this period, public information sessions were held across the country with Queensland's being held in Brisbane in June 2019. The purpose of the information sessions was to convey key information from the Consultation Package and to outline the process for the public to make submissions and answer questions. These sessions were made available in-person and via webinar.

The Consultation Package included:

- Impact Statement for the Draft Variation to the AAQ NEPM.
- Appendix A: Air Quality Study
- Appendix B: Health Risk Assessment
- Appendix C: Cost-benefit Analysis
- Draft varied AAQ NEPM

What is the recommended option and why?

The recommended option is to amend the Air EPP to be consistent with the updated AAQ NEPM standards to continue to facilitate a harmonised national framework for monitoring and reporting of SO₂, NO₂, O₃ and PM_{2.5} in conjunction with the framework already established under the AAQ NEPM.

The Impact Statement collated and analysed available information on SO₂, NO₂, and O₃ in Australia, and considered the feasibility of updating the standards, as well as the cost and benefits of a range of potential abatement measures that could be introduced to lower concentrations for these pollutants.

Amending the Air EPP results in negligible costs for government and existing industry operators.

Amending the Air EPP is consistent with Queensland's commitments to the NEPC and under the *National Environment Protection Council (Queensland) Act 1994*.

Impact assessment

All proposals – complete:

	First full year	First 10 years**
Direct costs – Compliance costs*	Negligible	Negligible
Direct costs – Government costs	Negligible	Negligible

* The *direct costs calculator tool* (available at www.treasury.qld.gov.au/betterregulation) should be used to calculate direct costs of regulatory burden. If the proposal has no costs, report as zero. **Agency to note where a longer or different timeframe may be more appropriate.

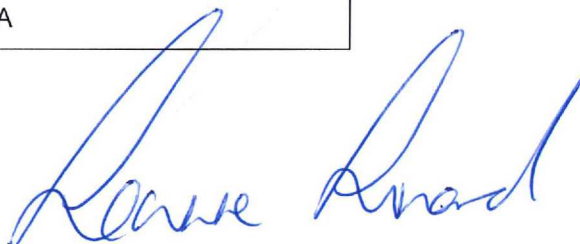
Significant proposals – also complete this table and a full IAS (refer box 1 below):

	First full year	First 10 years
Total costs***	N/A	N/A
Total benefits***	N/A	N/A
Net present value***	N/A	

*** Detail and assumptions should be recorded in the Full IAS.



Rob Lawrence
Acting Director-General
Department of Environment, Science
and Innovation
Date: 28/05/2024



Leanne Linard MP
Minister for the Environment and the Great Barrier Reef
Minister for Science and Innovation

Date: 20/07/24