



Coal Seam Gas Extraction Policy

Endorsed November 2012



Cotton Australia

Cotton Australia is the key representative body for the Australian cotton growing industry. It helps the industry to work together to be world competitive and sustainable, and also tell the good news about the industry's achievements. Cotton Australia determines and drives the industry's strategic direction, retaining its strong focus on R&D, promoting the value of the industry, reporting on its environmental credibility, and implementing policy objectives in consultation with its stakeholders.

Cotton Australia works to ensure an environment conducive to efficient and sustainable cotton production. It has a key role in Best Management Practices (*MyBMP*), an environmental management program for growers. This work has seen a significant improvement in the environmental performance of the industry, with huge improvements in water use efficiency, significant reductions in pesticide use, and millions of dollars invested into R&D.

The Australian cotton industry directly employs thousands of Australians and this year will contribute over \$2 billion to the Australian economy.

For further information or to discuss the content of this policy please contact Cotton Australia on (02) 9669 5222 or www.cottonaustralia.com.au.



Coal Seam Gas (CSG) extraction is a rapidly expanding industry in Queensland (QLD) and New South Wales (NSW). Its activities overlap cotton production in many areas of Central and Southern Queensland and North-West NSW.

In developing its CSG policy Cotton Australia recognises that the CSG industry offers potential economic benefits to Australia. However, without proper regulation and enforcement the CSG industry also poses significant risks to the Australian Cotton Industry.

This policy is a broad statement of principles. Cotton Australia, its members and growers reserve the right to implement these principles in a variety of ways, which reflect the different physical, historical and regulatory frameworks which apply across the cotton growing regions.

As an overriding principle Cotton Australia will not accept any negative impact on the property rights of cotton growers, arising out of the activities of the CSG industry.

Any impact intended or unintended must be fully compensated by the CSG industry and guaranteed by government.

While Cotton Australia will work with both Government and the CSG industry to develop the appropriate industry and regulatory framework, the responsibility to protect growers from negative impacts rests with Government.

Cotton Australia's CSG Extraction Policy seeks to:

- ***Protect the sustainability of aquifers that underlie irrigated and dry land cotton production and their communities.***
 - There can be no negative impact on the water property right that is currently held by existing users.
 - All decisions related to water resource management and the CSG industry must be made with full access to, and consideration of, independent, high quality, peer reviewed science.
 - Independent and comprehensive water quality and quantity monitoring, evaluation and reporting networks must be funded by CSG companies. The outcome of these monitoring, evaluation and reporting networks must include independent, peer-reviewable reports characterized by the highest scientific standards. These would include the requirement for comprehensive baseline assessments.
 - The “water balance” and “water quality” must be maintained to ensure long term aquifer sustainability.



- Where there is no likely impact on aquifers that support the cotton industry or high value agricultural land that could be used for cotton production, any new coal seam gas development should ensure the long term viability of agricultural production.
 - The use of evaporation or release to streams methods for untreated CSG water, are unsatisfactory disposal strategies.
 - A robust water-licensing, measuring and monitoring scheme must be used to account for all CSG related water and form part of a broader state water licencing process, with similar requirements and guidelines as current alluvial water legislation.
 - Industry best practice for all construction, operation and rehabilitation of CSG infrastructure and is overseen by government regulation and ensuring compliance with appropriate infringement penalties and remediation requirements. .
 - Ban the use of hydraulic fracturing or “fracking, unless it can be demonstrated, on a case-by-case basis, by the highest quality science, that it poses no risk to productive aquifers.
- ***Protect high value agricultural land from CSG extraction activities.***
 - That CSG exploration and extraction activities should not occur on land capable of cotton production, unless it can be demonstrated by independent, high quality, peer reviewed science, that the activity does not pose a risk to the agricultural productive capacity of the land.
 - ***Enhance landholder rights, to ensure land access agreements are fair and equitable.***
 - Support the landholder’s right to say no to CSG development.
 - Allow for flexibility in negotiating Access Arrangements of Conduct and Compensation Agreements (herein referred to as “land access agreements”), so that the focus is on minimising the impact of CSG exploration and extraction on the land and landholder.
 - All access terms are not to be inconsistent with requirements stipulated under Cotton Australia’s myBMP program.¹
 - All land access agreements to recognize case-by-case complexities of each scenario and cannot be addressed using a “one-size-fits-all” approach.
 - Strengthen compensation arrangements in both States to ensure all real losses for landholders are compensated for.
 - Allow compensation arrangements to include an element of “return” on the resource.

End

¹ Please see <https://www.mybmp.com.au/home.aspx>