

7 October 2024



Front Door Taskforce
National Interest Framework Division
The Treasury
Langton Crescent
Parkes ACT 2600

Sent via email: FrontDoorConsultation@treasury.gov.au

Dear Front Door Taskforce

ESTABLISHING A FRONT DOOR FOR MAJOR, TRANSFORMATIONAL PROJECTS

The Chamber of Minerals and Energy of Western Australia (CME) is the peak representative body for the resources sector in Western Australia. CME is funded by member companies responsible for 20 per cent of Australia's corporate income tax receipts in 2022-23,¹ ranging from mining to manufacturing and support services² across more than a hundred sites, from exploration to production and closure. Currently, the industry is working hard to maintain its ranking as a top 10 global producer for over a dozen commodities in an increasingly competitive and geostrategic market and progress the \$119.8 billion worth of planned and possible projects in the pipeline in WA.³

We welcome this opportunity to provide feedback on the Treasury's consultation paper on establishing a Front Door to attract complex, major transformative investment proposals in Australia as part of the Future Made in Australia (FMA) package. This submission seeks to put forward views specific to the WA resources sector. It reiterates the recommendations from our recent FMA-related submissions on unlocking transformational opportunities across green metals, critical minerals, hydrogen and low carbon liquid fuels,⁴ and our long-standing views on the need for stronger policy and regulatory coordination across all levels of the government to facilitate the development of strategic industries at a commercial scale.⁵

Streamlining end-to-end approval processes should be the highest priority for the Australian Government in unlocking investment in transformational projects regardless of size, stage, location or industry. In addressing the challenges of navigating existing approvals and the broader investment ecosystem, CME supports the [Front Door's proposed service offerings to attract major, transformative investment proposals in Australia](#). We note that realising this will be contingent on the effective design and efficient implementation of the Front Door, including ensuring all relevant government agencies involved in the regulatory approvals of a project's path to a final investment decision (FID) will need to be held accountable for delivery under the Front Door in meeting agreed timeframes and investor expectations.

To ensure the proposed Front Door service model achieves its stated intent, CME recommends:

- [The primary focus of the Front Door should be facilitating an expedited pathway through regulatory frameworks applied across the Commonwealth, state and local governments](#) to help major, transformative projects reach FID sooner.

¹ Includes company tax, fringe benefits tax, petroleum resource rent tax and excise duty. Commonwealth of Australia, [Final Budget Outcome 2022-23](#), The Treasury (TSY), 22 September 2023, Note 3: Taxation revenue by type, p 39. CME, [2022-23 Economic Contribution: Australia](#), 17 March 2024.

² Mining includes mineral and petroleum commodities, while manufacturing includes alumina production, basic inorganic chemicals (lithium), basic non-ferrous metals (silicon), concrete and fertiliser explosives. Support services include major infrastructure providers such as ports, pipeline and networks.

³ Government of Western Australia, [Industry activity indicators: Investment; 2023 Major Commodities Resource Data File](#), DEMIRS, 14 May 2024, tab 'WA vs Australia vs the World'.

⁴ CME, [Critical Minerals Production Tax Incentive](#), submission to TSY, 12 July 2024. [Hydrogen Production Tax Incentive](#), submission to TSY. [Green metals consultation paper](#), submission to the Department of Industry, Science and Resources (DISR). [Unlocking Australia's low carbon liquid fuel opportunity](#), submission to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, 17 July 2024. [Future Made in Australia Bill 2024 and Future Made in Australia \(Omnibus Amendments No 1\) Bill 2024: Provisions](#), submission to the Senate Standing Committees on Economics, 30 July 2024.

⁵ CME, [WA's Battery & Critical Minerals Strategy: Stakeholder consultation paper 2023](#), submission to the WA Department of Jobs, Tourism, Science and Innovation (JTSI), 14 December 2023. [WA Renewable Hydrogen Strategy Refresh: Stakeholder consultation paper 2023](#), submission to JTSI, 20 October 2023. [National Hydrogen Strategy Review: Consultation paper](#), submission to the Department of Climate Change, Energy, the Environment and Water, 22 August 2023. [Critical Minerals List: Issues paper](#), submission to DISR, 16 August 2023. [Accelerating opportunities in WA's critical minerals sector](#), position paper, 17 June 2023. [Australian Critical Minerals Strategy 2023: Discussion paper](#), submission to DISR, 13 February 2023. [Towards competitive clean hydrogen](#), position paper, November 2021. [Future Fuels Strategy: Discussion paper](#), submission to DISR, April 2021. [National Manufacturing Priority: Critical minerals processing roadmap](#), submission to DISR, November 2020. [Mining Amendment Regulations \(No 5\) 2019: Consultation draft](#), submission to DEMIRS, 24 January 2020.

- The Front Door must ensure a **genuine single-contact facilitation service** to attract major transformative investment proposals in Australia. It should actively support investors in navigating regulatory frameworks, providing clarity and accountability to deliver regulatory outcomes to agreed timelines, thus helping investors reach FID. Where relevant, the Front Door should coordinate engagement with a full range of Specialist Investment Vehicles (SIVs) and review the impact of allocated funding to ensure it is effectively competitive in stimulating private investment.
- The criteria for identifying 'major and transformational' projects should weigh the Australian Government's current and future strategic priorities highly, including those identified under FMA and other areas like energy security. It should be recognised that not all 'transformational' projects will be of a 'major' scale regarding the capital investment involved, and less mature projects may require early support to access public financing.
- A baseline service for all proponents approaching the Front Door should include information on the Australian investment ecosystem and relevant contact points, average approval timeframes, historical approval conditions and proposed policy changes that could affect FID. It could also include industry best practices regarding the proposed FMA's Community Benefit Principles.
- The Front Door must not duplicate existing project facilitation functions. We recommend piloting the Front Door with a small group of projects representative of Australia's investment opportunity that focuses on the regulatory facilitation service. A transparent and public Regulatory Impact Statement should be produced before full implementation.

CME's detailed response to the consultation paper's request for feedback is provided in Appendix A below.

Should you have questions regarding this submission, please contact Aaron Walker, Manager – Industry Competitiveness and Economics, on 0477 679 195 or at A.Walker@cmewa.com.

Yours sincerely,



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Chief Executive Officer

APPENDIX A

1. The current Australian investment landscape

To deliver on the FMA objectives, the Front Door's primary focus should be **facilitating an expedited pathway through regulatory frameworks applied across the Commonwealth, state and local governments to get major transformative projects closer to reaching FID**. Since the Productivity Commission's recommendations on improving major project development assessment processes in 2013 and resources sector regulation in 2020,⁶ we have observed limited improvement in regulatory efficiency, which can be a significant barrier to attracting investment in Australia.

General feedback to date indicates the variable or limited value proposition of the Major Project Status, Critical Minerals List, Strategic Materials List, WA Lead Agency Framework or WA's SIAs in facilitating complex projects reaching a timely final investment decision (FID). Where CME has received positive feedback, it has been specific to recent major projects through WA's Green Energy Approvals initiative,⁷ nascent projects where coordinated government engagement is beneficial or the Major Project Status is used as a marketing factor to attract international capital.

We strongly welcome the Front Door's proposed **responsibility of reporting on the progress of the pipeline of projects through the approvals process and leveraging investor experience to advise the Australian Government on opportunities for streamlining approvals**. The latter may require a formal pathway to ensure it can be fed and actioned into current processes and future reforms. However, the Front Door must not duplicate existing Commonwealth mechanisms such as the Major Projects Facilitation Agency (MPFA). It should actively coordinate with state-based mechanisms like the WA Lead Agency Framework.

Internationally, jurisdictions are competing to make approval timeframes for energy transition-related projects faster, fairer and more certain, such as the United States FAST-41 permitting dashboard and Canada's proposed streamlining for critical minerals.⁸ A recent independent report commissioned by CME found that the WA's project facilitation experience is relatively hands-off compared to competing jurisdictions overseas,⁹ with limited accountability in assisting in achieving FID. The consultation paper cites the Lead Agency Framework, a feature of WA's approvals landscape for a dozen years but is currently being reviewed. To date, member experience suggests this service's focus is limited to coordinated government engagement rather than regulatory facilitation.¹⁰ **Because of these experiences in WA to date, we believe there is likely more value to all types of investors and industries if the Front Door prioritises regulatory facilitation in the pilot phase** over coordinated government engagement and public financing.

Although the regulatory and investment ecosystem in the US fundamentally differs from that in Australia, the standardised visibility of timelines and accountability across all relevant regulatory entities provided upfront through the FAST-41 process gives investors transparency and predictability earlier in the project development process. We recommend the Front Door actively focus on navigating regulation, clarifying timelines and ensuring accountability to deliver regulatory outcomes to agreed timelines. This would be most impactful in unlocking investment across a broader range of proposals. We also note that the US has proposed reforms to ensure projects across the full critical minerals value chain can be covered by the expedited FAST-41 review process.¹¹

A single entry point with dedicated facilitation services across approvals and financing will help deliver a joined-up approach and ensure the realisation of the FMA objectives quicker. For example, coordination of engagement with SIVs and connection to existing project development supports will help some projects reach FID sooner. For some projects, this assistance will need to occur much earlier, so the provision of this service should not be limited to more mature projects.

⁶ Productivity Commission, [Major Project Development Assessment Processes](#), research report, November 2013. [Resources Sector Regulation](#), study report, November 2020.

⁷ The cross-agency initiative streamlines regulatory practices and environmental assessment pathways to achieve significant approvals reform.

⁸ Lack of transparency and predictability on timeframes is a common barrier to projects worldwide. Planning for Climate Commission, [Tackling climate change through fast and fair permitting for renewable energy and hydrogen](#), Green Hydrogen Organisation, 18 September 2023. United States Environmental Protection Agency, [FAST-41 Coordination](#), 11 September 2023. Government of Canada, [The Canadian Critical Minerals Strategy](#), 12 September 2023.

⁹ AVC, [Activating WA's Strategic Industrial Areas: A Focus on Critical Minerals](#), report prepared for CME, July 2024, p 170.

¹⁰ Please see our discussion below on considerations for implementing the Front Door. A solution that is both efficient and effective may require clearer legislative, policy and administrative scope to ensure it can improve business-as-usual processes and allow centralisation with a single body.

¹¹ US Government, [Permitting Council moves to designate the critical minerals supply chain as a FAST-41 sector](#), media release, 21 September 2023.

2. Designing a Front Door for investors

For most successful investments in the WA resources sector, a project partner with on-the-ground experience in WA is critical to navigating the multiple tiers of regulatory frameworks and reaching FID. The Front Door must not encourage a one-size-fits-all service; instead, it should be **tailored to the type of investor, industry and investment jurisdiction**. For example, investors unfamiliar with Australia's investment ecosystem or who do not have a project partner with existing operations in the proposed jurisdiction may benefit from receiving the following information as a baseline Front Door service:

- Information regarding the Australian investment landscape, including investment attraction, decision, facilitation, regulation and public financing functions, including relevant contact points.
- Average approval timeframes for different industries across Australia's jurisdictions. Greater visibility on approval timeframes should help improve the maturity of proposals. Please see the regulatory facilitation section below for further details.
- Common or likely approval conditions based on historical projects successfully reaching FID in the relevant industry. Transparency in the typical conditions imposed by the Foreign Investment Review, Australian Taxation Office, the relevant provider of FMA support, regulator, or state-based equivalent will help manage investor expectations.
- Proposed policies and regulations that may materially increase regulatory burden in the reasonably foreseeable future and, therefore, affect FID. A lack of policy certainty and stability can reduce Australia's investment attractiveness. This could form part of the regulatory facilitation service and include an outline of forthcoming reforms to the Nature Positive Plan, Safeguard Mechanism, Carbon Leakage Review, Sustainable Finance Taxonomy and their proposed transition arrangements.
- Examples of current industry best practices aligned with the forthcoming Community Benefit Principles, which may be necessary to receive FMA and Front Door support.

The type of support a project might require from the Front Door to get off the ground quickly and easily is directly linked to the proposed characteristics used to identify major, transformational projects. It will depend on the maturity of the proponent's industry and the extent to which supply gaps are addressed (consultation questions 8a and e). For proposals facing a risk of market asymmetry in global value chains such as critical minerals,¹² more focused facilitation efforts may be required to ensure commercial viability and foreign investment decision-making processes are efficient and proportionate to Australia's objectives of supply chain diversification. As a strategic sector, critical minerals may also need more focused regulatory facilitation, for example, where projects trigger the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) due to the presence of matters of national environmental significance.

2a. Identifying and prioritising major, transformational projects

The prioritisation process to identify major, transformational projects and assign a tailored or tiered service offering must be **clearly defined and transparent across all types of investors and industries**. It should align with existing criteria and ensure support is targeted to projects that are likely to contribute to the Australian Government's various strategic priorities, including but not limited to:

- A sustained comparative advantage in the national interest at an efficient cost, i.e. the FMA agenda. This should equally apply across both streams of (i) net zero transformation and (ii) domestic economic resilience and security capability.
- Energy security.
- Low emission technologies.

It is essential that using maturity as an identifying characteristic does not exclude projects of lesser maturity that are further from an FID when there is a strong nexus to achieving the Australian Government's strategic priorities, such as critical minerals. A pre-feasibility study or project seeking primary approvals on

¹² Small scale of volumes traded and lack of transparency in global price setting markets. United Nations Economic Commission for Europe (UNECE), [Proposals for a critical minerals markets information system trial](#), UNECE Resource Management Week 2024, Switzerland, 22-26 April 2024.

environment, heritage and tenure should thus not automatically be excluded from qualifying as major, transformational in favour of projects at a bankable feasibility study, front-end engineering and design or near-FID stage. Further to our concerns on a fixed 30 June 2030 for FID to access the Critical Minerals and Hydrogen Production Tax Incentives, there should be discretion to regularly review and extend timeframes for providing FMA and Front Door support to reflect reasonable delays within the Australian context or major strategic, technological, economic and policy changes in the global market.

We recommend **flexibility in assessing benefits to local communities, First Nations communities, local employment and the economy as characteristics to identify major, transformational projects** that will receive tailored support from the Front Door (consultation question 8d). The proposed benefits and the plan for their realisation will be unique to the proposed location. They will reflect the unique needs, preferences and capacity of the local community, First Nations communities, labour markets, and economy. We do not recommend prescriptive facilitation of these benefits by the Front Door as this will duplicate existing regulatory and voluntary commitments associated with doing business in Australia.

For projects supported by the Front Door located in SIAs, regional hydrogen hubs or other areas with potentially significant common user infrastructure, the Australian Government should assist the WA Government and its government trading enterprises with ensuring Traditional Owner representative bodies and First Nations businesses are engaged effectively and appropriately resourced to support Front Door and broader FMA requirements. This should include completing heritage surveys and negotiating appropriate and equitable Indigenous land use agreements across the relevant industrial hubs.

2b. The first core function: Coordinated government engagement

There is some merit in establishing an appropriate entity as a first entry point for receiving, identifying and prioritising major, transformational investment proposals, including coordinating government engagement and providing a baseline information service. We note that the Minerals Council of Australia has highlighted that some proponents must identify, engage and navigate with up to 23 different agencies on overlapping interests to progress project development.¹³ As the Front Door is integral to the FMA package, the appropriate entity should have a reporting pathway to the Treasury's Secretary.

Government entities should also be informed of the major and transformational qualifying criteria to refer relevant investment proposals to the Front Door. A central coordination body is an opportunity to align project approval decision-making processes across agencies to ensure the common delivery of goals for regulators and proponents.

2c. The second core function: Regulatory facilitation

Speeding up approval timeframes has been estimated to provide substantial economic benefits. Independent economic modelling commissioned by the Department of Industry, Science and Resources found a scenario involving faster project development times for critical minerals projects yielded the highest net present value of \$170.8 billion and an additional cumulative 329,000 full-time equivalent jobs out to 2040, more than double our status quo market position.¹⁴

The primary focus of the Front Door should be facilitating an expedited pathway through regulatory frameworks applied across the Commonwealth, state and local governments to help major, transformative projects reach FID sooner. This includes ensuring clear accountability for delivering all regulatory outcomes within an agreed timeframe. We provide in-principle support for the following services proposed by the consultation paper:

- Providing an overview of the relevant regulatory systems and approval processes. This information could be a baseline service for all projects and industries.
- Assisting proponents in understanding their regulatory obligations at Commonwealth, state, and local government levels and how effective community engagement could support the project to gain the

¹³ Minerals Council of Australia, [submission](#) to the Senate Standing Committee on Economics, 9 August 2024.

¹⁴ PwC, [The economic potential of Australia's critical minerals and energy transition minerals: Economic impact analysis of Australia's critical minerals and energy transition minerals and downstream processing](#), report prepared for DISR, updated 7 July 2023, pp 20-24.

support of relevant communities and improve the project's broader impacts. This information could be a baseline service for strategic industries and major, transformational projects.

- Tailored end-to-end mapping of the regulatory environment for projects. This service could be offered to strategic industries and major, transformational projects.
- Advising on sequencing considerations across approvals processes, tracking anticipated timelines for approvals and reporting on the status of priority projects across the government. This service could be tailored to major, transformational projects.
- Providing active facilitation services to assist with navigating or engaging across government regarding regulatory approval processes. This service could be tailored to strategic industries and major, transformational projects.

In reaching FID, **it is most beneficial to receive focused facilitation efforts to navigate approvals related to land tenure and the environment (e.g. heritage, carbon and biodiversity offsets) because of the complexity and overlapping nature of the regulatory frameworks** (consultation question 14). The uncertainty arising from current regulatory processes can impact the viability of reaching project FID. An active concierge service to navigate the regulatory pathway for strategic industries, including facilitating outcomes where there is regulatory overlap between federal and state processes, will promote efficiency for regulators and investors and enable clear regulatory delivery timeframes to be established. This visibility lets investors coordinate workflow internally to reduce administrative burden, manage costs and meet project delivery timeframes. However, as noted in the overview, separate from the Front Door but linked to the FMA objectives, the most important focus for the Australian Government must be to streamline and remove regulatory duplication between Commonwealth, state and local government processes.

Across the project development process, lighter-touch support in facilitating the navigation of regulatory approvals should be sufficient post-FID (consultation question 14). However, we note that projects of regional or economic significance in WA do not receive facilitation assistance when navigating local governments. This can make securing transport haulage routes, construction workforce accommodation sites, mobilising labour via local airstrips or gaining development approvals across multiple local governments challenging. In some instances, although the local government will benefit from facilitating project development either directly through rates and charges or indirectly through local employment and supply chain activity, there may be opposition by one or more local governments involved, and the WA Government has limited power to intervene and facilitate mutual agreement.

Making it simpler and faster to attract investment by permanently easing the regulatory burden and improving the navigation of Australia's regulatory frameworks while maintaining regulatory outcomes may help with the cyclical nature of commodity-exposed industries. Without timely processes, Australia may miss out on new investment opportunities targeted by the Front Door and broader FMA agenda (consultation question 3). Equally, this extends to losing existing investment when higher-cost projects enter care and maintenance during downturns to preserve asset value. The nickel industry is a recent example.¹⁵ With intense competition in these critical mineral markets,¹⁶ there is an opportunity for the Front Door and FMA to consider timelier, tailored and innovative service models on a project-by-project basis that better coordinates government engagement on available public financing options, foreign investment approvals and regulation facilitation to help these transformative projects restart and expand production faster in Australia and help secure our position in global value chains in the national interest.

2d. The third core function: Coordination of public financing

In the current Australian investment ecosystem, CME members use competitive grant programs and SIVs such as Export Finance Australia, Australian Renewable Energy Agency (ARENA), Clean Energy Finance Cooperation (CEFC) and the Northern Australia Infrastructure Facility.

¹⁵ Seven of WA's nine operating mines plus two projects under construction have been put on care and maintenance over the past year, including [Savannah](#) (Panoramic), [Flying Fox](#), [Cosmos](#) and [Forrestania](#) (IGO), [Ravensthorpe](#) (First Quantum Minerals), [Kambalda](#) (Wylloo), [West Musgrave](#), Mt Keith and Leinster (BHP).

¹⁶ International Energy Agency, [Global Critical Minerals Outlook 2024](#), May 2024. Herbert Smith Freehills, [Critical minerals M&A outlook](#), article, 24 June 2024. PwC, [The Australian M&A Outlook 2024: Energy and Resources Industry Insights](#), 8 July 2024.

Several members are engaged with ARENA on the Iron and Steel R&D Funding Rounds, Advancing Renewables Program, Hydrogen Headstart Program and Powering the Regions Fund. As an existing vehicle, ARENA's structure offers these competitive grant programs well (consultation question 23). However, there has been no evaluation of the effectiveness, efficiency and impact of ARENA's investments on the broader Australian economy since the recent material expansion of its funding.¹⁷ With the capital-intensive nature of the energy transition across industries, there is an opportunity to review whether ARENA can support the derisking of technologies with higher impact across the medium to long term rather than a short-term commercialisation focus. We also highlight the Australian Aluminium Council's view that the magnitude of existing funding provided through the ARENA Powering the Regions Fund is smaller than competing jurisdictions, and we support their view it could be increased across existing and new assets for both on-and offsite low emissions capital investment.¹⁸

While we welcomed last year's federal-state landmark agreement on funding under the CEFC Rewiring the Nation Fund for common-user transmission infrastructure in the WA's South West Interconnected System and North West Interconnected System (NWIS),¹⁹ the quantum of allocation and committed timing of when this investment will flow through to facilitate private sector decarbonisation is unknown. For announcements of large-scale public financing such as this, we recommend upfront clarity on proposed timeframes and associated conditions (e.g. dependent on securing agreements and milestones). There is also an opportunity to increase the funding scope for the NWIS to integrate planning for multi-user infrastructure across electricity, transport, pipelines, hydrogen and different industrial decarbonisation trajectories, allowing holistic alignment of generation and transmission development opportunities and strengthening the attractiveness for international investors with infrastructure expertise.

We note that different Australian jurisdictions invite unsolicited bids or market-led frameworks to indicate an openness to receiving innovative public-private solutions to challenges. The entity responsible for coordinating public financing should also facilitate connections to these types of supports and consider if other bespoke models of commercial support may be needed to unlock private investment at scale.

As some investors may need advice on public financing earlier in their project development process, it may be reasonable and appropriate to co-locate this core function with the entity responsible for coordinated government engagement. As described above, we recommend this entity has a reporting pathway to the Treasury's Secretary, which will help ensure whole-of-government oversight on projects likely to require public investment.

3. Implementing the Front Door

The consultation paper cites consolidated service models adopted internationally and we note that Australia differs in its level of industrialisation, government regulation and market participation. For example, due to nuances in the regulatory frameworks applied across Australian jurisdictions, centralising regulatory facilitation within a single body will require the relevant regulators to regularly and freely share expertise with the Front Door to ensure information is relevant and tailored to the investor. Implementing the regulatory facilitation core function will require greater coordination within and across different levels of government than the other two core functions, including memorandums of understanding and consideration of legislative change where relevant. A one-size-fits-all approach to implementation that immediately consolidates all three core functions into a single body will be resource-intensive and unlikely to allow tailoring of services to the needs of the investor and proposed investment jurisdiction. We agree with the Treasury that **a carefully considered staged approach is appropriate and recommend prioritising the inclusion of regulatory facilitation in the initial pilot.**

The initial pilot should consist of a small group of projects representative of Australia's immediate investment opportunities (i.e. WA projects) and distinguish investors familiar or unfamiliar with progressing projects to FID in Australia. It will need clear, upfront guidance on the baseline service and flexibility to opt-in to tailoring different core services at different times for their project. For investors familiar with navigating Australia's investment environment, this may require additional effort by the government to test and actively

¹⁷ EY, [Evaluation of ARENA's impact and effectiveness](#), report prepared for ARENA, 18 November 2019. Commonwealth of Australia, [Grant program management by ARENA](#), Australian National Audit Office, Auditor-General report no 35 2019-20, 30 April 2020.

¹⁸ Relative to Gross Domestic Product. It should be increased with a fixed commitment to co-fund 50 per cent. Australian Aluminium Council, [submission](#) to the Senate Standing Committees on Economics, 26 July 2024, p 2.

¹⁹ Government of Western Australia, [\\$3 billion Rewiring the Nation deal to power WA jobs and growth](#), joint media statement, 29 August 2023.

refine the services during the pilot to ensure it is well-informed and responsive in achieving an improvement over the status quo.

Any significant policy changes to how proponents invest in Australia should require a formal impact analysis underpinned by genuine, transparent consultation to assess and publish the cost of changing existing processes between and within all tiers of the government (i.e. a fully public Regulatory Impact Statement) and the resulting net benefit for different investors. This impact analysis and future post-implementation reviews should differentiate the net benefit to different investors and industries.