

# STRATEGIC REGIONAL LAND USE POLICY

## Guideline for Agricultural Impact Statements at the Exploration Stage

This guideline describes the requirements for an Agricultural Impact Statement (AIS) for mineral and petroleum (including coal seam gas) exploration activities. This guideline should be read in conjunction with the Division of Resources & Energy [Environmental Impact Assessment \(REF\) Guidelines](#).

### INTRODUCTION

Some areas of regional NSW are experiencing significant growth in mining and petroleum (including coal seam gas) projects, leading to increasing land use conflicts, particularly with agricultural industries.

In response, the NSW Government has delivered its Strategic Regional Land Use Policy, which sets out a range of initiatives to better balance growth in the mining and coal seam gas industries with the need to protect important agricultural land and water resources.

One of these initiatives is the new requirement for an AIS for mineral and petroleum (including coal seam gas) exploration activities.

#### WHEN IS AN AIS REQUIRED?

An AIS is required for exploration activities subject to further approval under the *Mining Act 1992* or *Petroleum (Onshore) Act 1991* and submission of a Review of Environmental Factors (REF) for assessment under Part 5 of the *Environmental Planning and Assessment Act 1979*. These activities are defined in the conditions of exploration licences.

The requirements described in this interim guideline will be replaced by (and included in) an updated version of the Division of Resources & Energy [Environmental Impact Assessment \(REF\) Guidelines](#).

The requirements for an AIS for State Significant Development applications for mining and petroleum (including coal seam gas) are listed in the Department of Planning and Infrastructure's [Guideline for Agricultural Impact Statements](#).

### THE PURPOSE OF AN AIS

The purpose of an AIS is to ensure a focused assessment of the potential impacts of exploration activities on agricultural resources or industries.

The term 'agricultural resources or industries' is used to describe the land on which agriculture is dependent and the associated water resources (quality and quantity) that are linked to that land.

The information provided in the AIS will form a key component of the assessment process in terms of evaluating and avoiding impacts on and loss of agricultural lands.

The Division of Energy and Resources (DRE) within NSW Trade & Investment will consult with the Office of Agricultural Sustainability & Food Security in determining the exploration activity application.

### WHAT SHOULD BE INCLUDED IN AN AIS

The level of detail in the exploration AIS must be consistent with the likely level of impact. The level of detail required in an AIS for exploration activities will reflect the risk associated with that activity.

For example, where the exploration activity is constrained to a small area over a short timeframe and has no permanent impacts, the explorer will be expected to provide enough information to establish that the activity is low risk. However, larger scale exploration activities, such as coal seam gas pilot testing would need to fully consider impacts on agricultural resources and industries.

## SECTION A

The following information must be provided as part of the AIS for all exploration activities:

- Briefly describe the nature, location, intensity and duration of the proposed exploration activity;
- Briefly describe the nature and location of agricultural resources and industries with the potential to be impacted by the proposed exploration activity;
- Briefly describe how and when any disturbance resulting from the exploration activity will be rehabilitated;
- Identify and describe the nature, duration and consequence of any impacts on agricultural resources and industries; and,
- With reference to Tables 1-3 (*Agricultural Impact Risk Ranking*), identify the risk of the proposed exploration activity impacting on agricultural resources or industries.

Where the exploration activity is demonstrated to result in a low risk of agricultural impacts, no further

information is required to be submitted as part of the AIS.

*Examples of low risk exploration activity are:*

- *The proposed exploration activity is located on agricultural land or on rural land with low potential for commercial agricultural land use*
- *No intensive agricultural activities are being undertaken in the immediate vicinity of the proposed exploration activity*
- *The duration of the exploration activity is short (e.g. less than one month at a particular location)*
- *The proposal is not part of a larger project so there are unlikely to be cumulative impacts;*
- *All surface disturbance will be fully rehabilitated to the pre-existing land condition or better*
- *The proposed exploration activity will not result in permanent impacts on water or land resources.*

*Examples of the characteristics of moderate to high risk exploration activity are:*

- *The proposal is located on or near Biophysical Strategic Agricultural Land (BSAL) or Critical Industry Cluster (CIC)*
- *There are significant concerns about the project in the agricultural community.*

**Table 1 Agricultural Impact Risk Ranking - matrix**

		PROBABILITY				
		A Almost Certain	B Likely	C Possible	D Unlikely	E Rare
CONSEQUENCE						
1.	Severe and/or permanent damage. Irreversible impacts.	A1	B1	C1	D1	E1
2.	Significant and /or long term damage. Long term management implications. Impacts difficult or impractical to reverse.	A2	B2	C2	D2	E2
3.	Moderate damage and/or medium-term impact to agricultural resources or industries. Some ongoing management implications which may be expensive to implement. Minor damage or impacts over the long term.	A3	B3	C3	D3	E3
4.	Minor damage and/or short-term impact to agricultural resources or industries. Can be managed as part of routine operations.	A4	B4	C4	D4	E4
5.	Very minor damage and minor impact to agricultural resources or industries. Can be effectively managed as part of normal operations.	A5	B5	C5	D5	E5

where:

	= low risk
	= medium risk
	= high risk

**Table 2 Agricultural Impact Risk Ranking - probability descriptors**

Level	Descriptor	Description
A	Almost certain	Common or repeating occurrence
B	Likely	Known to occur or it has happened
C	Possible	Could occur or I've heard of it happening
D	Unlikely	Could occur in some circumstances but not likely to occur
E	Rare	Practically impossible or I've never heard of it happening

**Table 3 Agricultural Impact Risk Ranking - consequence descriptors**

Level: 1	Severe Consequences	Example of Implications
<b>Description</b>	<ul style="list-style-type: none"> <li>Severe and/or permanent damage to agricultural resources, or industries</li> <li>Irreversible</li> <li>Severe impact on the community</li> </ul>	<ul style="list-style-type: none"> <li>Long term (eg 20 years) damage to soil or water resources</li> <li>Long term impacts (eg 20 years) on a cluster of agricultural industries or Important agricultural lands</li> </ul>
Level: 2	Major Consequences	Example of Implications
<b>Description</b>	<ul style="list-style-type: none"> <li>Significant and/or long-term impact to agricultural resources, or industries</li> <li>Long-term management implications</li> <li>Serious detrimental impact on the community</li> </ul>	<ul style="list-style-type: none"> <li>Water or soil impacted, possibly in the long term (eg 20 years)</li> <li>Long term (eg 20 years) displacement / serious impacts on agricultural industries</li> </ul>
Level:3	Moderate Consequences	Example of Implications
<b>Description</b>	<ul style="list-style-type: none"> <li>Moderate and/or medium-term impact to agricultural resources, or industries</li> <li>Some ongoing management implications</li> <li>Minor damage or impacts but over the long term.</li> </ul>	<ul style="list-style-type: none"> <li>Water or soil known to be affected, probably in the short – medium term (eg 1-5 years)</li> <li>Management could include significant change of management needed to agricultural enterprises to continue.</li> </ul>
Level: 4	Minor Consequences	Example of Implications
<b>Description</b>	<ul style="list-style-type: none"> <li>Minor damage and/or short-term impact to agricultural resources, or industries</li> <li>Can be effectively managed as part of normal operations</li> </ul>	<ul style="list-style-type: none"> <li>Theoretically could affect the agricultural resource or industry in short term, but no impacts demonstrated</li> <li>Minor erosion, compaction or water quality impacts that can be mitigated.</li> <li>For example, dust and noise impacts in a 12 month period on extensive grazing enterprises.</li> </ul>
Level: 5	Negligible Consequences	Example of Implications
<b>Description</b>	<ul style="list-style-type: none"> <li>Very minor damage or impact to agricultural resources, or industries</li> <li>Can be effectively managed as part of normal operations</li> </ul>	<ul style="list-style-type: none"> <li>No measurable or identifiable impact on the agricultural resource or industry</li> </ul>

## SECTION B

If the proposed exploration activity is identified as a **medium or high risk exploration activity**, the following information must be submitted as part of the AIS.

*Note. Exploration activities falling into the red or orange areas of the Agricultural Impact Risk Ranking Matrix (Table 1) are medium or high risk exploration activities. These include the following risk rankings:*

- A1-A3
- B1-B2
- C1-C2
- D1

### Assessment of resources

#### Agricultural resources and production

*Note. The following information will help in determining the direct impacts of the exploration activity on agricultural resources and production. This information will also help in understanding the significance of agricultural production and assist in identifying stakeholders who may potentially be impacted by the exploration activity.*

The AIS should include information (as text and/or maps), where relevant on the following:

- any land identified as Strategic Agricultural Land (SAL) on or within two kilometres of the exploration activity;
- soil characteristics, including types and depth;
- topography and slope;
- land capability characteristics;
- potentially affected water sources and other water users' water licence volumes and extraction locations;
- water quality and typical bore yield rates in these potentially affected water sources;
- current land use and relevant history of the agricultural enterprises for areas potentially impacted by the exploration activity;
- key agricultural support infrastructure (e.g. roads, railways, processing facilities);
- location and type of agricultural industries; and,
- climate conditions, including rainfall.

#### Current agricultural enterprises

The AIS should describe the location and production levels of commodities produced by agricultural enterprises which may potentially be impacted by the exploration activity. This should include:

- the location and area of land to be temporarily removed from agriculture;
- the location and area of land to be returned to agricultural use post-exploration, and its productive potential relative to pre-exploration; and,
- the location and area of land that will not be returned to agriculture.

Only information that is publicly available is required to be provided in the AIS.

### Assessment of impacts

#### Identification and assessment of the impacts of the project on agricultural resources or enterprises

The AIS should identify any adverse impacts (including cumulative impacts) on agricultural resources and industries in the area which may potentially be impacted by the exploration activity.

The AIS should include a risk-based assessment of:

- the effects of the project on agricultural resources;
- consequential productivity effects of this on agricultural enterprises;
- uncertainty associated with the predicted impacts and mitigation measures and the consequences of and likelihood that these uncertainties will be realised; and,
- additional risks to agriculture such as weed management, biosecurity, subsidence, dust, noise, vibration, fire and traffic conditions that may affect access to markets and supplies.

The impact assessment relating to agricultural enterprises should extend to farm productivity, land values and flow-on impacts to regional communities.

#### Account for any physical movement of water away from agriculture

Any water that might be transferred or will no longer be available for agricultural use as a result of the exploration activity should be identified in the AIS.

The potential impacts of the exploration activity on water resources should be identified, quantified and compared with the minimal impact considerations, consistent with the requirements of the [Aquifer Interference Policy](#).

### **Assessment of socio-economic impacts**

If the duration of the project is greater than 6 months then the AIS should include a risk based assessment of the likely impacts directly on agricultural production or marketing (e.g. farm labour availability) and any possible impacts on agricultural support services, processing, value adding industries and regional employment.

If it is likely that there will be impacts beyond the local area of the project, the socio-economic assessment must consider the impacts on agricultural support services and value adding industries relevant to affected agricultural enterprises including potential impacts on local and regional employment.

The socio-economic impact assessment must also address any potential impact on visual amenity, landscape values and tourism infrastructure relied upon by local and regional agricultural enterprises.

### **Additional requirements for activities on or near Strategic Agricultural Land**

If the exploration activity is located on or within two kilometres of SAL, the AIS must specifically address the potential impacts of the activity on SAL.

## **Mitigation Measures**

### **Identification of options for minimising adverse impacts on agricultural resources**

The AIS should document feasible options to avoid, minimise or mitigate potential significant impacts on agricultural resources, including agricultural lands, enterprises and infrastructure at the local and regional level including:

- project design review/alternatives;
- proposed monitoring programs to assess predicted versus actual impacts as the exploration activity progresses;
- trigger response plans and trigger points at which exploration activities will cease or be

modified or remedial actions will occur to address impacts including a process to respond to unforeseen impacts;

- the proposed remedial action to be taken in response to a trigger event;
- the basis for assumptions made about the extent to which remedial actions will address and respond to impacts;
- demonstrated capacity for the rehabilitation of disturbed lands to restore agricultural resources; and
- demonstrated planning for rehabilitation that minimises the extent of disturbances.

## **Consultation**

Community consultation requirements will be imposed as a condition of all exploration licences.

[DRE Community Consultation Guidelines](#) outline the minimum requirements licence holders must comply with regarding community consultation.

## **FOR FURTHER INFORMATION**

If you would like further information relating to the preparation of Agricultural Impact Statements, or the Strategic Regional Land Use Policy, please visit:

Department of Planning & Infrastructure website:  
[www.planning.nsw.gov.au](http://www.planning.nsw.gov.au)

Division of Resources & Energy website:  
[www.resources.nsw.gov.au](http://www.resources.nsw.gov.au)

Department of Primary Industries website:  
[www.dpi.nsw.gov.au](http://www.dpi.nsw.gov.au)

Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (November 2012). However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of the Department of Primary Industries or the user's independent adviser.

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