


## NOTICE OF DECISION AND STATEMENT OF REASONS

Section 55 of the *Environment Protection Act 2019* (EP Act)  
Regulations 57(2)(b) and 63 of the *Environment Protection Regulations 2020* (EP Regulations)

<b>Name of proposed action</b>	Blue Carbon Restoration Research Pilot Project
<b>Proponent</b>	Blue Carbon S2C Pty Ltd
<b>NT EPA reference</b>	EP2023/025 Referral accepted 19 June 2023
<b>Description of proposed action</b>	<p>To conduct pilot research of blue carbon ecosystem (mangrove and saltmarsh) restoration methods across six hectares on Kangaroo Island (NT Portion 2433), Gulf of Carpentaria.</p> <p>To construct and operate a blue carbon research institute on about three hectares near Black Rock Landing, north of King Ash Bay, Gulf of Carpentaria.</p>
<b>Nature of proposed action</b>	Marine and coastal
<b>Decision</b>	<p><b>Standard environmental impact assessment is required</b> in accordance with section 55 of the EP Act and regulation 57(2)(b)(i) of the EP Regulations.</p> <p><b>Assessment by supplementary environmental report</b> to be the method of environmental impact assessment in accordance with regulation 57(2)(b)(ii).</p>
<b>Person authorised to make decision</b>	Dr Paul Vogel AM – Chairperson, as delegate of the Northern Territory Environment Protection Authority (NT EPA)
<b>Signature</b>	
<b>Date of decision</b>	16 August 2023
<b>Matters considered under EP Regulation 56</b>	<p>The NT EPA has considered the following:</p> <ul style="list-style-type: none"> <li>• the accepted referral (including the referral form, referral report and appendices)</li> <li>• submissions received in relation to the referral information during the public consultation period 23 June to 20 July 2023. <ul style="list-style-type: none"> <li>○ government authority submissions received: 6</li> <li>○ public submissions: 18</li> </ul> </li> </ul>
<b>Consultation</b>	<ul style="list-style-type: none"> <li>• The referral indicates the proponent engaged with stakeholders from June 2022 to the present. Limited supporting information of this engagement is presented in the referral.</li> </ul>

- The referral indicates that the following stakeholders were consulted: Commonwealth, Northern Territory and Local Shire governments, non-government bodies including the Northern Land Council, Yanyuwa Indigenous Protected Area Advisory Committee (YIPAAC) and Sea Rangers, landowners, and the local community of Borroloola.
  - Issues raised during public consultation on the referral include:
    - concerns about the approach taken by the proponent in consulting with people in the region of the proposed action
    - uncertainty about whether all relevant Aboriginal people and stakeholders have been consulted
    - concern that the process does not meet best practice for free, prior and informed consent
    - the potential to disturb sacred sites if present in the area through ground disturbance
    - uncertainty about the benefits to local community and businesses
    - concerns about the potential for acid sulfate soils disturbance
    - inadequate assessment of threatened and migratory species presence and impacts
    - uncertainty about the methods and metrics used to conduct the trial and the acceptability of methods
    - uncertainty about whether landowners/custodians would benefit directly from carbon credits and what would happen if restored ecosystems are damaged through natural processes e.g. cyclones.
  - Public and government authority submissions identified potential impacts and risks to hydrological processes, coastal processes, terrestrial environmental quality, terrestrial ecosystems, marine environmental quality, marine ecosystems, community and economy, and culture and heritage.
  - Submissions are available on the NT EPA website. Three submissions were withheld from publication under regulation 269.
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Statement of Reasons

Overview

The NT EPA considers that the proposed action has the potential to have a significant impact on environmental values associated with five environmental factors<sup>1</sup>.

LAND	<ul style="list-style-type: none"> <li>Terrestrial environmental quality – disturbance of acid sulfate soils has the potential to acidify and contaminate saltmarsh and mangrove sediments. There is uncertainty about the potential for significant cumulative impacts when combined with other potential sources of impact from the proposal such as hydrocarbon spills, physical disturbance and compaction of sediments, release of acid and sediments to marine water, and changes to hydrology and ecosystem function.</li> </ul>
	<ul style="list-style-type: none"> <li>Terrestrial ecosystems – physical disturbance, and acidification of surface sediments and water quality in the area of the proposal has the potential to impact on sensitive, high value saltmarsh and mangrove ecosystems. There is uncertainty regarding the potential for significant cumulative impacts when combined with other potential impacts from the proposal.</li> </ul>
SEA	<ul style="list-style-type: none"> <li>Coastal processes – the proposal has the potential to alter the hydrology of the proposal area leading to potential aeration of acid sulfate soils and changes to ecosystem function. There is uncertainty regarding the potential for significant cumulative impacts when combined with other potential impacts from the proposal.</li> </ul>
	<ul style="list-style-type: none"> <li>Marine environmental quality – the proposal has the potential to mobilise sediments, acid and contaminants in marine water. There is uncertainty regarding the potential for significant cumulative impacts when combined with other potential impacts from the proposal.</li> </ul>
PEOPLE	<ul style="list-style-type: none"> <li>Community and economy – The proposal has the potential to significantly impact social wellbeing and cohesion in the community.</li> </ul>

The NT EPA considered other environmental factors during its consideration of the referral; however, the impact on those factors was not considered to be significant.

Justification

A standard assessment by **supplementary environmental report** is required having regard to:

- Regulation 59 (a)      the significance of the potential impact of the proposed action as described above.
  
- Regulation 59 (b)      the need to improve the NT EPA’s level of confidence in predicting potential significant cumulative impacts of the proposed action taking into account the extent and currency of existing knowledge, particularly in relation to:
  - the potential impacts on the community
  - the significance of potential impacts from acid sulfate soils
  - the potential impacts of ecosystem changes to foraging habitat for listed fauna species

<sup>1</sup> [NT EPA Environmental factors and objectives](#)

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- the potential impacts to water quality and coastal processes
- the significance of potential impacts to Aboriginal sacred sites and cultural values.

Regulation 59 (c) the level of confidence in the effectiveness of the proposed measures to avoid, mitigate, or manage potential significant impacts with respect to:

- acid sulfate soils
- marine water quality
- social impacts.

Regulation 59 (d) the extent of appropriate community engagement with the Aboriginal custodians and their representative body.

Regulation 59 (e) the capacity of the communities and individuals likely to be affected, to access and understand information about the proposal and its potential significant impacts and benefits.

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### **Conclusion**

The NT EPA considers that the proposed action has the potential for significant impact on five environmental factors including potential cumulative impacts, and that environmental impact assessment is required. The method of assessment will be Supplementary Environmental Report.

In making its decision under EP Regulation 57, the NT EPA has considered:

- the objects of the Act in section 3 of the EP Act
- the purpose of the environmental impact assessment process in section 42 of the EP Act
- the matters under regulation 56 of the EP Regulations
- the matters relevant to a consideration of the method of environmental impact assessment in regulation 59 of the EP Regulations.