

QUEENSLAND TREASURY

Scheme Manager Guideline 2

Assigning an authority to a relevant holder

1 October 2025

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1 About this guideline

1.1 Background

This guideline (Guideline) is made by the scheme manager under section 70 of the *Mineral and Energy Resources (Financial Provisioning) Act 2018 (Act)*.

The Act establishes a Financial Provisioning Scheme (**scheme**) to manage the financial risk to the State if environmental authority holders for resource activities do not comply with their environmental management and rehabilitation obligations.

The scheme manager is required to undertake a risk category allocation for each eligible environmental authority and decide whether to allocate the authority to a risk category of very low, low, moderate, moderate-high or high (the allocation decision).

The allocation decision is used to determine whether the holder of the eligible environmental authority is required to pay a contribution to the scheme fund or give a surety in the amount of the estimated rehabilitation cost (ERC) for the authority calculated under the *Environmental Protection Act 1994 (EP Act)*.

If there is more than one holder for the eligible environmental authority, the scheme manager must assign the authority to one holder (the relevant holder).

This Guideline should be read in conjunction with the Act and, where relevant, other guidelines made under the Act.

Guidelines are available on the scheme manager's website together with additional information about the scheme.

Eligible environmental authority

The expression 'eligible environmental authority' is not a defined term in the Act. It is used in this Guideline, to refer to an authority:

- with an ERC that is at least \$10 million (**the prescribed ERC**); or
- with an ERC that is at least \$100,000 but not more than the prescribed ERC and in relation to which the scheme manager has given the holder an election notice (refer to the *Scheme Manager Guideline 1 – Forming the Scheme Manager's Opinion Risk Category Allocation – Appendix 1 Eligibility* for further details).

1.2 Purpose

This Guideline applies if:

- the scheme manager is making an allocation decision for an eligible environmental authority; and
- there is more than one holder of the authority.

The purpose of this Guideline is to provide guidance to the scheme manager on how to assign the eligible environmental authority to one of the holders under sections 27(5)(c), 32(8)(c) and 38(8)(c) of the Act.

1.3 Definitions

Definitions in the dictionary in schedule 1 of the Act apply to this Guideline.

2 Assigning an Authority to a Relevant Holder

When there is more than one holder of an authority the scheme manager must assign the authority to one of the holders.

Basic Rule for selecting the relevant holder

The relevant holder may be any holder provided:

- the scheme manager has assessed the holder's financial soundness in accordance with the Act; and
- the financial soundness assessment has been taken into account by the scheme manager in the allocation decision for the authority.

Note: the scheme manager can assess the financial soundness of a parent corporation of a holder, or if there is more than one holder, the scheme manager may consider the financial soundness of any or all of the holders, or the parent corporation of any or all of the holders.

3 Date of effect

This information sheet takes effect from 1 October 2025.



Tim Michael
Scheme Manager

Information sheet updated

Version	Description	Date
V1	Initial information released	1 April 2019
V2	Updated for legislative changes	1 October 2025