QUEENSLAND TREASURY

Scheme Manager Guideline 5

Forming the Scheme Manager's Opinion - Deciding the Annual Review Allocation

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 commenced on 1 April 2019 and changes to the Act were passed through legislation in 2024. These changes will be effective from 1 October 2025 (the commencement).

The scheme manager is required to decide the annual review allocation day for each eligible environmental authority. This will replace the existing annual review day for those authorities which already have an annual review day. The following sections of the Act are pertinent to understanding the annual review allocation day:

- 27A(1) – new authority
- 32(9) – changed holder for all eligible authorities (including those under an election notice)
- 98 – existing authorities with an ERC equal to or more than the prescribed ERC
- 105 – existing eligible authorities with an ERC equal to or more than $100,000 but less than the prescribed ERC
- 41A to 41D – changing the annual review allocation day

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 of this Guideline

This Guideline applies if the scheme manager is required to undertake an annual review allocation day decision for an authority.

The purpose of this Guideline is to provide guidance to the scheme manager in making a decision under section 27A(1), 32(9), 41A, 41B, 98 and 105 of the Act.

The opinion of the scheme manager is a mandatory consideration in deciding on an annual review allocation day, in addition to submissions made by the holder of an authority in relation to allocation decision processes.

Relevance of Guideline

In making an annual review allocation day decision under section 27A(1), 32(9), 41A, 41B, 98 and 105 the scheme manager is required to have regard to this Guideline and can consider other matters they think appropriate.

1.3 Definitions used in this Guideline

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

2 Annual review allocation day for new authorities

2.1 Deciding the annual review allocation day for new authorities

The scheme manager must decide the annual review allocation day under section 27A(1) of the Act when providing an authority with its initial risk category allocation.

Basic Rule for deciding the annual review allocation day for a new authority

Under section 27A(2), in deciding the annual review allocation day, the scheme manager:

- **must** consider:
    - the effect the day will have on the operation of the scheme; and
    - any administrative efficiencies the day may achieve for the holder of the authority; and
    - submissions made under section 28; and
- **may** consider any other matter the scheme manager considers relevant to the decision.

3 Annual review allocation day for existing authorities

For existing eligible environmental authorities, the annual review day will be replaced by the annual review allocation day.

3.1 Deciding the annual review allocation day for existing authorities with an ERC equal to or more than the prescribed ERC

Section 98 applies to authorities with an ERC equal to or more than the prescribed ERC.

Under section 98(2), in deciding the annual review allocation day for existing authorities with an ERC equal to or more than the prescribed ERC, the scheme manager:

- must within 30 business days after the commencement
    - decide the annual review allocation day for the authority; and
    - give the holder notice of the decision

3.2 Deciding the annual review allocation day for existing authorities with an ERC equal to or more than $100,000 but less than the prescribed ERC

Section 105 of the Act applies to authorities with an ERC equal to or more than $100,000 but less than the prescribed ERC.

In deciding the annual review allocation day for existing authorities with an ERC equal to or more than $100,000 but less than the prescribed ERC, and allocated to one of the very low, low, moderate and moderate-high risk categories, the scheme manager:

- must at least 30 business days before the relevant annual review day give the holder a notice stating that the holder may elect within 20 business days after the notice is given, to be subject to a risk category allocation (section 99(3)); and
- if the holder elects to be subject to a risk category allocation within the election period, then under section 105(6)(b) the scheme manager must:
    - decide the annual review allocation day for the authority; and
    - give the holder notice of the decision.

3.3 Deciding the annual review allocation day for a changed holder event

Section 32(9) of the Act applies to environmental authorities which are undergoing a change holder event.

Basic Rule for deciding the annual review allocation day for a changed holder event

In deciding the annual review allocation day under section 32(9), the scheme manager:

- **must** consider:
  - the effect the day will have on the operation of the scheme; and
  - any administrative efficiencies the day may achieve for the changed holder of the authority; and
  - submissions made under section 34; and
- **may** consider any other matter the scheme manager considers relevant to the decision.

3.4 Changing the annual review allocation day

Section 41A(3) and 41B(4) of the Act applies to environmental authorities which have an annual review allocation day and either the holder of an authority or the scheme manager seek to change the annual review allocation day.

Basic Rule for changing the annual review allocation day

In deciding the annual review allocation day under sections 41A(3) and 41B(4), the scheme manager:

- **must** consider:
  - the effect the day will have on the operation of the scheme; and
  - any administrative efficiencies the day may achieve for the changed holder of the authority
- **may** consider any other matter the scheme manager considers relevant to the decision.

4 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 October 2025