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REPORTS CONFIRM STRONG INVESTMENT PIPELINE FOR OIL AND GAS

Two Federal Government reports released today confirm there is a multibillion-dollar oil and gas investment pipeline well into the future, propelling economic activity to record levels, according to the Australian Petroleum Production & Exploration Association (APPEA).

The *Resources and Energy Major Projects 2021 Report* reveals LNG, oil and gas projects account for 42 per cent of the total for the sector, twice the contribution of the next source, iron ore at 21 per cent.

In the 12 months to October 2021, the number of resources and energy major development projects increased by 9 per cent to 367 projects.

Over \$11 billion was committed to oil, gas and LNG projects – including the Barossa Gas and Jansz-lo Compression projects – since the last report. After the reporting period, Woodside and BHP announced a \$16 billion FID for their Scarborough and Pluto Train 2 projects in WA.

APPEA Deputy Chief Executive Damian Dwyer said the oil and gas industry's \$27 billion investment commitment in the sector over the past 12 months showed it would play a key role for a long time to come.

"This is confirmation of the growth and opportunities in the sector as we finish a strong year and look to a strong future," he said.

"The Major Projects report does highlight that more investment is needed in exploration to ensure local supply – the cheapest gas is the gas closest to the customer.

"The demand for the cleaner energy provided by gas is there, the willingness to invest is there but we do need investment certainty and stability to ensure more exploration. This includes further progress on reform of the EPBC Act and timely implementation of new regimes in the Northern Territory and WA.

"There is also a strong pathway for hydrogen and carbon capture storage in which APPEA members are industry leaders."

The government's *Resources and Energy Quarterly*, also released today, reveals surging demand for gas will help push Australia to a record \$379 billion of export earnings in 2021-22, up from \$310 billion previously. For example, LNG export earnings were forecast to increase from \$30 billion to \$63 billion this financial year.

Mr Dwyer said: "This all shows confidence in the oil and gas industry remains high."

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