



Department of Planning,
Lands and Heritage

Guidance for

Diversification Lease Proposals

This guide is designed to assist proponents in preparing a proposal for the grant of a diversification lease under Part 6A of the *Land Administration Act 1997*. This guide should not be used for any other purpose.

September 2023
(V1.1.)

The Department of Planning, Lands and Heritage acknowledges the traditional owners and custodians of land and waterways across Western Australia. The Department is committed to reconciliation to improve outcomes for Aboriginal and Torres Strait Islander peoples and to work together to provide a culturally-safe and inclusive environment.

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This document is available in
alternative formats on application to
the Communications Branch.

Guidance for Diversification Lease Proposals

Note to Proponent:

A proposal for a diversification lease will be considered by the Minister for Lands, and may result in the grant of a diversification lease where the proponent meets the following criteria:

- a. a large area of Crown land is identified to be required;
- b. the proposed use(s) provide(s) social, economic environmental and/or cultural benefits to the State, relevant region or locality;
- c. the land is appropriate for the proposed use(s);
- d. if possible, the grant will provide benefits to Aboriginal peoples/communities; and
- e. proponent capability, capacity and experience to deliver the intended outcome has been demonstrated; or the capability, capacity and experience to deliver the intended outcome will be demonstrated.

Please include as much information as necessary to support the proposal. This will assist the Department's assessment and the Minister for Lands in making an informed decision.

The level of detail and information supplied in the proposal should reflect the complexity, nature and scale of the proposal.

Before submitting a proposal, the proponent must ensure:

- A Crown Land Enquiry Form has been completed
- They have read the [Policy Framework guiding the use of Diversification Leases on Crown land under the Land Administration Act 1997](#)



For further information please contact:

Department of Planning, Lands and Heritage

Email: proposals@dplh.wa.gov.au

Phone: 6551 8002

Ask to speak with a representative from the
Land Use Management Division



1. Executive Summary

This should provide an overview of:

- 1.1 *The uses proposed under the diversification lease*
- 1.2 *The current tenure status of the land (e.g. pastoral lease, reserve, unallocated Crown land)*
- 1.3 *Identification of the proponent's existing interest in the land (if any)*
- 1.4 *The length of term requested for the diversification lease and the justification for same*
- 1.5 *Any proposed sub-leasing arrangements*
- 1.6 *Consultation with key stakeholders (eg. primary interest holder, Local Government Authority, native title parties), including any comments and letters of support*



HELPFUL HINT 1:

Proponents are encouraged to commence discussions with the relevant native title party(s) at an early stage and seek a letter of in-principle support for the negotiation of an Indigenous Land Use Agreement (ILUA), unless the native title party is the proponent. Information on native title and ILUA's can be found on the **National Native Title Tribunal web page**.



HELPFUL HINT 2:

Before submitting a proposal to DPLH, proponents should ensure they liaise with the Department of Jobs, Tourism, Science and Innovation for any proposals that require land tenure for large scale renewable energy/hydrogen production as one of the proposed uses. Please refer to the guidance document for **Land tenure for large scale renewable hydrogen projects**.



2. Project Scope and Evaluation

This should provide sufficient background about the land and the intended project outcomes:

2.1 Land description

2.1.1 Location and expected total land area required

2.1.2 The reason the land has been identified and is proposed to be suitable for the proposed use(s), including justification on the size of the area required

2.1.3 Current site access and physical site attributes (e.g. is there a dedicated road to the project area, how will ongoing access be achieved)

2.1.4 Identification of existing rights and interests (e.g. pastoral lease, reserve, licence, sub-lease, etc) and whether any discussions have already been had with such interest holders and if so, what were the results of those discussions

2.1.5 Local planning scheme and zoning (if applicable)

2.1.6 Does the project area have known environmental values?

2.1.6.1 How will the project contribute to the protection and/or rehabilitation of these values, or offset residual impacts to environmental values from a development or activity in a different area?

2.1.6.2 Where the project requires development or intensive use of the land, proponents are encouraged to consider a project area that has low environmental values and/or that has been cleared previously (e.g. post mining land).

2.1.7 Is there any Aboriginal cultural heritage impacted by the project area?

Provide supporting documents such as maps, sketches, surveys etc.



HELPFUL HINT 3:

Aboriginal cultural heritage refers to the elements, both tangible and intangible, that hold significant value to Aboriginal people for their social, spiritual, historical, scientific, or aesthetic importance within Aboriginal traditions. Proponents can search if there is Aboriginal cultural heritage on the **Department of Planning, Lands and Heritage website**.

2.2 Project description

2.2.1 Provide a detailed description of the project in general terms and the intended outcome of the project

2.2.2 Will the project provide social, economic and/or environmental benefits to the State, relevant region or locality?

2.2.3 Is the project aligned with a strategic State Government objective or policy (e.g. Net Zero emissions by 2050, environmental offsets, WA tourism industry development, supporting Aboriginal wellbeing and employment)?

- 2.2.4 *Will the project provide social, cultural and/or economic benefits to Aboriginal people/communities and if so, provide a general description of how?*
- 2.2.5 *Are there any potential risks or negative impacts to the State, region or local community? (eg. social, economic, environmental)*
- 2.2.6 *Does the proponent fit within the definition of “foreign person” or “foreign government investor” under the Foreign Acquisitions and Takeovers Act 1975?*
 - 2.2.6.1 *If yes, the proponent will need to apply to the Foreign Investment Review Board (FIRB) to confirm it has no objection to the grant of the diversification lease, or that the project falls within the allowances or exemptions granted by the FIRB*

2.3 *Planning and Implementation*

- 2.3.1 *Indicative project timeline and investment, including a proposed development schedule tied to expenditure and stages of development, and construction and operating stages if applicable*

The table below is provided as an example

Stage	Description	Timeframe	Expenditure	Prerequisites

2.4 *Site Infrastructure*

- 2.4.1 *Is the site currently serviced? What services will be required? (e.g. power, gas, water, telecommunications, other)*
- 2.4.2 *Describe the site requirements for the proposed use(s) within the project area described in 1.1 above*
- 2.4.3 *Provide the proposed location of any substantial structures to be erected on the project area with a supporting sketch or plan*

Provide supporting documents such as feasibility studies/ surveys, concept plans



HELPFUL HINT 4:

The proposal can include indicative locations of substantial structures however proponents should note the location of infrastructure, particularly substantial structures within the definition set out in section 20(5) of the *Mining Act 1978 (WA)*, but is not within subsections (5) (b), (c), (da) or (e) of that section, will need to be approved by the Minister for Mines and Petroleum and spatially identified in the diversification lease. Early engagement with the Department of Mines, Industry Regulation and Safety (DMIRS) is highly recommended.

3. Financial Disclosure

This should outline a level of financial estimates and cost modelling to support the proposal:

3.1 Proponent expenditure

- 3.1.1 Outline the estimated costs that may be incurred by the proponent in developing the project
- 3.1.2 Provide an indicative date for when Financial Investment Decision is expected, if relevant to your project
- 3.1.3 Indicate the source of funding including any external grants, investment or funding streams that have been obtained or applied for

Provide supporting evidence where applicable.

The table below is provided as an example

Item of Expenditure	Budget (\$)	Source of Funds	Has the Funding been Secured?
Total Budget			

4. Project Delivery

This should demonstrate to Government that the project is feasible and likely to proceed:

4.1 Proponent Capability

- 4.1.1 Provide evidence demonstrating the capability, capacity and experience to deliver the intended outcome (eg. Experience delivering a similar project(s)? Past performance operating similar projects and the benefits) or intended actions to engage persons or companies with such capability, capacity and experience
- 4.1.2 Outline any past experience as a land and/or project manager that may be relevant
- 4.1.3 Proponent's record of engaging with Aboriginal peoples/communities and demonstrated capacity to provide long-term social, cultural and/or economic benefits to Aboriginal peoples/communities

4.2 Project Risk

- 4.2.1 Outline additional project dependencies that may influence project delivery, including industry participation, legislation requirements, timelines.

5. Declaration and Sign-off

Please include the below declaration and signature blocks in your proposal (should be signed by the author and CEO/ Managing Director of your organisation, if applicable)

By signing and submitting this proposal, the signatories have understood and agreed that:

- 1. This proposal does not in any way guarantee that the request for a diversification lease will be granted. The grant of a diversification lease will be considered by the Minister for Lands on a case-by-case basis.*
- 2. The Department of Planning, Lands and Heritage may ask the proponent for any information that will assist in the Minister for Lands assessing the proposal.*
- 3. It is the proponent's responsibility to seek and obtain necessary approvals, licences, insurance certificates and permits, as required.*
- 4. The proponent will notify the Department of Planning, Lands and Heritage if any circumstances have changed between the time the proposal was submitted and the Department making a decision.*
- 5. The Department of Planning, Lands and Heritage is not responsible for approving any of the supplied information, and it is up to the proponent to ensure that all necessary approvals have been obtained and are satisfactory.*
- 6. The Minister for Lands reserves the right to decline assessing the request in detail, grant the request subject to conditions or not grant the request.*

Signed

Completed by

Position

Date

Signed

Approved by

Position

Date