**What does the new indemnity clause mean for landholders?** Since June 2020 the Commission’s working group (comprised of key representatives from the Insurance Council of Australia [ICA], AgForce Queensland, Queensland Farmers Federation [QFF], Cotton Australia, the Australian Petroleum Production & Exploration Association [APPEA] and relevant government departments) has been striving to reach a resolution on the issue of gaps in farm public liability insurance for landholders who currently host active gas activities (including infrastructure) on their properties. This was the working group’s first agreed deliverable and the sole reason it was formed.

After 10 months of intense negotiations the Commission has recently been able to share publicly a new indemnity clause that, if required by the insurer and agreed by the landholder and proponent, can be used to ensure ongoing farm public liability coverage in Queensland while active gas activities (including infrastructure) are on their properties. This is a very positive outcome from the working group and something the Commission is proud of.

**How does the new indemnity clause work?** This new indemnity clause has been developed so that if required by the insurer, and agreed to by the landholder and proponent, can be incorporated into Conduct and Compensation Agreements (CCA) to ensure ongoing farm public liability coverage in Queensland. CCAs generally have within them a process for amendment that may be triggered in instances such as these. If the indemnity clause is required by an insurance company, the landholder should contact the relevant gas company to discuss how this should happen via their CCA.

Landholders *should not be out of pocket* as a result of these new negotiations, as Queensland’s [*Mineral and Energy Resources (Common Provisions) Act 2014*](https://www.legislation.qld.gov.au/view/html/inforce/current/act-2014-047) stipulates that “Landholders are entitled to receive reimbursement from resource companies for reasonable negotiation and preparation costs reasonably incurred for a CCA”. Negotiation and preparation costs are defined as accounting costs, legal costs, valuation costs and the costs of an agronomist.

Ultimately, if landholders have any questions about public liability insurance and their CCAs the Commission strongly recommends they contact their insurance broker or representative, insurance provider and the gas company they have a CCA with.

**What about ‘post-gas’ activity and landholder liability?** It is important to note that the Commission established the working group specifically to *address public liability insurance concerns raised in relation to current gas activities (including infrastructure) on private land*. The issue of long-term public liability insurance in areas of ‘post-gas activity’ was raised during discussions within the working group, and via the Commission’s [Surat Stakeholder Advisory Group](https://gasfieldscommissionqld.org.au/news/937679). Once the issue was raised, the Commission’s working group immediately commenced looking into this issue in more detail. The Commission has since made representations to and continues to actively engage with relevant government departments and other key stakeholders on this issue.

Whilst there are a range of existing regulatory frameworks regarding long term liability that specifically relate to environmental remediation and safety, there are elements of these frameworks that require further clarification in relation to protections afforded to landholders.

Importantly, all members of the Commission’s working group have agreed to continue to work together on examining landholder’s public liability insurance in areas of ‘post-gas activity’ until clarification for landholders has been delivered. As the Commission is currently working through this very complex issue it is not yet possible to suggest a solution without first having clearly defined and clarified the issue and potential options available.