

Caring for our Country Program Design Team
Australian Government Land and Coasts
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Wednesday 15 August, 2012

Re: Comments on the Caring for our Country Consultation Discussion Paper “Program Delivery: How funding could be delivered”

To the Caring for our Country Program Design Team,

The Australian Land Conservation Alliance (ALCA) was formed in 2011 to establish a formal network of organisations working towards implementation of the National Reserve System (NRS) through private land conservation. A key driver behind ALCA’s formation was recognition of the fact that private land conservation efforts in Australia appear fragmented across states and lack synergy. ALCA believes that more work needs to be done to develop a consistency of approach to promote, explain and execute conservation programs on private lands. Acting as a national voice for private land conservation, ALCA currently represents the NSW Nature Conservation Trust, The Nature Conservancy (Australia), the Queensland Trust for Nature, the Nature Foundation SA, the Tasmanian Land Conservancy, the Trust for Nature Victoria and the National Trust of Australia (WA), together representing private landholders already responsible for protecting up to 200,000 hectares across Australia.

ALCA would like to congratulate the Australian Government on securing funding and support for the next phase of the Caring for our Country program. The Alliance ardently supports the ongoing inclusion of the National Reserve System within Caring for our Country as a crucial part of the program, particularly acknowledging its strengths as a national approach to conservation and its role in building and sustaining partnerships across states and at multiple levels ranging from local to regional and national. Recognising the important areas within the program that require improvement, ALCA wishes to thank the Program Design Team for the opportunity to comment on the next phase of Caring for our Country.

ALCA stresses the need for the next phase of the Caring for our Country program to further support the private land conservation sector and its important contribution to the permanent protection and conservation of nationally significant species, ecosystems and biodiversity. In particular, the Alliance wishes to voice the following:

1. Permanent protection is an integral part of the mix of approaches that Caring for our Country should support;
2. Post-protection management services are essential for securing conservation agreements in the longer term;
3. Revolving funds are an important and effective mechanism for permanent protection of private land and should be supported by Caring for our Country.
4. There is a need for increased transparency of Caring for our Country delivery activities, monitoring and evaluation;
5. Caring for our Country should provide for undertaking negotiated agreements with state-wide service delivery bodies; and
6. A devolved funding process would make Caring for our Country more accessible to landowners with permanently protected land who are participating in private land conservation activities.

Each of these key points relevant to the Program Delivery discussion paper is discussed in Attachment A. A summary table is provided to link these discussion points to the questions listed in the Caring for our Country discussion paper (Attachment B).

ALCA would like to extend an offer to assist government officials in the design of the Caring for our Country program to help ensure that private land conservation activities make their greatest possible contribution to Caring for our Country objectives.

Should you require further clarification on this submission, please contact Stephen van der Mark or Mat Hardy (contact details on the attached cover sheet).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S van der Mark', is written over a horizontal line.

Stephen van der Mark
Chief Executive Officer
Australian Land Conservation Alliance

Attachment A – Submission discussion points

1 Permanent protection is an integral part of the mix of approaches that should be supported by Caring for our Country

1.1 The importance of the National Reserve System

The Alliance ardently supports the ongoing inclusion of the National Reserve System within Caring for our Country as a crucial part of program, specifically acknowledging its strengths as a national approach to conservation and its role in building partnerships across states and at multiple levels ranging from local to regional and national. Its unique national approach is particularly important in the face of changing and emerging land use pressures, not just around peri-urban areas but also in regional and rural areas. The Alliance believes that the NRS, given previous government investments in the program, should be continued and sustained as a cornerstone for conservation efforts across the public-private conservation estate.

1.2 The importance of long-term goals

Government environmental funding programs should be, and should be seen as, investments in long term environmental outcomes. This means that the programs should have explicitly stated long term goals which should be accompanied by explanations/rationales of how the program design and proposed funding activities/streams support or lead to long term outcomes. The review should take into account international trends in this regard. The long term nature of the outcomes should be clearly expressed so that the time horizon is able to be understood by the community and is not ambiguous in its intent. Given the wide variety of conservation mechanisms in practice, we suggest the development of an unambiguous classification system that sets clear conservation outcomes for each category of mechanism (e.g. covenants and other permanent protection >99 years, long-term, bio-banking and offset schemes >30 years, vegetation management plans >10 years etc.).

1.3 The importance of designing for long-term goals

Long term goals, and their outcomes, are hard to achieve due to the unknown impact of foreseen and unforeseen future variables - as the time horizons for goals lengthen so does the uncertainty of their realisation increase. The challenge of designing programs which by necessity fund present actions to achieve present and future long term outcomes is understood. Program design for the long term should take into account:

- the uncertainty of long term outcomes and the associated risk of loss of investment and value
- established practices and disciplines (in other fields of work) for managing uncertainty and risk in programs with long term horizons
- the role of securing investments and assets both legally and operationally (e.g. via post-protection management services)
- important insights from other disciplines (in government) that provision for the future from current budgets (e.g. superannuation)

1.4 The importance of security in minimising investment risk

Program design should consider the importance of securing the present investment of public money in long term outcomes. At the moment, there are no clearly articulated targets for permanent protection either in terms of hectares or the percentage of the money invested. The Environmental Stewardship Program of Caring for our Country which has distributed significant funds, relies largely on short term common law agreements to set out the management responsibilities of landholder recipients. The Review of the Environmental Stewardship Program, by Marsden Jacob Associates 2010, commissioned by SEWPAC found that the vast majority of agreements under the Environmental Stewardship Program were secured for between 10 and 15 years. Over 80 per cent of the area was secured for 15 years, 13 per cent secured for ten years, and less than 5 per cent for nine years or less.¹ Whilst within this program the conservation covenant is an option for landowners, there is no permanency requirement/outcome for the investment of significant sums of money. This point has also been raised in the recent Senate Estimates Committee hearings into tracking the long-term security of projects under the Biodiversity Fund investment.² This issue needs to be addressed in the design of the next phase of Caring for our Country.

¹ Binney, J., Whiteoak, K. and G. Tunny, 2010. *Review of the Environmental Stewardship Program*. Marsden Jacobs Associates. p43

² Commonwealth of Australia. Senate Budget Estimates, 22 May 2012. *Senate Standing Committee on Environment and Communications (Official Hansard p122)*. Retrieved from: http://parlinfo.aph.gov.au/parlInfo/download/committees/estimate/02e0a1cc-959c-402d-8a0a-00fa1594fb37/toc_pdf/Environment%20and%20Communications%20Legislation%20Committee_2012_05_22_1091_Official.pdf

Through its role in increasing the permanently-protected conservation estate, private land conservation is a crucial part of minimising long-term investment risk. Indeed one of the key findings of the Marsden Jacobs review of the Environmental Stewardship Program was that “*covenants provide a tested and robust means to secure protection of ecological assets in perpetuity*”,³ and furthermore, “*that the extent of area placed under covenant following the program might be a useful indicator of improvements over the long term.*”⁴ This report not only highlights the low-risk nature of covenants but also their potential as a measure of secure, long-term conservation outcomes and ultimately, program success.

1.5 The importance of diversification in minimising risk and achieving long-term goals

The outline for the next phase of Caring for our Country states that “*a mix of investment approaches will be effective in achieving a diverse range of delivery partners and projects.*”⁵ Noting the importance of a mix of investment approaches, the Alliance stresses that as for any long-term investment, the primary design goal of Caring for our Country should be to diversify its activities in a way that spreads and minimises overall risk. Activities that provide short-term returns should be part of the mix of Caring for our Country investment approach, and so should low risk activities that provide long-term security, as a central part of the overall investment strategy. In the case of achieving Caring for our Country’s long-term goals, permanent protection provides the lowest risk and greatest security of investment, and should therefore be a central focus of the overall investment strategy. Any higher costs for lower risk should be accepted.

The program should allocate the percentages of the funds to short / long-term / secured / unsecured activities and outcomes at the design stage. This would guide diversification. This approach would also help to align the new Caring for our Country objective of “Protection of our conservation estate” with the findings of the Caring for our Country review report, which states that “*activity needs to focus on ensuring the government’s investment is consistent with meeting agreed targets, and providing the highest possible protection for the best value land that is available.*”⁶

1.6 The importance of defining protection

The Alliance suggests that central to achieving the Caring for our Country objective of “Protection of our conservation estate” is clarifying upfront what is meant by “protection.” In the Australian private land conservation sector, permanent protection is used to describe “secure, binding, in-perpetuity legal protection of native vegetation, biodiversity, terrestrial, aquatic and marine ecosystems, or native habitat, for the specific purpose of biodiversity conservation.” We suggest that the concept of permanent protection could be further qualified in the next phase of Caring for our Country by requiring permanent protection to be focussed on “increasing the permanence, area and connectivity of the conservation estate for the purpose of biodiversity conservation and improving resilience to climate change.” The focus here is on long-term security of the conservation estate – ensuring that what is conserved today, will continue to exist into the future.

1.7 The importance of permanent protection to both Caring for our Country and the Biodiversity Fund

At present, permanent protection of existing native vegetation and habitat is an important focus of Caring for our Country, which is not directly addressed within the Biodiversity Fund. In the interests of long-term conservation outcomes, it is important to recognise that permanent protection should be a guiding principle of both.

1.8 The importance of permanent protection to the National Wildlife Corridors Plan

Caring for our Country is an important vehicle for permanently securing private lands for the development of wildlife corridors under the National Wildlife Corridors Plan. However, Caring for our Country is equally important for permanently securing high conservation value land outside the priority areas identified in the National Wildlife Corridors Plan. Without a reasonable share of Caring for our Country funding allocated to permanent protection of land outside of the focus corridors, the health and resilience of important ecosystems is at risk. As for Caring for our Country and the Biodiversity Fund, permanent protection should be a guiding principle of the National Wildlife Corridors as well.

1.9 The importance of appropriate delivery infrastructure

Program design (including business mapping) needs to ensure that the essential elements are in place for the effective delivery of the programs. Protection services (negotiating protection agreements and deeds, the process of on-title registration and

³ Binney, J., Whiteoak, K. and G. Tunny, 2010. *Review of the Environmental Stewardship Program*. Marsden Jacobs Associates. p30

⁴ *Ibid.* p52

⁵ Australian Government, 2012. *Caring for our Country: An outline for the future 2013-18*. Commonwealth of Australia, Canberra p15

⁶ Australian Government Land and Coasts Caring for our Country Review Team, 2012. *Report on the Review of the Caring for our Country Initiative, April 2012*. Commonwealth of Australia, Canberra. p21.

associated management plans, the post-protection, maintaining and report) are services relevant to all environmental granting programs and are part of this infrastructure.

Infrastructure is, and should be, separate and distinct to projects and the organisations that deliver projects. The roll out of significant project funding should be based on well-designed infrastructure. In this way, the effectiveness of project funding is maximised when delivered through appropriate infrastructure.⁷

1.10 Covenanted services and the Environmental Stewardship Program

We note that with respect to covenanting services, it appears that an inconsistent approach across states is taken to covenanting costs. The Review of the Environmental Stewardship Program, Marsden Jacob Associates 2010, commissioned by SEWPAC provides information about the headline costs of the Environmental Stewardship Program of Caring for our Country.⁸ It states that these costs include covenanting costs passed onto the Commonwealth by covenanting agencies. The Alliance wishes to state that this does not appear to be the arrangement for a number of its member organisations, and a nationally-consistent approach to the Environmental Stewardship Program should be adopted. This approach should ensure that payments from the Commonwealth for covenanting services are made directly to covenanting organisations rather than coming via landholders, who in their applications to the program might be dissuaded to apply for the extra costs associated with the covenanting option.

1.11 Competitive delivery

Infrastructure requirements and associated services should not be supported through competitive programs. For example, on-title protection services (including NRS accredited covenanting bodies) are the means by which land values are secured on title. These services are relevant to any environmental funding program with long term goals (both federal and state) and can only be offered by bodies with the powers to register covenants/agreements on title. The nature of these services means that delivery through a competitive program is not a suitable approach.

1.12 The importance of Expressions of Interest and Commissioned projects as alternative delivery mechanisms

The Alliance strongly supports the inclusion within Caring for our Country of Expressions of Interest and Commissioned Projects as alternative delivery mechanisms to competitive delivery.

1.13 The importance of secured lands for leveraging partnerships and funding

From a program delivery perspective, it is worth noting that secure conservation assets are powerful foundations upon which to form partnerships and leverage funding from private sources. Permanently protected conservation estates provide great opportunity to attract co-investment, particularly when backed by government investment. Philanthropic donors can engage with these programs with confidence that their funds are going to contribute to in-perpetuity outcomes and the assurance that their activities are backed by strong public policy investment. In turn, this investment could greatly assist in the funding and delivery of post-protection management services and free up government resources for other management issues and broader actions that enhance the quality, extent and connectivity of biodiverse native habitats and landscapes. Moreover, increasing the extent of permanently protected high conservation value private lands will likely help protect vulnerable species before they become nationally endangered.

⁷ For example, arts funding in Australia is for both organisational infrastructure across art forms and for programs. It is well understood in the arts sector that projects alone cannot deliver sustained, mature, capital intensive cultural products. Partnerships between government (federal and state) and cultural institutions, based on committed long term funding for such organisations, allow for investment and long term planning. In a similar way, committed partnerships between government and environmental organisations would provide a secure basis for investment and long-term planning.

⁸ Australian Government Land and Coasts Caring for our Country Review Team, 2012. *Report on the Review of the Caring for our Country Initiative, April 2012.* Commonwealth of Australia, Canberra. p44

6 A devolved funding process would make Caring for our Country more accessible to landowners with permanently protected land who are participating in private land conservation activities

6.1 The benefit of a devolved funding process

The Alliance suggests that Caring for our Country should include devolved funding delivery programs in each state, administered by ALCA member organisations. A devolved funding process would make Caring for our Country more accessible to landowners who have permanently protected their land and are participating in private land conservation activities.

As trusted experts in private land conservation, including on-ground management, ALCA members are best-placed to manage the devolved program for landowners with permanently protected land. Through this approach, ALCA members could ensure that conservation activities on these lands are based on strategic private land conservation goals that align with national conservation objectives (for example, maintenance of ecosystem services). Furthermore, ALCA members could facilitate the building of partnerships and encourage innovative approaches to private land conservation – particularly through their expertise in market-based mechanisms. As an example, the Alliance could assist landowners in implementing innovative projects that develop private landholder conservation capacity to become financially self-sustaining – creating sufficient income from conserving biodiversity to manage their lands, and encouraging private and philanthropic partnerships.

6.2 Support for a staged approval process

In general terms, the Alliance supports the initiative for a staged approval process led by initial expressions of interest, followed by a more detailed application, as an efficient way to apply for Caring for our Country funding that saves time, resources and maintains morale.

6.3 The case for simplified applications for landowners with permanently protected lands

Furthermore, the Alliance proposes that given their existing commitment to permanent protection, simplified funding applications should be considered for landowners who have already signed onto legal, binding permanent protection agreements. Not only would the permanent protection agreement provide security for the Caring for our Country investment, but existing ALCA member monitoring and reporting mechanisms would provide additional transparency. This simplified application mechanism would also act as incentive for landowners to participate in voluntary permanent private land protection.

Attachment B – Related discussion paper questions

Table 1. Summary table showing relationship between discussion points and Caring for our Country discussion paper questions

Theme	Discussion question	Related discussion point	
		Permanent protection	Devolved process
Medium to large competitive grants	What could be the solutions to address the following: <ul style="list-style-type: none"> high level of competition hindering the development of partnerships? application fatigue? 	✓	✓
	What funding scales might be appropriate for a medium to large-scale competitive grants process?		
	Would you like to make any other suggestions for designing an open competitive grants process?	✓	✓
Expressions of interest	What objectives or types of activities could be best addressed through this type of mechanism?	✓	✓
	Do you have practical suggestions for designing an expression of interest process, with the aim of stimulating innovative and large scale initiatives including facilitating the design, consultation and development phase of a project?		✓
Commissioned projects	Do you have suggestions for large scale projects that align with the new Caring for our Country strategic objectives, which could be delivered through a negotiated, commissioned, or market-based approach?		
	Is an expert advisory panel a good way to identify and prioritise potential areas for negotiated or commissioned activities?		✓
	How can we best design programs to encourage innovation?		✓
	Is direct or commissioned investment a better way to promote innovation projects, compared with an open competitive process?	✓	
Support for community groups	How could Caring for our Country better support community activities within the context of national program objectives?		✓
	Can you identify specific activities that will more effectively and innovatively engage the community and build capacity for natural resource management?		✓
	Do you have ideas for extending the reach of community engagement to all parts of the community?		✓
	How can we improve our facilitation activities to reach people more effectively?		✓
	How can we better contribute to information sharing, engagement and conversations within natural resource management and farming communities?		
Partnerships and co-investment	What role could Caring for our Country play in brokering or linking co-investment with state, regional, local or non-government organisations to further mutual or complementary strategic objectives?	✓	
	How can we best utilise partnerships consisting of multiple stakeholders?	✓	✓
	What type of process would further encourage the development of partnerships? Can you suggest additional elements in the program design to encourage partnerships?	✓	✓
	Do you have any examples of good partnership projects funded through Caring for our Country? What worked and what lessons were learnt that could be used to design the next phase of Caring for our Country delivery?		
	Aside from using expression of interest processes, how else could Caring for our Country support the development of this type of initiative?	✓	✓
Other	Do you have any other suggestions for delivery mechanisms that would be suitable for funding Caring for our Country strategic objectives?	✓	✓