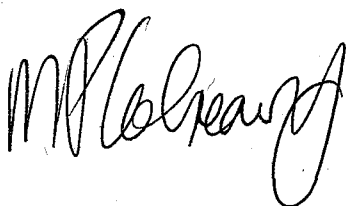


SUBMISSION TO THE SENATE INQUIRY INTO NATURAL RESOURCE MANAGEMENT AND CONSERVATION CHALLENGES

NOVEMBER 2009

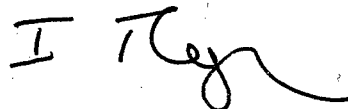
Joint submission on the implementation of Caring for our Country from
the Department of the Environment, Water, Heritage and the Arts and
the Department of Agriculture, Fisheries and Forestry

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Update on the implementation of Caring for our Country

In August 2008 the Department of the Environment, Water, Heritage and the Arts and the Department of Agriculture, Fisheries and Forestry provided a joint written submission to the Inquiry into natural resource management and conservation challenges. We also made a direct representation at the hearing held on 17 October 2008

Since these earlier hearings, the Departments have made considerable progress in the implementation of Caring for our Country.

Targeted investment in natural resource management

Following major concerns that previous NRM programs could not articulate what had been achieved for the significant investment, under Caring for our Country a series of outcome statements identifies what will be achieved by June 2013 within the \$2 billion budget. The outcomes statements were publicly released on 30 September 2008.

Each year a Caring for our Country business plan is released, this includes: the priority short-term targets that the Australian Government is seeking to invest in; the public call for proposals for activities that will contribute to the delivery of those priority targets; and outlines the available budget, the eligibility requirements and criteria for assessment of proposals.

The Australian Government has established a simple, effective, reliable and cost-efficient mechanism for measuring and reporting on the appropriateness, impact, effectiveness, efficiency, performance and legacy of Caring for our Country. The Caring for our Country Monitoring, Evaluation, Reporting and Improvement (MERI) Strategy was released in July 2009 and provides a standard approach for monitoring and reporting on performance of Caring for our Country. The key aims of the Caring for our Country MERI strategy are:

- to enable the achievement of the Caring for our Country five year outcomes by monitoring implementation against key MERI evaluation questions;
- to meet the Australian Government requirements for accountable and transparent expenditure of public funds through reporting by outcomes, and
- to articulate clear requirements for funding recipients and the Australian Government regarding the implementation of MERI for Caring for our Country.

The Caring for our Country 2008-09 annual report card is in the final stages of preparation for release in coming weeks. The report card provides an 'at a glance' overview on progress for each of the Caring for our Country five year outcomes, based on investments made in the financial year 2008-09.

Investment processes to date

The inaugural 2009-10 business plan released in November 2008 sought proposals for an estimated budget of \$450 million. Over 1300 proposals worth more than \$3.4 billion were received. To date \$446.614 million over four years has been approved from the 2009-10 business plan call.

The assessment of proposals for 2009-10 involved a combination of departmental staff, and external community and scientific advisory panels. Proposals were subject to an

assessment process based on eligibility and merit, including contribution to Caring for our Country targets, best available science, public benefit, value for money, delivery risk.

An extensive review of the 2009-10 targets has been undertaken, including an online survey and consultation meetings which were held in all capital cities between May and June 2009. Meetings were attended by 241 people from regional NRM organisations, NGOs, state/territory agency staff and Australian government facilitators. A further consultative workshop, attended by 45 representatives of peak organisations was held in early August. The target review has also taken into account new information which has been provided, progress to date in achieving targets and five-year outcomes, budget allocations and other stakeholder feedback obtained from letters and meetings. The targets in the 2010-11 business plan will reflect the learnings and feedback as a result of this consultation and evaluation. It is expected to be released in coming weeks.

The government is moving to simplify application processes as far as possible. A fully on-line version of the 2010-11 application form will be available, and more comprehensive assistance will be provided, including through Australian Government facilitators, and links to supporting information embedded in the electronic applications.

Two key program elements that illustrate the range of innovative approaches that are being used to deliver Caring for our Country are:

Reef Rescue

Reef Rescue is a \$200 million component of Caring for our Country, aimed at improving the quality of water reaching the Great Barrier Reef. The Australian Government, together with the Australian Commonwealth Scientific and Research Organisation (CSIRO) and the Bureau of Rural Sciences (BRS), facilitated an initial multi-criteria analysis (MCA) process to inform 2009-10 regional investment allocations for Reef Rescue. The MCA was an informative, not determinative, process and it confirmed the highest priorities in the reef's catchment were to:

- reduce soluble nutrients and pesticides from intensive agriculture, focusing on but not limited to cane production, in the Wet Tropics, Mackay Whitsunday and coastal Burdekin regions; and
- reduce sediment, particulate nutrients and pesticides from extensive rangelands grazing in the large drier catchments of the Fitzroy and Burdekin regions.
- The 2009-10 process resulted in the funding of 14 Reef Rescue Water Quality Grants and Partnerships projects worth \$50.489 million over three years. Through this investment, 1424 farmers in the cane, horticulture and broadacre grains industries and 657 graziers in priority areas will be targeted to deliver water quality outcomes for the Great Barrier Reef.

Environmental Stewardship

Environmental Stewardship provides market-based incentives for private land managers for the long-term protection and rehabilitation of targeted matters of National Environmental Significance as listed under the *Environment Protection and Biodiversity Conservation Act 1999*. Contracts between the land manager and the Australian Government are entered into for a period of up to fifteen years. The tender process encourages value-for-money proposals that address specific conservation actions and behaviours that meet agreed outcomes.

Ministers Garrett and Burke have agreed to focus initial investment on the critically endangered Box Gum Grassy Woodland ecological community. In 2008-09, the Box Gum Grassy Woodland was targeted through the Lachlan and Murrumbidgee Project in south-west NSW and the Large High Quality Sites Projects in northern NSW and south-east Queensland, with a further round carried out in the Lachlan, Murrumbidgee and Central West regions in 2009-10.

To date Ministers have approved proposals from 161 land managers. Of these, 130 contracts have been finalised with an additional 20 to be agreed by the end of 2009.

Contracts finalised to date will result in the conservation of over 11,600 hectares of critically endangered woodland. Over \$8 million has been allocated through these contracts to June 2011.

Development of Priorities

The outcome statements that identify what will be achieved with the \$2 billion over five years were developed based on:

- the priorities identified through the Australian Government's legislation, policy and international commitments
- the priorities identified through the election commitments (such as the Great Barrier Reef)
- the highest priorities where investment and intervention can make a significant difference in the medium term
- budget available and limited consultation with key stakeholders and scientists.

Caring for our Country has provided funding based on short-term targets that will lead us to deliver the five-year outcomes, they were identified through a process that considered:

- the science and data available at the time
- the priority locations identified through Australian Government legislation and policy (eg: threatened species and communities identified in the EPBC Act) and the need to protect the important ecosystem services delivered by rural lands.
- consultation with state government representatives and scientific experts
- the budget available and where intervention would make a significant difference
- the logical steps required to meet the 5-year outcomes in the time available.

Caring for our Country's support of the regional model

The Australian Government places great value on the regional NRM organisations and believes they continue to play a vital and ongoing role in the delivery of environment and sustainable agriculture programs. We have committed \$711 million over five years as a guaranteed base level of funding to regional groups for activities that address Caring for our Country national priorities and outcomes within their region. This equates to over a third of the five year budget, the remainder is available for open competitive investment processes, election commitments and implementation (eg: facilitators, monitoring and evaluation).

The Australian Government is supportive of the regions having NRM strategic plans. Where the local and regional priorities align with the Caring for our Country targets, we encourage regions to include these projects in their regional base-level proposals for funding and we will consider providing funding through competitive proposals.

The 56 regions have each been notified of their base-level allocation until June 2013, which is between 50 per cent -100 per cent of their historical annual average allocation. Regional bodies are invited to submit multi-year proposals on how they expect to spend this funding to achieve the Caring for our Country targets in their region. These allocations were made based on the following criteria:

- an average minimum funding for regions to function
- location of outcomes and targets
- capacity of regions to deliver

The funding per region, including competitive projects, has been requested at the recent Budget Estimates, the response will be provided shortly.

Landcare and Community support

Funding for Landcare continues as an important element of Caring for our Country, with \$189.200 million allocated over five years (inclusive of Departmental Landcare appropriation).

To date Minister Burke has approved investment in 242 Landcare projects worth \$63.203 million across Australia since the commencement of Caring for our Country on 1 July 2008 under the following funding rounds:

- 139 Landcare Sustainable Practices grants - \$27.901 million over three years (June 2008)
- 47 Open Grants (Landcare) - \$9.343 million over two years (November 2008)
- 56 Business Plan grants (Landcare) - \$25.959 million over four years (July 2009)

On 21 September 2009 Ministers released a small grants component to Caring for our Country, the Community Action Grants program. Funding of \$5 million is available to provide grants of between \$5000 and \$20,000 to eligible community groups to support local environmental and land management work that were not successful through the 2009-10 business plan. Applications closed on 22 October 2009 and we received 673 applications worth \$12,169,588, these are currently being assessed. The announcement of successful grants is expected in December 2009.

Further support has been provided to Landcare and other community groups through a national network of 56 Landcare facilitators (\$33.600 million over four years) which was announced by Minister Burke on 5 June 2009.

Continual Improvement

The Australian Government is delivering an innovative approach to natural resource management and has clearly articulated what it will achieve with Caring for our Country funding. We are taking a continual improvement approach and are seeking to incorporate learnings and feedback into our delivery.

Over \$3 billion worth of multi-year proposals were received under the 2009-10 business plan, which far outstripped the amount of multi-year funding available. We estimate that over 17 per cent of all proposals assessed under the 2009-10 business plan have been successful in whole or part. There has been a concern that the business plan does not encourage small organisations and projects.

In an effort to minimize the time and effort of applicants and manage expectations the government is moving to simplify application processes and reduce red-tape as far as possible. A fully online version of the 2010-11 application form will be available for this business plan, with improved guidance information and instructions embedded in the electronic applications. In addition a specific process was undertaken for groups seeking small amounts of funding under the new Community Action Grants, this included a brief application form.

An extensive review of the 2009-10 targets has been undertaken, including an online survey and consultation meetings which were held in all capital cities between May and June 2009. The targets in the 2010-11 business plan will reflect the learnings and feedback from this consultation and evaluation.