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Committee Secretary
House of Representatives Standing Committee on the Environment
PO Box 6021
Parliament House
Canberra ACT 2600

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INQUIRY INTO THE REGISTER OF ENVIRONMENTAL ORGANISATIONS

Introduction

This submission is made on behalf of the Australian Orangutan Project Incorporated, trading as The Orangutan Project (TOP).

TOP maintains the Australian Orangutan Project Conservation Fund. This fund is a public listed fund listed on the register of environmental organizations under item 6.1.1 of subsection 30-55(1) of the Income Tax Assessment Act 1997.

Information relating to TOP

History and profile

- TOP was established in 1999.
- TOP is incorporated under the Western Australian Associations Incorporations Act 1987.
- TOP is funded primarily from donations, but has received grants from the Australian government and generates revenue from the sale of merchandise.
- From a relatively small base TOP has steadily grown, and in the 2014/15 financial year is supporting projects to the value of \$1.5 million. This will bring its total contribution to environmental projects since formation to in excess of \$6 million.
- TOP is now extending its base. It has established a New Zealand chapter and is also considering establishing chapters in other countries such as Canada.

Purpose and philosophy

- TOP is the world's foremost not-for-profit organisation supporting orangutan conservation, rainforest protection, local community partnerships and the rehabilitation and reintroduction of displaced orangutans back to the wild, in order to save the two orangutan species from extinction.

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- TOP's approach is to both have its own projects, such as maintaining orangutan rescue centres and rescue units, and contributing to projects that are led by other likeminded organisations. Co-funding of projects is the key to achieving critical mass in many environmental projects that are beyond the means of a single organisation¹.
- TOP engages directly with communities in Australia, and Australian children and adults, with a view to improving understanding of the importance of environmental protection and the interdependency of animal communities and social and community welfare. While the support provided by Australians is critical to the health of orangutans and their environments in Borneo and Sumatra, TOP also believes that the environmental awareness and empathy it creates through its activities improves the attitudes and behaviors of Australian's in relation to their own environment, with direct and long term benefit to Australia.
- TOP believes that animals should be protected in their own environment and therefore the environment needs to be protected as well as the animals. Maintaining animals in their own environment contributes directly to the mental health of the animals (this is particularly important for orangutans) but also protects all other species in such environments. In the case of orangutans, protecting their environment involves protecting large parts of the Indonesian rainforest. This in turn will have a significant and positive impact on global warming, as Indonesian rainforest have been described as one of the 'lungs of the world'.²

Activities

Currently TOP funds over 20 projects. Full information can be found on its website:

<http://www.orangutan.org.au>. The following are representative projects:

Bukit Tigapuluh Sumatran Orangutan Reintroduction Site: Jambi, Sumatra, Indonesia
The Bukit Tigapuluh (BTP) ecosystem, located in the provinces of Jambi and Riau in Sumatra, is one of only two Sumatran orangutan reintroduction sites in the world. Since 2002, approximately 170 Sumatran orangutans have been transferred to and released into the BTP ecosystem.

Batu Mbelin Orangutan Quarantine Centre, North Sumatra: Batu Mbelin is the only quarantine and care centre for the Sumatran orangutan. It is located near Medan in North Sumatra and was opened in 2002. Illegally held orangutans confiscated in Sumatra are taken to the Batu Mbelin Orangutan Quarantine Centre.

¹ In the area TOP operates there are a number of likeminded organisations each with their own support base. They can very efficiently engage with their own supporters and raise funds, while maintaining very low overheads (TOP spends no more than 12% on administration), but this model seems to require organisations that are themselves not overly large, and thus needing a large and costly administrative and marketing apparatus. The implication is that while each organisation may not be able to independently fund some projects, coalitions of likeminded organisations are able to do so. The outcome is more projects while maintaining low administration costs)

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Orangutan Caring Scholarships, Sumatra: Established in 2006, the Orangutan Caring Scholarship awards talented and disadvantaged Indonesian students with tuition funding, to complete postgraduate programs in Forestry and Biology. Through the program, recipients develop an understanding of the plight of the orangutan, and graduate as an advocate of orangutan conservation.

Wildlife Protection Units (WPU) Jambi, Sumatra: WPUs, entirely funded by TOP, after initial funding from the Australian Government's Regional National Heritage Program, are responsible for patrolling the Bukit Tigapuluh ecosystem. The main aims of the WPUs include establishing, training and maintaining ranger units to secure wildlife populations and their habitat at Bukit Tigapuluh. To date, the WPUs have been highly successful in deterring illegal activities within the ecosystem.

In addition to these *in situ* activities, TOP engages directly with communities in Australia, combining an environmental message with fund raising. It carries out a wide range of activities, ranging from the use of social media to lecture tours, in-community events and adventure tours that have a significant fund raising element.

Submission on matters under consideration by the Committee

TOP would like to submit on the following matters:

The definition of 'environmental organisation' under the *Income Tax Assessment Act 1997*, including under Subdivision 30-E

To be an 'environmental organisation', the principal purpose of the organisation must be: (a) the protection and enhancement of the natural environment or of a significant aspect of the natural environment; or (b) the provision of information or education, or the carrying on of research, about the natural environment or a significant aspect of the natural environment.

TOP agrees with these purposes submits that the 'environment' should *continue* to include:

- The protection of animals in their natural environment, and
- The protection of animals in their natural environment in countries other than Australia.

In support of this, TOP draws the Committee's attention to TOP's principles and purpose and in particular our strongly held view that:

- Activities carried out in Australia aimed at the protection of animals in their natural environment, *whether that be in Australia or other countries*, have a direct and positive impact on such animals and their environments, *and* instills a positive attitude towards environmental protection generally, with commensurate benefits to environmental protection in Australia.

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- Such activities acknowledge, draw attention to, and reinforce the interdependencies between environments in different countries in the context of global warming and other dimensions of overall societal welfare. In other words, in an interdependent world, protecting environments in other countries can over time have a direct impact on Australia's environment. This is particularly true when the environments are 'global commons' such as rainforest and oceans.

TOP believes that the tax deductibility of donations has a material effect on the level of donations that it receives, and hence its ability to achieve its purposes.

The requirements to be met by an organisation to be listed on the Register and maintain its listing

TOP feels strongly that donations made to organisations listed on the Register must be used for the principal purposes of the organisation. It accepts that attracting and administering donations has a cost associated with it, but submits that this cost should be kept to a minimum and should be proportionate to the funds raised. For example, TOP manages to keep its administration costs below 12 percent. This means that almost 90 percent of what is donated to TOP goes directly to the projects and activities it funds.

The current requirements for listing on the Register and maintaining listing aim to ensure high levels of integrity and transparency in relation to what organisations do and how they allocate funds. TOP would wish to see these maintained and would be happy for them to be strengthened.

Activities undertaken by organisations currently listed on the Register and the extent to which these activities involve on-ground environmental works

TOP believes that donors expect activities carried out by organisations listed on the Register to involve on-ground environmental works and this should be the focus of such organisations.

Reporting requirements for organisations to disclose donations and activities funded by donations

TOP believes that there should be a very high level of transparency in relation to donations and activities funded by donations.

Leif Cocks, President - Australian Orangutan Project Incorporated

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