



Australian Government

Joint submission from the Department of the Environment and the Department of Agriculture

**Federal Senate Standing Committees on Environment and
Communications – Inquiry into the National Landcare Programme**

Department of the Environment – Biodiversity and Conservation Division
Department of Agriculture – Sustainability and Biosecurity Policy Division

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This is a joint submission from the Commonwealth Department of the Environment and the Commonwealth Department of Agriculture. The submission reflects the shared experience of both Departments in delivery of natural resource management (NRM) policy, managing associated programmes, and designing the new National Landcare Programme.

The submission outlines the new programme arrangements associated with the National Landcare Programme including strategic objectives and delivery mechanisms. Information on the performance of previous NRM programmes, recent policy responses and a summary of previous inquiries and reviews is also provided.

NEW PROGRAMME ARRANGEMENTS

The National Landcare Programme (the Programme) aims to consolidate NRM investments under the banner of a single programme. It meets the Government's commitments to healthier local and regional environments and a stronger, more competitive and resilient agricultural sector.

The Programme brings together previous programmes, Caring for our Country and Landcare, to create a single national programme that will invest at local, regional and national levels to protect and improve our nationally and internationally important natural assets and values. The Programme enables local delivery with Landcare as the central focus through a national stream and a regional stream.

It will assist farmers and fishers in improving their management of the natural resource base to support sustainable production, including aquaculture, and contribute to national responses to Australia's agricultural and environmental NRM challenges.

Budget

The 2014-15 Budget included \$1,028.1 million over the four years in the forward estimates to establish the Programme (see Table 1). Together with complementary programmes, this brings the Government's total investment in NRM to \$2 billion over four years. This includes \$525.4 million for the Green Army, \$40 million for the Reef 2050 Plan, \$9.4 million for the Great Barrier Reef Trust, \$0.6 million for the Whale and Dolphin Protection Plan, \$210.2 million for Working on Country and \$203.6 million for the Land Sector Package.

As part of the Government's strategy to return the Budget to a sustainable footing, savings and efficiencies totaling \$471.6 million over four years have been taken from the Programme.

Table 1: Budget (\$ million)

	2014-15	2015-16	2016-17	2017-18	Total
National Landcare Programme	\$291.3	\$261.3	\$244.1	\$231.4	\$1,028.1

Outcomes and objectives

The Natural Heritage Ministerial Board (comprising Minister Hunt and Minister Joyce) has agreed to four strategic objectives and outcomes for the Programme (see Table 2). These objectives and outcomes reflect the basis for the Australian Government's investment under the Programme and relevant national policy commitments.

Table 2: National strategic objectives and outcomes for the Programme

Strategic objectives	Strategic outcomes
Strategic objective 1: Communities are managing landscapes to sustain long-term economic and social benefits from their environment.	Maintain and improve ecosystem services through sustainable management of local and regional landscapes.
Strategic objective 2: Farmers and fishers are increasing their long term returns through better management of the natural resource base.	Increase in the number of farmers and fishers adopting practices that improve the quality of the natural resource base, and the area of land over which those practices are applied.
Strategic objective 3: Communities are involved in caring for their environment.	Increase engagement and participation of the community, including landcare, farmers and Indigenous people, in sustainable natural resource management.
Strategic objective 4: Communities are protecting species and natural assets.	Increase restoration and rehabilitation of the natural environment, including protecting and conserving nationally and internationally significant species, ecosystems, ecological communities, places and values.

In order to achieve the long term strategic outcomes, the Australian Government sets out medium-term or intermediate outcomes that will help both departments monitor demonstrable progress and evaluate and communicate success. Regional NRM organisations and the Landcare community are then able to use their regional NRM plans to identify local and regional priorities and develop projects that contribute to national objectives using locally appropriate delivery mechanisms.

Measuring the medium-term priorities allows the Australian Government to better evaluate the achievements and lasting impact of the Programme. The NRM community is also able to make improvements to project design and delivery and, if necessary, to reorient investment based on the relative merits of investments and to take into account emerging priorities.

The draft intermediate outcomes of the Programme are:

- By 2018, there has been a demonstrable increase in the quality of landscape-scale management to reduce environmental threats and pressures.
- By 2018, there has been a demonstrable contribution towards increasing the adoption of sustainable farming and fishing management practices that enhance the resource base and improve long term productivity.
- By 2018, there has been a demonstrable increase in the level of involvement by the NRM community in protecting, rehabilitating and/or restoring prioritised environmental assets and NRM.
- By 2018, there has been a demonstrable increase in the level of protection, rehabilitation and/or restoration of prioritised environmental assets, threatened species, ecological communities and migratory species.

Priority setting

The National Landcare Programme framework underpins the delivery of several other election commitments, such as:

- support for national and state Landcare networks;
- recognising Peel-Harvey Catchment Council and OceanWatch as regional NRM organisations; and
- 20 Million Trees.

The Programme also has significant links to other election commitments including the Reef 2050 Plan and the Green Army. It will also link to the Government's wider NRM policy settings including: the outcomes of the white papers for Agriculture and Developing Northern Australia; drought policy and programmes; the Government's clean water plan, especially in the Murray-Darling Basin; and Biosecurity Incursion Management.

Governance and accountability

The Australian Government is committed to accountability and demonstrating that its NRM investments achieve desired outcomes over both the short and long-term. This allows both departments to report on national and international commitments, national policies, frameworks and agreements.

The Programme will be monitored against its strategic objectives and outcomes using a consistent framework of standard measures and key evaluation questions. Delivery agents and partners will have an important role in demonstrating the value of investments.

Investments will contribute to Programme outcomes and delivery agents will be expected to demonstrate strong financial and organisational governance. Delivering results through effective community engagement and robust regional NRM planning and prioritisation processes will also be important factors.

The Australian Government has already established minimum governance standards for regional NRM organisations that clearly articulate the expectations regarding programme delivery. These governance standards will be incorporated into performance expectations at both the project and organisational level. Performance expectations will be clear and auditable and will be a key quality assurance, risk and performance management tool for the Programme.

Monitoring and evaluation

Monitoring and reporting on delivery progress and improvement is an essential element of effective programme management. The departments are rolling out a single Monitoring, Evaluation, Reporting and Improvement strategy that will allow the Australian Government to track and report on achievements, including impacts on the environment, natural resource base and community using information collected from delivery agents. It is being designed to ease the regulatory burden on the community by streamlining administrative arrangements, whilst maintaining support for monitoring and evaluation of long-term investments.

The strategy will ensure consistency across projects and meets both the sector's need for clear guidance on reporting requirements, and the Australian Government's need for accountability at both the programme and project levels. It will guide the design and

implementation of projects. The strategy will deliver projects that are transparent, cost effective, fit for purpose, and based on scientifically and administratively defensible methods.

To enable simpler reporting, an online system has been designed and developed in collaboration with the Atlas of Living Australia. The system has the ability to easily capture, store and communicate results from NRM investments. It allows for public analysis of data collected through Australian Government funded NRM programmes (this can be accessed at www.nrm.gov.au/funding/merit/). This tool can be used directly by communities, farmers and others to inform priorities and choices.

Programme delivery

The Programme is the primary vehicle for Australian Government investment in national natural resource management. It will deliver grants to promote a healthier environment and more sustainable agriculture. Delivery agents will include regional NRM organisations, agri-businesses, industry groups, Landcare groups, community groups and individual landowners. It assists the Government meet national and international obligations including responsibilities under various conventions such as the Convention on Biological Diversity, the United Nations Framework Convention on Climate Change, the World Heritage Convention, the Ramsar Convention on Wetlands, and the United Nations Convention to Combat Desertification. This includes management of World Heritage areas, protection of internationally important wetlands, recovery of threatened species, national responses to weeds and pest animals, and the protection of the natural resource base.

Public information sessions and consultation with stakeholders commenced in August 2014, and will be used to further refine the design and delivery of the Programme. Issues that will be discussed include:

- partnering with the NRM community including Landcare;
- community engagement in regional NRM planning and project delivery;
- performance expectations; and
- simplified administrative processes and reporting of outcomes.

Delivery mechanisms

To meet community expectations and in recognition of regional differences, a range of programme delivery mechanisms will be used including small community-based projects, larger strategic projects and partnerships, and ongoing support for long-term critical investments. The Programme will have a national and a regional stream.

National stream

At a national level the Programme will retain long-term support for the National Reserve System, including Indigenous Protected Areas and World Heritage Areas such as the Great Barrier Reef. Important coastal rivers, threatened species and ecosystems will be managed and rehabilitated. The 20 Million Trees Programme will form a long-term commitment to re-establishing green corridors and urban forests around Australia. The management of pests and diseases that threaten the environment and agricultural productivity will continue to be supported.

The Australian Government will shortly announce details of a one-off grants programme to coincide with the 25th anniversary of Landcare. The Australian Government has committed to provide Landcare networks with funding to support national and state coordination. These investments will improve on-ground NRM outcomes through community participation and engagement, and knowledge sharing across the Landcare community.

Regional stream

The regional stream will be delivered through 56 regional NRM organisations across the nation. Regional NRM organisations will continue to build on their partnerships with the Landcare community and will strengthen the capacity of the NRM community to care for their local environments.

The Australian Government will support regional NRM organisations to maximise community participation, set priorities and deliver environmental and sustainable agricultural outcomes. Each regional NRM organisation is expected to:

- lead regional NRM planning and prioritisation of NRM activities to support environmental protection and sustainable agricultural practices;
- deliver nationally important outcomes;
- broker partnerships, collaborate with networks and support local stakeholders in delivery of regional NRM activities;
- build local community and industry engagement, skills and capacity in NRM;
- support Indigenous participation in delivering NRM; and
- report NRM outcomes at a regional level and contribute to Programme reporting at the national level.

Management of our oceans and estuaries to support a sustainable fishing industry has been enhanced by the recognition of OceanWatch as a new NRM region.

In addition to developing partnerships with Landcare groups for on-ground project delivery, regional NRM organisations are also expected to support Landcare and production groups to adopt sustainable farm and land management practices and to protect and restore Australia's natural environment through:

- sharing information;
- raising awareness of NRM priorities;
- strengthening Landcare and community networks; and
- promoting the achievements and outcomes of Landcare and the Landcare ethic.

Complementary programmes

The Programme is part of a suite of natural resource policies and investments. The national and regional streams of the Programme will be complemented by other Australian Government NRM initiatives including the Green Army Programme, the Reef 2050 Plan, Working on Country, the Land Sector Package and investments in the Great Barrier Reef

Trust. Drought programmes and Biosecurity Incursion Management also provide complementary measures to support the sector's ability to address land management issues.

Future investment

The Australian Government will invest \$1 billion through the Programme over the next four years. The Programme formally commenced on 1 July 2014 and some elements of the national and regional streams are already underway. Public consultation on the regional stream has commenced, and as part of this process both departments are consulting on appropriate mechanisms and governance arrangements to maximise the participation of the Landcare community in the Programme.

Recognising that considerable investment will be made through the regional stream of the Programme, it is expected that regional NRM organisations will make improvements in:

- measuring the impact and cost effectiveness of their activities, and
- reporting landholder co-contributions and balancing public and private benefits.

Addressing these aspects will be part of the design process. This presents an opportunity to:

- better reflect Government's policy priorities across environment and sustainable agriculture;
- improve linkages between activities across the NRM sector;
- improve coordination with states and territories to better align NRM investment; and
- link programme delivery with public environmental reporting to improve management at regional and national levels.

Recent investment in regional climate change NRM planning, along with the proposed reforms under the Programme, provides a platform to continue to build Australia's climate change resilience through improved land management.

Programme administration

The Programme will be collaboratively managed by the Department of the Environment and the Department of Agriculture. The Department of the Environment will administer the regional stream of the Programme, on behalf of both departments, to streamline the process for community stakeholders. The national stream of the Programme will be administered separately by the respective departments to reflect the difference in stakeholders and objectives for the environment, agriculture and Indigenous affairs outcomes. Funding contributions to the Programme remain unchanged.

Both departments will continue to work with the Department of the Prime Minister and Cabinet that administers Indigenous Protected Areas (part of the Programme's national stream) and Working on Country (a complementary programme).

PREVIOUS PROGRAMMES

The origins of Landcare

The Australian Government's support for Landcare had its origins in then Prime Minister Hawke's July 1989 Statement on the Environment, *Our Country Our Future*. Since then,

successive governments have actively supported natural resource management (see timeline at Appendix 2). Prior to the new Programme, this support evolved through a range of initiatives such as the National Landcare Programme (former programme associated with the Decade of Landcare commencing in 1990), the Natural Heritage Trust (commencing in 1997), Caring for our Country, the Environmental Stewardship Programme and the National Action Plan for Salinity and Water Quality, among others.

Natural Heritage Trust and Landcare objectives

The Natural Heritage Trust of Australia Account was established by the former Howard Government through the *Natural Heritage Trust of Australia Act 1997*. The main objective of the Trust is to conserve, repair and replenish Australia's natural capital infrastructure. The Act specifies that funds can be spent on the environment, sustainable agriculture and natural resources management.

The *National Resource Management (Financial Assistance) Act 1992* provides an appropriation for funding Landcare. The primary object of the Act is to facilitate the development and implementation of integrated approaches to natural resource management.

NHT1 and NHT2

The first and second phases (NHT1 and NHT2) of the Natural Heritage Trust ran from 1997 to 2008. The programmes were intended to address problems of land degradation and biodiversity loss across rural Australia. The National Action Plan for Salinity and Water Quality ran concurrently to NHT1 and NHT2 between 2001 to 2008.

The performance of the Trust was reported through successive annual reports that described the activities and achievements of NHT1 and NHT2.¹

Caring for our Country

The first phase of Caring for our Country commenced in 2008. Caring for our Country established national priorities to focus investment on protection of the environment and sustainable management of our natural resources. The programme focused on six national priorities: National Reserve System; Biodiversity and natural icons; Coastal environments and critical aquatic habitats; Sustainable farm practices; Northern and remote Australia; and Community skills, knowledge and engagement.

A major policy review of Caring for our Country was completed in 2012. The *Report on the Review of the Caring for our Country Initiative* set out findings on the appropriateness, efficiency and effectiveness of the initiative in advance of the second phase. The second phase of the initiative commenced in July 2013.

Achievements

As part of the monitoring framework for Caring for our Country, annual report cards were published from 2008-09 to 2011-12 that summarised the achievements of the initiative and provided a snapshot of overall progress.

Australian Land Management data and Drivers of Practice Change data collected by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) have supported the outcomes achieved through the Caring for our Country initiative.

¹ Natural Heritage Trust annual reports can be accessed via NRM Knowledge Online: <http://nrmonline.nrm.gov.au>.

A five-year Achievements Report was released at the conclusion of the first phase of the initiative. The report outlines specific examples of outcomes achieved including.²

- Expansion of the National Reserve System by over 27 million hectares including the declaration of 34 new Indigenous Protected Areas.
- Management of over 10.8 million hectares of native habitat and vegetation projects to conserve native species and enhance the condition and connectivity of landscapes.
- Improvements in the Great Barrier Reef's water quality, including a 12.6 per cent reduction in soluble nutrients, 14.6 per cent reduction in pesticides, 5.6 per cent reduction in sediment and a 5.2 per cent reduction in particulate nutrients.
- Engagement of over 4,500 community groups to protect, restore and conserve coastal and critical aquatic habitats.
- Under the Environmental Stewardship Programme, over 270 private land managers committed to the management and protection of over 58,000 hectares of nationally threatened ecological communities.
- Removal of over 160,000 feral camels across the Northern Territory, South Australia and Western Australia, reducing the density of camels in 18 areas of known high conservation and cultural value.
- Improvements in management practices on over 10.5 million hectares of land.
- Over 13,000 farmers delivered public benefits by increasing native vegetation condition and connectivity.
- Over 79,000 land managers, farmers and fishers attended community events to gain knowledge and skills about NRM.¹

Whilst the report focused on achievements, it also discussed the key characteristics and challenges of Caring for our Country. Four characteristics were identified as critical for success:

- People and partnerships – the individuals, Landcare groups and organisations involved in NRM are key drivers of outcomes.
- Integrated efforts and benefits – integrated approaches are appropriate given the scale and long-term nature of NRM challenges.
- Innovation – innovative approaches in design and implementation can be drivers of project success.
- A scientific basis for prioritising and evaluating – the best available information should be accessed and integrated to inform investment and evaluate achievements.

Reviews and lessons learnt

A number of reviews have been undertaken into the operation and performance of NRM programmes including Parliamentary inquiries, departmental policy reviews, and official audits.

² Caring for our Country Achievements Report 2008-2013:
<http://www.nrm.gov.au/about/caring/achievements-report/index.html>

Recommendations from these reviews have been continuously incorporated into the design of new and existing NRM programmes and have resulted in programme and administration improvements.

The findings from previous reviews (see summary at Appendix 1) are being considered and incorporated into the design of the new National Landcare Programme, as part of a continuous improvement cycle.

APPENDIX 1: RECOMMENDATIONS FROM PREVIOUS REVIEWS

Before the establishment of Caring for our Country in 2008, a number of reviews were undertaken into the operation of the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality. Some of the key findings include.³

- Potential duplication, conflicting public messages and high transaction costs for applicants and recipients through tiered regional, state and federal processes.
- Potential cost shifting and 'double dipping' by states and regions through assessment panel processes.
- Multiple delivery arrangements and pursuing multiple objectives impede a strategic approach to NRM being adopted and made it difficult to measure outcomes at a national level.

Previous departmental responses to these findings are contained within the following reports: <http://nrmonline.nrm.gov.au/downloads/mql:2411/content> and http://www.anao.gov.au/~media/Uploads/Documents/2007%2008_audit_report_21.pdf.

In 2010, the Senate Rural and Regional Affairs and Transport References Committee conducted an inquiry into NRM and conservation challenges. The Inquiry made the following recommendations.⁴

- A more rigorous and comprehensive approach to identifying national priorities, including engaging regional and local expertise to ensure priorities are relevant at the regional and local level.
- Bilateral agreements with state and territory governments be pursued to increase investment and drive reform.
- The role of regional NRM organisations be more clearly defined, and the level of institutional and financial support be reviewed.
- Provide incentives for stakeholders to collaborate with a range of project partners on long term planning and action.
- The evaluation of competitive funding applications be modified to give greater consideration to the likelihood of projects achieving defined and measurable environmental outcomes.
- The funding model be reviewed and consideration be given to increasing overall funding.
- The application process be reviewed including opportunities to reduce the costs of submitting applications.
- Establish a framework for providing consistent support and feedback to applicants.
- Convene a working group to develop a framework for auditing the condition of Australia's natural resources.

³ Australian National Audit Office Audit Performance Audit on Commonwealth Natural Resource Management and Environment Programs: <http://nrmonline.nrm.gov.au/catalog/mql:2411>.

⁴ Senate Inquiry Report on Natural Resource Management and Conservation Challenges: http://www.aph.gov.au/~media/wopapub/senate/committee/rrat_ctte/completed_inquiries/2008_10/natural_resource/report/report_pdf.ashx.

The Australian Government's response to the Senate Inquiry recommendations is available at http://www.aph.gov.au/~media/wopapub/senate/committee/rrat_ctte/completed_inquiries/2008_10/natural_resource/gvt_response_030311_pdf.ashx.

The Department of Agriculture and the Department of the Environment jointly undertook a comprehensive review of the Caring for our Country initiative in 2012. The key themes emerging from the review include.⁵

- the importance of alignment between national, regional and local NRM priorities, and the roles of different levels of government and regional NRM organisations;
- continued strong support for community skills, knowledge and engagement activities;
- the quality and accountability of NRM decision-making and funding certainty for NRM delivery agents, including community groups;
- improving efficiency of funding arrangements, and exploring potential to leverage funding from industry, private sector and philanthropy;
- considering national environmental accounting to support monitoring progress in NRM delivery; and
- consider applying successful elements of the Working on Country and Indigenous Protected Area programmes to mainstream NRM programmes.

In 2013, the House of Representatives Standing Committee on Agriculture, Resources, Fisheries and Forestry inquired into the 2011-12 Annual Reports of both departments, in particular the Caring for our Country initiative. The operation of Landcare was also considered by the committee. The inquiry identified the following areas for improvement.⁶

- the monitoring, evaluation, reporting and improvement framework;
- additional consultation in the setting of outcomes and targets, that should consider scientific and community experiences and account for the knowledge and expertise of regional NRM organisations;
- uneven standards of governance and community engagement among regional NRM organisations; and
- changes to programme design including broader consultation, establishing mechanisms to ensure the performance of NRM organisations, supporting partnership arrangements to increase leverage on funding and investment and increasing the community's capacity for effective action.

In February 2014, an internal review into regional NRM organisations was undertaken and found:

⁵ Report on the Review of the Caring for our Country Initiative: <http://nrmonline.nrm.gov.au/catalog/mql:2697>

⁶ Report on the Department of Agriculture, Fisheries and Forestry and Department of Sustainability, Environment, Water, Population and Communities Annual Reports 2011–12: Caring for Our Country and Landcare: http://www.aph.gov.au/parliamentary_business/committees/house_of_representatives_committees?url=arff/daffsewpac/report.htm

- Most organisations have a sound understanding of their communities and rural industries, and deliver projects with partners to meet regional needs.
- Organisations are generally effective in engaging land managers, coordinating action across large areas, and leveraging resources for greater efficiency.
- Most organisations have sound governance and reporting systems, especially those constituted under state legislation.
- Some organisations continue to deliver projects through devolved grants and incentive payments that may not adequately balance public and private benefits.
- Most organisations effectively encourage the adoption of industry best practice approaches. A minority of organisations have strongly driven the uptake of agricultural innovations.
- Organisations generally exceed expectations when engaging industry and using diverse communication avenues.

APPENDIX 2: TIMELINE OF AUSTRALIAN GOVERNMENT SUPPORT FOR NRM

- In 1989, the Australian Government announced the Decade of Landcare Plan and committed funding to the National Landcare Programme.
 - The National Landcare Programme was formalised under the *Natural Resources Management (Financial Assistance) Act 1992*.
- In 1997, the Australian Government established the Natural Heritage Trust under the *Natural Heritage Trust Act 1997*.
 - Component programmes of the Natural Heritage Trust included Bushcare, the National Reserve System, Waterwatch, the National Weeds Programme and the National Landcare Programme, the National Land and Water Resources Audit, Coasts and Clean Seas, the Waste Management Awareness Programme, the National River Health Programme and World Heritage area management.
 - The first phase of the Natural Heritage Trust (NHT1) ran from 1997 to 2002. NHT1 was intended to address problems of land degradation and biodiversity loss across rural Australia. Funding was predominantly granted to community groups for on-ground works.
- In 2000, the National Action Plan for Salinity and Water Quality (NAP) was established with funding of \$700 million over eight years.
- In 2001, the Australian Government extended the Natural Heritage Trust into a second phase (NHT2) from 2002 to 2007. The 2004 Budget further extended NHT2 until 2007-08.
 - Under NHT2, local community groups were able to access funding through Envirofund, the local action component of the programme.
- During NHT2 and NAP, the key elements of the regional delivery model were established including funding activities through a single regional NRM plan.
- In 2008, the Australian Government introduced Caring for our Country, integrating previous NRM initiatives, including the Natural Heritage Trust, the National Landcare Programme, the NAP, the Environmental Stewardship Programme and the Working on Country Indigenous land and sea ranger programmes.
- The 2014–15 Budget outlined the Australian Government's continued commitment to NRM through the National Landcare Programme. Over the next four years, \$1 billion will be invested in projects that address environmental and sustainable agriculture issues.