



**Australian Government**

**Department of the Environment and Energy**

# **Submission to the Senate Environment and Communications References Committee – Great Barrier Reef 2050 Partnership Program**

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## Introduction

The Department of the Environment and Energy (the Department) welcomes the opportunity to provide this submission to the Senate Environment and Communications References Committee. The submission is intended to provide the Committee with information about the delivery of the *Reef 2050 Long-Term Sustainability Plan* (Reef 2050 Plan), including the role of partnerships between the government and non-government sector to strengthen efforts to tackle pressures facing the Great Barrier Reef. The submission outlines arrangements for establishing the Reef Trust–Great Barrier Reef Foundation Partnership, which will provide further opportunities for collaboration and co-investment with the business, science and philanthropy sectors to accelerate delivery of the Reef 2050 Plan.

## The Reef 2050 Plan

The Great Barrier Reef is one of the world's great heritage icons, providing habitat for an extraordinary range of biodiversity, supporting 64,000 jobs and providing \$6.4 billion a year to the Australian economy. In 2015, the Australian and Queensland governments released the Reef 2050 Plan that provides an overarching framework for the management of the Great Barrier Reef. The Plan includes clear actions to address threats and to build the resilience of the Great Barrier Reef in the face of a changing climate. The actions are structured around seven overarching themes — ecosystem health, biodiversity, heritage, water quality, community benefits, economic benefits and governance. These themes reflect the priority areas for action identified by governments and partners to protect the World Heritage values of the Great Barrier Reef.

The Reef 2050 Plan has been endorsed, and its implementation commended, by UNESCO's World Heritage Committee. The Plan builds on the strong, long-standing commitment by the Australian and Queensland governments to protect and manage the Reef. It incorporates the knowledge and expertise of scientists, communities, Traditional Owners, industry and non-government organisations. Successful implementation of the Reef 2050 Plan relies on ongoing productive partnerships between all parties.

Implementation of the Reef 2050 Plan is overseen by the Great Barrier Reef Ministerial Forum, comprised of ministers from both the Australian and Queensland governments.

Implementation of the Plan is also supported by two key advisory bodies: the Reef 2050 Independent Expert Panel, which provides independent scientific and expert advice; and the Reef 2050 Advisory Committee, which provides industry and community perspectives on implementation of the Plan.

Both the Independent Expert Panel and the Reef 2050 Advisory Committee have advised the

Ministerial Forum that urgent action is required to accelerate efforts to reduce pressures and impacts from all sources to improve the Reef's resilience. They also confirmed the Reef 2050 Plan remains the right framework to address pressures on the Reef.

## Review of the Reef 2050 Plan

The implementation of the Reef 2050 Plan adopts a science-based, adaptive management approach with regular reviews scheduled to respond to new information, changing circumstances and emerging issues.

In light of the mass coral bleaching events of 2016 and 2017, the Great Barrier Reef Ministerial Forum decided in July 2017 to bring forward the commencement of a scheduled mid-term review of the Reef 2050 Plan to ensure it continues to be effective in addressing the pressures on the Reef.

The Reef 2050 Plan is being updated based on the mid-term review. The draft updated Plan will be considered for endorsement by the Ministerial Forum when they next meet in mid July 2018, prior to public release. The draft updated Plan proposes the incorporation of the latest information on the substantial pressures for coral reefs everywhere based on global climate projections; and acknowledges the importance of achieving the Paris Agreement goal to mitigate the increase in global average temperatures.

Reflecting the ongoing challenges of climate change and other pressures on the Reef, the draft updated Reef 2050 Plan proposes new actions for immediate attention between now and 2020. These actions aim to enhance the use of existing tools, and lay the foundation for trialling new approaches and technologies to actively assist recovery of reef habitats at larger scales.

The draft updated Reef 2050 Plan will reflect the recommendations of the Great Barrier Reef Marine Park Authority's *Blueprint for Resilience*. The Blueprint identifies new approaches and actions to be undertaken with partners to strengthen the Reef's resilience to the challenges ahead. The Blueprint was developed as an outcome of the *Great Barrier Reef Summit: Managing for Resilience* - a workshop convened by the Authority in May 2017 to discuss the impacts of climate change and other pressures on the Reef.

The draft updated Reef 2050 Plan proposes preparatory activities that provide the foundation for the first comprehensive five-yearly review of the Reef 2050 Plan, to be finalised in 2020. This includes further research on possible trajectories for the Reef under different climate scenarios, and developing more sophisticated monitoring and reporting mechanisms through the Reef 2050 Integrated Monitoring and Reporting Program.

## Implementation of the Reef 2050 Plan

Since 2015, 39 out of 151 actions under the Reef 2050 Plan have been completed or are in place. These include strengthening vegetation management legislation in Queensland and a ban on disposing of capital dredge material in the World Heritage Area. A further 105 Reef 2050 Plan actions are underway to deliver benefits such as: improved water quality; improved fisheries management; control of crown-of-thorns starfish; improved monitoring and reporting; coordinated field management; and support for Traditional Owner aspirations.

Adequate investment is fundamental to the effective and successful implementation of the Reef 2050 Plan. The Australian and Queensland governments are contributing around \$200 million a year to support actions under the Reef 2050 Plan, bringing the total investment of the two governments to more than \$2 billion over a decade.

In 2016, the Australian and Queensland governments released the *Reef 2050 Plan Investment Framework* to guide investment decisions to support delivery of the Reef 2050 Plan and identify strategies to boost investment and diversify sources of funding, including through private and philanthropic partnerships.

The Investment Framework identifies six priority areas for investment, determined in consultation with stakeholders and the advisory bodies. These priority areas are: water quality; field management; monitoring and reporting; crown-of-thorns starfish control; Traditional Owner actions; and fisheries management. These priorities have been used to inform new investment by governments and their partners.

## Key areas of investment under the Reef 2050 Plan

Water quality: The Australian Government has allocated \$481 million from 2013 to 2022 for actions to improve the quality of water flowing into the Reef lagoon (this includes new funding of \$201 million through the Great Barrier Reef Foundation Partnership). The Australian Government's investment in water quality improvement is complemented by \$419 million from the Queensland Government from 2013 to 2022. These investments primarily focus on working in partnership with agricultural industries to reduce fertiliser use, adopt new technologies and improve land management practices to reduce run-off of excess nitrogen, sediment and pesticides into the Reef.

Joint field management: The Australian and Queensland Governments jointly manage field operations to deliver practical on-ground actions to protect and maintain Reef ecosystems and island habitats in the Great Barrier Reef World Heritage Area. These operations are undertaken by the Great Barrier Reef Marine Park Authority in partnership with the

Queensland Parks and Wildlife Service. The Australian Government has committed an additional \$47.6 million to joint field management from 2017-18 to 2023-24 (including \$42.7 million through the 2018-19 Budget). This is supported by \$26 million from the Queensland Government from 2018-19 to 2021-22.

Crown-of-thorns starfish: Since 2011, the Australian Government has committed \$102.9 million to reduce outbreaks of the coral-eating crown-of-thorns starfish (including \$58 million through the Great Barrier Reef Foundation Partnership). Funding is used for surveillance, research and targeted culling of starfish to maintain coral cover at ecologically and economically important Reef sites.

Monitoring and Reporting: The Australian Government has committed \$8 million to the development of the *Reef 2050 Integrated Monitoring and Reporting Program*. This program will monitor and report on the condition, trends and effectiveness of management approaches to protect the World Heritage values of the Great Barrier Reef. The Australian and Queensland governments are also contributing approximately \$9 million per year to the *Paddock to Reef Integrated Monitoring, Modelling and Reporting program* to evaluate and report on progress towards Reef 2050 water quality targets. Work undertaken through these two programs will be supported with an additional \$40 million through the Great Barrier Reef Foundation Partnership to improve Reef health monitoring and reporting over the next six years.

Science and research: The Australian Government has provided \$145 million over six years from 2015 to 2021 for environment and climate research through the National Environmental Science Program. Research outcomes from the program are improving understanding of the impacts of climate change on the Reef, and supporting actions to build the resilience of the Reef. The Australian Government has also provided \$6 million to the Australian Institute of Marine Science and CSIRO to scope and design a major research and development program for coral reef restoration. The Great Barrier Reef Foundation Partnership will build on this work by delivering an additional \$100 million to implement Reef restoration and adaptation, and fund its supporting science.

## Partnerships to deliver the Reef 2050 Plan

Implementation of the Reef 2050 Plan relies on the ongoing collaboration between government agencies, Traditional Owners, industry, NRM organisations, researchers, on-ground service providers and the community. Collaboration and partnerships are essential to boost capacity and expertise, and pool the resources needed to deliver the best outcomes for the Reef. Partnership arrangements are instrumental to harness the participation and leadership of individuals and organisations that are best placed to implement solutions in particular sectors, regions and types of activity on the Reef.

Partnership arrangements and stewardship programs have been established with Traditional Owners, industry sectors, local governments, natural resource management bodies, community and environment groups and individuals. Some examples of existing partnerships that contribute to the implementation of the Reef 2050 Plan include:

- most local governments adjacent to the Great Barrier Reef are part of the Great Barrier Reef Marine Park Authority's Reef Guardians program — working together to deliver statutory and non-statutory actions to manage the threats to the Reef and support the community in understanding and appreciating the Reef's values;
- regional natural resource management bodies, Landcare and grass-roots community environment organisations are delivering programs and actions at the regional scale, particularly through the development and implementation of natural resource management plans and water quality improvement plans;
- Traditional Owners are working with a range of partners to monitor biodiversity and ecosystem health, and deliver ecosystem repair projects. Their rich cultures, heritage, enduring connections and shared efforts help protect the Reef for future generations; and
- regional industries including tourism, fishing, agriculture, mining and port managers are undertaking actions to reduce their impacts on the Reef.

The Reef Trust is one of the Australian Government's key initiatives to implement the Reef 2050 Plan. The government is investing approximately \$700 million through the Reef Trust (including the \$443.3 million partnership with the Great Barrier Reef Foundation). A feature of the Reef Trust is its ability to facilitate greater opportunities for partnerships and private investment to work effectively alongside public investment to maximise results for the Reef. In recent years, there has been an increasing interest from the government and the private and community sector in the role of private-public partnerships as a successful way of delivering outcomes.

Recent examples of partnerships through the Reef Trust include:

- \$7 million from the Australian Government matched with \$7 million raised by Greening Australia to repair over 700 hectares of priority wetlands and coastal ecosystems;
- \$4.5 million from the Australian Government to support an estimated \$12.8 million investment from sugar milling company, MSF Sugar, to assist sugar-cane farmers to improve on-farm nutrient management and thereby improve the quality of water entering the Reef;
- \$5 million from the Australian Government, matched with up to \$5 million raised by the Great Barrier Reef Foundation, to restore and conserve priority island ecosystems; and
- \$5 million from the Australian Government, supplemented by \$2.1 million from the

Queensland Government, to trial enhanced efficiency fertilisers as a means to better control the release of nutrients to match crop requirements, potentially increasing cane yields and farm productivity and profitability.

## Partnership with the Great Barrier Reef Foundation

The Australian Government announced in the 2018-19 Budget that it will invest an additional \$500 million in the Great Barrier Reef. This includes the \$443.3 million Reef Trust – Great Barrier Reef Foundation Partnership over six years from 2018-19 to 2023-24. In addition, \$56 million will be provided to the Great Barrier Reef Marine Park Authority to expand environmental management and compliance operations on the Reef through the Joint Field Management Program and to the Department to manage the additional investment in the Reef.

The Partnership with the Great Barrier Reef Foundation (the Foundation) will deliver funds to:

- improve water quality by further improving farming practices, including more efficient fertiliser use, and increasing the uptake of new technology and land management practices (\$201 million)
- harness the best science for the implementation of reef restoration and adaptation, and to fund innovative projects that support Reef resilience (\$100 million)
- expand efforts in the fight against the coral-eating crown-of-thorns starfish (\$58 million)
- support the work of the Foundation, particularly increasing community engagement on the Reef. This includes Indigenous Sea Country management, coastal marine debris clean-up days and awareness raising activities (\$45 million)
- improve Reef health monitoring and reporting that tracks progress and informs better management (\$40 million).

The Partnership delivers on the Government's policy objective to protect and manage the Great Barrier Reef in accordance with the Reef 2050 Plan by addressing four of the six priority areas for investment identified in the Reef 2050 Investment Framework. The other two priorities relate to the joint field management program, which has been provided with additional funding as part of the 2018-19 Budget; and fisheries actions which are the responsibility of the Queensland Government.

The Foundation is a charity dedicated to the conservation of the Reef. The Foundation was established in 2000 in response to the United Nations World Heritage Convention encouraging countries with World Heritage sites to establish a national foundation whose purpose is to invite donations for their protection. The Foundation has a well-established track record of fundraising and effectively delivering projects involving on-ground actions and science,



technology and engineering solutions to ensure the long-term conservation of the Reef. The Foundation has worked effectively with a diverse range of Reef stakeholders and has a solid record in managing funding from Commonwealth and state government sources.

Over the last seven years, for example, projects delivered by the Foundation include:

- the \$30 million *eReefs* project to develop a world-first monitoring and forecasting coastal information system for the Great Barrier Reef;
- a \$7.95 million collaboration between BHP, the Queensland Government, the Great Barrier Reef Marine Park Authority and Traditional Owners to restore the world's largest green turtle nesting ground on Raine Island; and
- the \$12.5 million *Resilient Reefs: Successfully Adapting to Climate Change* program which included unlocking the complete genetic code for corals and pilot innovation projects, such as trialling an ultra-thin floating sun shield for the Reef.

The Foundation facilitates the collaboration of business, science, government and philanthropy to create enduring strategic partnerships for the Great Barrier Reef. The Foundation has generated around \$80 million from a range of sources for investment in the Reef. The Partnership between the Foundation and the Reef Trust provides the opportunity to leverage more funding from non-government sources to complement the Government's investment. As part of the Partnership, the Foundation will develop and implement a Co-Financing Strategy, which will set out how it intends to raise contributions from private and philanthropic donors.

The Partnership will build on, and complement, existing efforts to implement the Reef 2050 Plan. The Foundation will work in collaboration with existing stakeholders, including the Queensland Government, the Department, the Great Barrier Reef Marine Park Authority, researchers, industry, Traditional Owners, local councils and Reef-dependent communities. The Foundation will consult with the Reef 2050 Plan Independent Expert Panel and the Reef 2050 Advisory Committee. Already, the Foundation is a member of the Reef 2050 Advisory Committee, and there is cross-representation of members on the Reef 2050 Plan Independent Expert Panel and the Foundation's own advisory body, the International Scientific Advisory Committee.

## Approval of funding to the Foundation

The Australian Government's decision to make funding available to the Great Barrier Reef Foundation was taken as part of the 2018-19 Budget process. The decision was a culmination of government considerations to accelerate investment and management responses for the Great Barrier Reef, following back-to-back coral bleaching events in 2016 and 2017 and Tropical Cyclone Debbie. The Government approached the Foundation to ascertain their

interest in establishing the Partnership as a collaboration between the Foundation and the Reef Trust, which is managed by the Department.

The Partnership is established through a grant developed in accordance with relevant requirements of the *Public Governance and Performance Accountability Act 2013* and the Commonwealth Grant Rules and Guidelines, and in consultation with a range of other Commonwealth agencies. The process to establish the grant included development of grant guidelines by the Department to specify the intended outcomes and conditions of the grant, and an assessment and due diligence review by the Department of the Foundation's proposal responding to the guidelines.

The Department assessed that the Foundation's proposal represents value for money and is an appropriate use of Commonwealth resources. The proposal by the Foundation was well aligned with the Government's policy and program goals, including the objectives of the Reef 2050 Plan and the Reef Trust investment principles. The proposal demonstrated that the Foundation has, or has identified, a strategy to apply appropriate governance and project management arrangements to the Partnership.

The approval of the grant to the Foundation by the Minister for the Environment and Energy was conducted in accordance with Section 71 of the *Public Governance and Performance Accountability Act 2013*. This included consideration that the spending proposal was an efficient, effective, economical and ethical use of relevant money.

## Funding agreement with the Foundation

A funding agreement between the Department and the Foundation was executed on 27 June 2018. This agreement sets out the requirements for the Foundation to spend the grant consistent with the purposes of the *Reef Trust Special Account Determination* and the objectives and outcomes of the Reef 2050 Plan to achieve significant, measurable improvement in the health of the Reef during the six year term.

The funding agreement establishes the framework for delivery of the Partnership. It includes clear requirements in relation to performance, governance, monitoring, reporting, consultation, financial management and workplace health and safety. The agreement includes appropriate safeguards to provide assurance over the funds delivered by the Foundation consistent with the *Commonwealth Grant Rules and Guidelines*. This includes safeguards against fraud, unlawful activities and other inappropriate conduct, and arrangements for termination and recovery of uncommitted funds if required. The agreement provides for a Commonwealth Observer on the Foundation's Board of Directors to observe and report to the Department on the administration of the grant and the performance of the Foundation in delivering the grant.

The agreement specifies a detailed planning and design process that the Foundation will undertake in the early stages of the grant. This will include planning to ensure that core requirements are in place for the Foundation to scale up capacity, manage risks and deliver the grant.

The funding agreement provides for an adaptive management approach, incorporating annual planning of investments over the six years of the grant. The Foundation will prepare an Investment Strategy and Annual Work Plans in consultation with the Department, the Great Barrier Reef Marine Park Authority and Queensland Government's Office of the Great Barrier Reef. In addition, the Foundation will provide these Plans to the Reef 2050 Independent Expert Panel; the Reef 2050 Advisory Committee; and the Great Barrier Reef Ministerial Forum for advice. The proposed investment planning cycle will ensure on-ground projects are designed and implemented in line with Reef Trust investment principles, including the use of the best available scientific and expert advice.

The funding agreement enables the Foundation to use delivery agents, including subcontractors and funding recipients, to deliver specific projects required to achieve the Partnership outcomes, subject to the conditions specified in the agreement. These conditions require the Foundation to use appropriately qualified and experienced subcontractors, selected using rigorous and robust assessment criteria in accordance with value for money principles.

The Foundation will report to the Department through six monthly progress reports and an annual report with audited financial statements detailing the receipt and expenditure of Commonwealth funds and other contributions. The Foundation is required to participate in all evaluation activities conducted by the Department in relation to the grant.

## References

[Commonwealth Grant Rules and Guidelines, Commonwealth of Australia, 2017](#)

[Public Governance, Performance and Accountability Act 2013](#)

[Reef 2050 Plan Long Term Sustainability Plan, Commonwealth of Australia 2015](#)

[Reef 2050 Plan – Investment Framework, Commonwealth of Australia 2016](#)

[Reef Blueprint: Great Barrier Reef Blue Print for Resilience, Great Barrier Reef Marine Park Authority, 2017](#)