

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment portfolio

Question No: 1
Hearing: Additional Estimates
Outcome: Outcome 1
Programme: Biodiversity Conservation Division
Topic: Biodiversity Fund - Project not proceeding
Hansard Page: 117
Question Date: 24 February 2014
Question Type: Spoken

Senator Pratt asked:

Senator PRATT: I want to begin by asking some questions about the land sector initiatives. Are you able to tell the committee where the \$1.4 million cut from the Biodiversity Fund in MYEFO will come from?

Mr Sullivan: I am wracking my brain trying to think where the figure of \$1.4 million came from.

Senator PRATT: I can give you a little bit of the history. There was the \$1 billion Biodiversity Fund over six years; it had been previously reduced. In MYEFO it was cut by a further \$1.4 million over four years.

Mr Sullivan: Thanks, Senator. I have done the figures now. That was a project that was previously approved. My recollection is that it was a project in South Australia. It was selected on the basis of significant co-investment and partnerships, which did not eventuate. Because of those partnerships not being forthcoming, the project could not proceed. That individual line which appears in the agency additional estimates statement reflects that project that had previously been approved.

Senator PRATT: So it was funding from a project previously committed in the second round but not contracted—is that right?

Mr Sullivan: No, it had been contracted. Through the contract negotiations, it became evident that the project partners that had been put in place as part of the project bid could not fulfil their part of the commitments. These projects often rely on co-investment, both in kind and financial contributions. So, based on the contract negotiations, it was deemed that the project was not viable given the changes in circumstances.

Senator PRATT: Are you able to tell us what that project was?

Mr Sullivan: I would have to take that on notice. My recollection is that it was in South Australia, but I am happy to take that on notice and give you the details.

Answer:

The \$1.449 million reduction to the Biodiversity Fund appropriation shown on page 23 of the Department of the Environment's Portfolio Additional Estimates Statements 2013-14 adjusted the appropriation down to the amount sufficient to support the value of legacy contractual commitments.

The South Australian project referred to by Mr Sullivan was a Target Area Grant that was to be funded from the Natural Heritage Trust, and not the Biodiversity Fund appropriation. Both these programmes are managed by the Division.