

MINISTERIAL BRIEF

To:	Minister for the Environment, Parks and Land Management	Tracking No.: 24/63752
Date:	04/07/2024	
From:	Deputy Director General, Environment Water and Emissions Reduction	
Subject:	Stewardship Literature Review – Options Paper: Financial incentives for biodiversity	
Critical Date:	19/07/2024	
Critical Reason:	In the normal course of business	

- DDG - Environment Water and Emissions Reduction 04/07

Recommendations

That you:

1. **Note** this update on the preliminary work of the Environment, Planning and Sustainable Development Directorate (EPSDD) to examine options for government to better support rural lessees in their management of land with conservation values, including the report by Earth Up Consulting at Attachment A.

Noted / Please Discuss

2. **Note** that this work remains at early stages and is not expected to be in a position to inform government policy on this matter until 2025.

Noted / Please Discuss

3. **Indicate** your preference for EPSDD to work with your office to prepare a letter of reply to the Rural Lands Association of Farmers to their paper discussed with you Attachment B at a recent meeting in June 2024.

Letter Required / Not Required / Please Discuss

Rebecca Vassarotti MLA



30/7/2024

Minister's Office Feedback

Thank you for this information.
 I am still fairly unclear about next steps and what the pathway is to resolve some of these key questions. I was hoping we would be able to organise a joint briefing with Minister Steel to discuss some of the key issues. At a minimum can we please share the report with Minister Steel and discuss next steps.

Background

1. Areas of rural leased land across the ACT wide ranging significant conservation values that are currently being managed to various degrees by rural leaseholders. However, the approach to and the effectiveness of this management is not consistent nor strategic.
2. The role of government to support, guide and regulate the protection, conservation, and enhancement of these conservation values is a policy issue of increasing focus. Much of this has been prompted by the recognition by to achieve the 30/30 target, other effective conservation measures such as the protection of conservation values on privately leased land will have to be considered.
3. During June 2024, representatives of the Rural Lands Association of Farmers (RLA) and a rural lessee met with you to discuss the role of rural lessees in management rural lands with conservation values. During that meeting you were presented with a paper Attachment B prepared by the RLA about ways for government to better support conservation activities on rural lands.
4. The paper was subsequently discussed at the EPSDD Executive Briefing with you on 18 June 2024.

Issues

5. Around Australia there are national and state level programs of varying maturity that support and protect biodiversity conservation on private lands. These programs range from straightforward grants for on-ground works through to more complex competitive tendering for longer-term stewardship schemes. Other non-financial mechanisms to encourage nature conservation include best practice management guides, education, certification and legislation.
6. The ACT's approach at this time is immature, and primarily limited to environmental grant programs and establishing requirements under Land Management Agreements (LMAs).
7. Noting the scale and quantum of this policy issue, a key question when considering this policy issue is what are the environmental values that exist on private lands that need to be protected, conserved and enhanced and the role of government to support this beyond the inherent responsible of the rural landholder.

Role of LMA

8. Under the *Planning Act 2023*, all rural lessees are required to enter into a LMA. LMAs are a formal written agreement between the rural landholder and the Conservator of Flora and Fauna.
9. LMAs are prepared by EPSDD and include the identification of and measures to protect biodiversity value. However, resources are stretched in relation to the ecological expertise available to help prepare an LMAs, and subsequently the regulation of them. There is therefore the opportunity for LMAs to play a greater role in the protection of biodiversity.

Other Options

10. ACT rural leaseholders have expressed their desire to have their effective biodiversity management efforts recognised, both financially and in secure tenure.
11. EPSDD is developing and assessment possible policy options for providing incentives for rural land managers to undertake biodiversity conservation actions. A review and assessment of these policy options is likely to be completed in the first half of 2024-25.
12. To commence this process, EPSDD has commissioned “Earth Up Consulting” to review financial incentives for rural land biodiversity conservation offered in other jurisdictions and to provide guidance on a possible ACT conservation scheme.
13. Earth Up Consulting reviewed programs offered by a range of organisations, including federal and state governments, regional bodies, private enterprise and non-government organisations that incentivise biodiversity conservation. A diversity of programs were considered, each with bespoke details and each differing in eligibility requirements, monitoring and auditing standards, expected environmental outcomes, land manager obligations and potential compensation, rewards and benefits for land managers. The report from the work of Earth Up is at Attachment A.
14. As a preliminary scoping tool, the options paper is considered as Stage 1 of a multi-stage process. Future stages include stakeholder consultation, design and developing a proposal stages.
15. Three broad options for a conservation scheme were presented in the paper:
 - a. Option 1. Acknowledge high conservation value areas with rate rebates.
 - b. Option 2. Stewardship agreements targeting landscape scale conservation.
 - c. Option 3. Education and grants for landscape actions.
16. While the report points towards some potential approaches, particularly a blend of option 1 and option 3, further policy options are being explored. EPSDD has also engaged the University of Technology Sydney to examine the existing legislative and regulatory barriers to any particular stewardship programs.
17. Whilst EPSDD will continue to progress policy work on this issue, it is expected to be complex and require potential amendments to legislation and potential funding support from the government.

Financial Implications

18. The report has no current financial implications for the ACT Government.

Consultation

Internal

19. Office of Nature Conservation.

Cross Directorate

20. Nil for the purpose of this brief.

External

21. Nil for the purpose of this brief.

Work Health and Safety

22. Nil for the purpose of this brief.

Benefits/Sensitivities

23. There is significant interest and support from rural lessees and the ACT's environmental community in the ACT Government better supporting conservation activities on rural lands. Developing a program or incentive scheme that recognises the efforts of farm business families in managing biodiversity would likely support the achievement of good biodiversity outcomes.
24. However, any programs that has financial implications for the government or results in changes to lease arrangements will likely be heavily scrutinised by the Territory Planning Authority and Treasury.

Communications, media and engagement implications

25. Nil for the purpose of this brief.

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Attachments

Attachment	Title
Attachment A	Earth Up Report
Attachment B	RLA Discussion Paper on Stewardship Payments