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P14277-14



**HON WARREN TRUSS MP**  
**Minister for Agriculture, Fisheries and Forestry**  
**HON DR DAVID KEMP MP**  
**Minister for Environment and Heritage**

The Hon Peter Beattie MP  
 Premier & Minister for Trade  
 PO Box 185  
 BRISBANE ALBERT STREET QLD 4002

18 JUN 2004

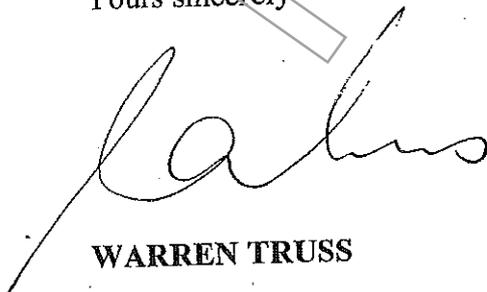
Dear Premier

We are writing in response to a letter from the Acting Premier and Minister for Trade, the Hon Terry Mackenroth MP, regarding the Bilateral Agreement for the delivery of the Natural Heritage Trust. We are pleased to enclose a copy signed on behalf of the Australian Government and trust the conclusion of this Agreement will provide a sound basis for developing a strong enduring relationship to deliver natural resource management throughout Queensland.

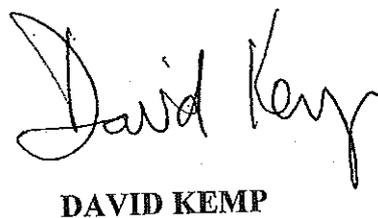
We note the Bilateral commitment, through clause 65(c), to implement agreed operational support outcomes, which is to be negotiated following the review currently underway by Queensland. It is the Australian Government's expectation that Queensland will meet the core operating costs of the regional bodies following accreditation of the regional plans. The Australian Government's expectations in this regard were discussed at the recent Natural Resource Management Ministerial Council.

We look forward to working cooperatively with you on the implementation of the Trust in Queensland. I have sent a copy of this letter to the Deputy Premier, the Hon Terry Mackenroth MP and the QLD Minister for Natural Resources and Mines, the Hon Stephen Robertson MP.

Yours sincerely



**WARREN TRUSS**



**DAVID KEMP**

P16277JH

18/06/04

**BILATERAL AGREEMENT**

**TO DELIVER THE NATURAL HERITAGE TRUST EXTENSION**

**between**

**THE COMMONWEALTH OF AUSTRALIA (the "Commonwealth")**

**&**

**THE STATE OF QUEENSLAND (the "State")**

RTI RELEASED

*Natural Heritage Trust Extension Bilateral Agreement*

AN AGREEMENT made on the 18<sup>th</sup> day of June 2004

between the Commonwealth of Australia and the State of Queensland.

**RECITALS**

1. Through this Agreement, the Commonwealth and the State wish to reflect their intent to work as joint investment partners, with the community and other stakeholders, in natural resource management activities. In particular, the Commonwealth and the State jointly seek to fulfil the three overarching objectives of the Natural Heritage Trust extension endorsed by the NRM Ministerial Council on 3 May 2002, namely:
  - a) biodiversity conservation - the conservation of Australia's biodiversity through the protection and restoration of terrestrial, freshwater, estuarine and marine ecosystems and habitat for native plants and animals;
  - b) sustainable use of natural resources - the sustainable use and management of Australia's land, water and marine resources to maintain and improve the productivity and profitability of resource based industries; and
  - c) community capacity building and institutional change - support for individuals, landholders, communities, industry and organisations with skills, knowledge, information and institutional frameworks to increase capacity to implement biodiversity conservation, and sustainable resource use and management.
2. The Trust will be delivered through four programs: Landcare, Bushcare, Rivercare and Coastcare (refer Attachment A).
3. Activities and actions under this Bilateral Agreement will be implemented in accordance with the Framework for the Extension of the Natural Heritage Trust as agreed by the Natural Resource Management Ministerial Council on 11 October 2002.
4. The Parties recognise the overarching framework of natural resource management policies, strategies and agreement within which the Trust extension will be implemented. Particularly relevant to the extension of the Trust are:
  - a) the Council Of Australian Governments Water Reform Framework
  - b) the National Water Quality Management Strategy
  - c) the National Action Plan for Salinity and Water Quality
  - d) the National Strategy for Ecologically Sustainable Development.

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5. The Parties also recognise the policies and strategies agreed by the Natural Resource Management Ministerial Council, particularly relevant to the extension of the Trust are the:
  - a) Council Of Australian Governments Indigenous Reconciliation Action Plan and associated Primary Industry and Natural Resources Management Plans.
  - b) National Framework for the Management and Monitoring of Australia's Native Vegetation.
6. This Agreement is made pursuant to subsection 19(2) of the *Natural Heritage Trust of Australia Act 1997 (Cth)* and section 5 of the *Natural Resources Management (Financial Assistance) Act 1992 (Cth)*.

**PART 1 - INTRODUCTORY**

**OPERATION**

7. This Agreement will commence on the day of signing by the second Party to sign and will continue in force until such time as the Parties agree in writing to terminate this Agreement.
8. This Agreement may be amended at any stage by agreement in writing by the Parties.
9. Without limiting the previous clause, the Parties will notify and consult each other on matters that come to their attention that may improve the operation of this Agreement.

**PREVIOUS NATURAL HERITAGE TRUST PARTNERSHIP AGREEMENT**

10. Subject to clause 11, the Parties agree that the agreement made between them on 5 November 1997 for the purposes of the Trust and related programs (known as the 'Natural Heritage Trust Partnership Agreement') shall be terminated on the day this Agreement commences.
11. The Parties acknowledge that under a number of financial agreements which have been entered into under the Natural Heritage Trust Partnership Agreement, there remain outstanding obligations. The Parties accordingly agree, subject to clause 12, that to the extent that there are outstanding obligations under financial agreements entered into under the Natural Heritage Trust Partnership Agreement, those financial agreements and the Natural Heritage Trust Partnership Agreement shall continue in force for the purposes of those outstanding obligations.

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12. The parties agree that, subject to clause 67, the provisions of the Interim Financial Agreement to Deliver the Natural Heritage trust Extension in Queensland agreed by the Parties June 2003 are subsumed by this agreement.

**PRINCIPLES**

13. The Parties acknowledge and agree:
  - a) that cost-effective natural resource management requires a focus on long-term strategic outcomes at national, regional and local levels, and change processes that will extend beyond the lifetime of the Trust;
  - b) that work undertaken in the context of this Agreement supports and complements existing natural resource management, world heritage and other protected area policies, strategies, management arrangements and frameworks;
  - c) on the importance of building strong regional arrangements for natural resource management and regional empowerment in the further development, implementation and management of the Trust; and
  - d) this Agreement will not impose on either Party or a third party any obligation that is inconsistent with Australia's international obligations.

**ACHIEVING TRUST OUTCOMES IN QUEENSLAND**

14. The Parties acknowledge and agree that effective institutional and regulatory frameworks are critical to ensure long-term NRM outcomes and to achieve the Trust overarching objectives of biodiversity conservation, sustainable use of natural resources and community capacity building.
15. The Parties agree to further develop these policies to enhance biodiversity conservation and sustainable natural resource management.
16. The Parties agree to promote the consistency and complementarity of legislation, policies and processes relating to NRM within and between the three levels of government.
17. The Parties agree to the national outcomes of the four programs at Attachment A.

**NRM Incentives**

18. The Parties agree to improve incentives for natural resource management, including for market-based instruments and local-scale site management planning, including environmental management systems.

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19. The Parties agree to explore whether the current Commonwealth and State tax systems provide disincentives for sustainable natural resource and environmental management and where feasible implement improvements.
20. The Parties recognise the potential for land management instruments to improve natural resource management and agree to enhance and integrate these instruments to further the objectives of the Trust, where feasible.

**Water and Vegetation management**

21. The Parties agree to the provisions of clauses 18,19 and 20 of the "Agreement between the Commonwealth of Australia and the State of Queensland for the Implementation of the Intergovernmental Agreement on a National Action Plan for Salinity and Water Quality". These provisions will apply to the Natural Heritage Trust in Queensland and be extended to cover all of the regions in Queensland identified in clause 61. The Parties agree to the timetables for completion of water plans as set out in Attachment B.
22. The Parties agree to progress the conservation, management and protection of native vegetation to achieve biodiversity goals and to reduce the risk of land degradation and salinity. The State will protect 'of concern' vegetation communities and phase out broadscale clearing of remnant vegetation by December 2006. The State will also continue to improve biodiversity, salinity and land degradation information by, for example,
  - a) enhancing the usability of biodiversity information, including definitions of High Nature Conservation areas;
  - b) further analysing and interpreting threatened species information to facilitate application of the data at the property scale;
  - c) continuing to enhance the quality of information on the basis of new biodiversity, salinity and land degradation assessments and strategies.

**Coasts, Wetlands and Marine**

23. The Parties agree to progress the sustainable management and conservation of coastal areas. The Parties agree that Trust investment in coastal activities will:
  - a) be integrated with other regional natural resource management investments;
  - b) recognise the responsibilities of local and State governments for coastal management;
  - c) be consistent with the State Coastal Management Plan and regional coastal management plans approved under the *Coastal Protection and Management Act (1995)*;

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- d) assist in the development and implementation of the Reef Water Quality Protection Plan and will contribute to halting and reversing the decline in water quality entering the Great Barrier Reef lagoon; and
  - e) contribute to the achievement of priorities in the South East Queensland Regional Water Quality Management Strategy.
24. Within 3 years of signing this Agreement the State agrees to develop and implement new statutory planning and development assessment arrangements to protect wetlands.
25. To support the above, the Parties agree to implement an NHT Wetlands Programme, with \$7.5 million from the Commonwealth to be matched by the State. The Parties agree that investments in this Programme will complement other Commonwealth funded wetlands programs in Queensland.
26. The Parties will integrate the management of marine and freshwater resources into regional and other natural resource management planning processes by:
- a) assisting Regional Bodies to establish targets for conserving and enhancing important coastal and marine habitats including wetlands, riparian vegetation, mangroves, seagrass and reefs;
  - b) establishing mechanisms to address marine and freshwater pests;
  - c) providing advice to Regional Bodies on the incorporation of water quality guidelines (based on the National Water Quality Management Strategy) in their planning process.
27. The Parties agree to progress the implementation of Australia's international obligations in relation to wetlands and migratory birds, including:
- a) The State will continue to implement management plans for all existing Ramsar sites in Queensland, and to prepare and implement management plans consistent with the *Australian Ramsar Management Principles* within 3 years of designation for future Ramsar sites. The Parties agree to develop priorities and a timetable for the management of these sites within 12 months of signing this agreement;
  - b) identify priority wetlands of international importance and possible timeframes for designation of these wetlands as Ramsar Sites;
  - c) identify priority sites of international importance for migratory shorebirds and the timeframes for possible inclusion of these sites in the East Asian-Australasian Shorebird Site Network;
  - d) The State will contribute to national data sets pertaining to wetlands and migratory shorebirds and to cooperate in providing this data to Regional

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Bodies to incorporate into regional natural resource management plans;  
and

- e) The State will promote the wise use of wetland resources, guided by the *Strategy for the Conservation and Management of Queensland Wetlands*.

**World Heritage**

28. The Parties agree to cooperate in progressing the implementation of Australia's international obligations in relation to World Heritage, particularly to:

- a) support effective coordination and administrative arrangements, regarding the identification, nomination and management of World Heritage areas within Queensland;
- b) obtain scientific and technical advice on management and identify opportunities to engage local indigenous people with rights and interests in the property;
- c) ensure that all World Heritage areas located wholly or partly within Queensland are managed in accordance with management plans prepared and implemented under relevant State legislation, and/or management plans and strategies approved by State agencies or relevant Commonwealth/State World Heritage Ministerial Councils;
- d) negotiate actions and activities to be funded from the National Commonwealth-only and State-wide/within-State investment components of the Trust; and
- e) ensure that World Heritage management priorities are recognised and addressed through the regional planning process.

**Threatened Species/Communities and Threatening Processes**

29. The Parties agree to progress the recovery of threatened species and ecological communities and the abatement of threatening processes, in particular to:

- a) work co-operatively to progress high priority recovery plans and threat abatement plans;
- b) support regional planning activities so that they incorporate processes for identifying threatened species and ecological communities within the region and the key threatening processes affecting these threatened species or communities; and

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- c) assist regions to identify and implement management actions necessary to address species/community recovery and conservation and in the context of legislative and regulatory requirements.

**Reserve systems**

- 30. The Parties agree to:
  - a) continue to extend the protected area system through the identification and purchase of land and through covenants which meet the criteria identified in the *Australian Guidelines for Establishing the National Reserve System* and report on the protected area estate within Queensland in accordance with the Collaborative Protected Areas Database; and
  - b) for protected areas purchased under the Trust prepare and implement management plans within three years of acquisition.

**Weeds and Feral Animals**

- 31. The Parties agree that Trust investment in weed and feral pest activities will:
  - a) be integrated with other regional natural resource management investments;
  - b) recognise the responsibilities of individual landholders and local and State governments for weed and pest management;
  - c) be consistent with the Queensland Pest Animal and Weeds Strategies, the National Weeds Strategy and Guidelines for feral animals; and
  - d) be resourced according to the defined responsibilities.

**Property Rights**

- 32. The Parties acknowledge that clarification of rights and obligations relating to access to and use of natural resources for productive and environmental purposes is fundamental to achieving Trust outcomes.
- 33. The Parties note that existing intergovernmental processes incorporate clarification of these rights and obligations (for example for water) and agree to work together to ensure that regional planning and Trust investments contribute to achieving the outcomes of these processes.

**PART 2 - MANAGEMENT ARRANGEMENTS**

**ROLES AND RESPONSIBILITIES**

- 34. The Parties agree to:

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- a) pursue the national goals, priorities and national outcomes for each of the Trust programs: Landcare, Bushcare, Rivercare and Coastcare , as outlined in Attachment A;
  - b) build strong State-wide arrangements with a broad range of stakeholders to undertake Trust delivery at that level;
  - c) build strong regional arrangements and designate Regional Bodies to undertake responsibility for the Trust regional delivery pursuant to clauses 61-75;
  - d) jointly work with designated Regional Bodies within these regional arrangements to develop and accredit regional NRM plans and to prepare the associated regional investment strategies;
  - e) jointly develop a partnership agreement with each of the designated Regional Bodies as per clause 94; and
  - f) jointly invest in the implementation of the activities in these accredited regional NRM plans and associated regional investment strategies that meet Trust objectives.
35. The Parties note the Commonwealth's intention that at least \$350 million in Commonwealth funds under the Trust extension would be spent nationally directly on measures to improve water quality.
36. In accordance with the Council Of Australian Governments decision of April 2002 the Parties recognise that Local Government has an important role in NRM and planning, particularly in coastal areas. The Parties agree that there will be adequate:
- a) Local Government representation on Regional Bodies;
  - b) Local Government involvement in the development of regional NRM plans; and
  - c) awareness of regional objectives in local planning.

**COMMONWEALTH/STATE STEERING COMMITTEE**

37. A joint Commonwealth/State Steering Committee will be the main vehicle for bilateral decision-making and development of recommendations to the Ministerial Board and State Ministers regarding delivery of the Trust in Queensland.
38. The steering committee established under the bilateral agreement between the Commonwealth and Queensland for the implementation of the NAP, will be the Steering Committee for the purposes of this Agreement:

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- a) taking on the roles associated with accreditation of regional NRM plans for Trust investment and other Trust delivery responsibilities, and
  - b) with representation augmented or modified as necessary to enable management of both Trust and NAP programs.
39. For Trust purposes the Steering Committee will meet at least twice per year or more regularly as agreed by the Parties. Decision-making will be by consensus and recommendations to the Ministerial Board and State Ministers will be made within five weeks of a proposal being submitted for the Steering Committee's consideration. If consensus is unable to be reached within five weeks the process in clause 155 may be invoked.
40. In addition to specific responsibilities referred to elsewhere in this Agreement, for Trust purposes the Steering Committee will be primarily concerned with regional implementation of the Trust activities including:
- a) considering draft regional NRM plans and making recommendations to the Ministerial Board and State Ministers regarding accreditation;
  - b) assisting the establishment of strong regional arrangements and supporting Regional Bodies in the development of regional NRM plans and associated regional investment strategies;
  - c) prioritising Trust investments between regions for recommendation to the Ministerial Board and State Ministers;
  - d) recommending to the Ministerial Board and State Ministers a three year rolling Trust investment program on the basis of regional investment strategies, including agreed matching contributions consistent with the funding arrangements agreed at clauses 118-124;
  - e) overseeing interim regional arrangements;
  - f) authorising payments quarterly in advance to the proponents in accordance with an Activity Agreement for investments approved by the Ministerial Board and State Ministers. Payments after the first payment will be conditional on performance against a schedule of milestones agreed by the Steering Committee and included in the Activity Agreement; and
  - g) ensuring that the sum of regional investments over time meet the proportional allocation of the four programs of the Trust.
41. The Steering Committee will be responsible, with respect to State-wide and within-State investments, for:

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- a) recommending investments to the Ministerial Board and State Ministers; and
  - b) authorising payments to the proponents quarterly in advance for investments approved by the Ministerial Board and State Ministers. Payments after the first payment will be conditional on performance against a schedule of milestones agreed by the Steering Committee and included in the Activity Agreement.
42. The Steering Committee will be responsible, with respect to regional, State-wide and within-State investments, for:
- a) identifying investments against Bushcare, Coastcare, Landcare and Rivercare Programs based on the outcomes to be achieved;
  - b) assisting with identifying expenditure accountable against the \$350 million, over the life of the Trust, dedicated by the Commonwealth to directly improving water quality;
  - c) reporting decisions and decision making processes on investments;
  - d) reviewing on an annual basis, investment decisions against the Bushcare, Coastcare, Landcare and Rivercare Program allocations;
  - e) developing, where identified as necessary, strategies to redress departures from these identified Program allocations; and
  - f) submitting an annual review of the Trust Extension investment program, incorporating progress to date, to the Ministerial Board and State Ministers. This review must include material sufficient to permit the parties to satisfy their respective reporting requirements.
43. The Steering Committee's recommendations to the Ministerial Board concerning funding from the Trust Reserve will take into account the principles of ecologically sustainable development outlined in subsection 21(3) of the Act.

**NATURAL RESOURCE MANAGEMENT REGIONAL ADVISORY GROUP**

44. The Parties recognise the critical role of peak stakeholder groups in setting State level policy direction and in supporting their constituent members to prepare for their appropriate roles in the delivery of the Trust.
45. To ensure peak stakeholder bodies can fulfil these roles, the State will establish a State level NRM Regional Advisory Group. Membership of the Advisory Group will be derived from nominated members of key peak stakeholder groups most concerned with the development and implementation of regional NRM plans. The roles of this Advisory Group would include:

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- a) providing strategic policy advice and feedback on regional NRM planning and implementation issues to the Commonwealth and State governments through the Steering Committee; and
- b) working collaboratively among themselves, and with the Steering Committee, for the development of strategies to aid effective regional NRM planning.

**PART 3: DELIVERY OF THE TRUST EXTENSION**

**DELIVERY LEVELS**

- 46. In accordance with the NRM Ministerial Council decision of May 2002, Trust investment will occur at three levels:
  - a) national/State;
  - b) regional; and
  - c) local.

**NATIONAL/STATE DELIVERY**

- 47. National/State investments comprise three types of activity:
  - a) Commonwealth activities;
  - b) Commonwealth/State multilateral activities; and
  - c) State-wide and within-State activities, agreed bilaterally.
- 48. National/State investment will address activities that have broadscale, rather than regional or local outcomes, and include investments at the State-wide level, as well as those that are cross-border. These investments will also address matters of Commonwealth jurisdiction, such as those relating to Commonwealth waters and direct Commonwealth responsibilities such as World Heritage areas.
- 49. National/State investment priorities may include activities such as resource assessment, research, industry strategies, innovative approaches to managing natural resource management issues (such as weeds, marine species and protected areas), reserve acquisitions, training and information, and national coordination and facilitation.

**Commonwealth Activities**

- 50. Commonwealth activities give effect to Federal Government environmental and natural resource responsibilities and priorities including international

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obligations, and are implemented and managed solely by the Commonwealth or in partnership with other jurisdictions.

51. The Commonwealth will advise the State of Commonwealth investment activities where the activities occur in, or have an impact on, Queensland.
52. Some Commonwealth activity investments may involve funding contributions by the States to be agreed on a case-by-case basis.

**Commonwealth/State Multilateral Activities**

53. These activities are agreed multilaterally by the Commonwealth and more than one State/Territory.
54. The Parties agree that investment in multi jurisdictional activities will be required when:
  - a) the issue is of national significance;
  - b) delivering outcomes depends on a high level of coordination and joint investment across a number of jurisdictions;
  - c) joint action and investment is required to achieve necessary critical mass of effort;
  - d) the activity cannot be adequately managed at the individual jurisdiction or regional level within a bilateral framework;
  - e) all participating jurisdictions will derive benefit from a joint approach; or
  - f) mechanisms are in place to ensure regional and individual jurisdiction needs will be identified and addressed with respect to issues of national significance.
55. Investment proposals for Commonwealth/State multilateral activities will be developed by the Commonwealth and States through the committees and working groups of the NRM Ministerial Council.
56. Investment proposals recommended by NRM Ministerial Council committees will require approval by the relevant State/Territory Ministers and the Ministerial Board.

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**State-wide and within-State Activities**

57. State-wide and within-State activities are broadscale activities identified and agreed bilaterally between the Commonwealth and the State.
58. The Parties agree that investment in joint State-wide and within-State activities will be considered for activities that support national and regional implementation when:
  - a) the activities are delivered most efficiently and effectively at a State level;
  - b) delivering outcomes depends on a high level of coordination and joint investment across a number of regions within the State/Territory;
  - c) the activity cannot be appropriately managed at the individual regional level within a bilateral framework; or
  - d) all participating regions will derive benefit from a joint approach.
59. Investment proposals for State-wide and within-State activities will be developed by the State, in consultation with the Regional Bodies.
60. Investment proposals for State-wide and within-State activities will be agreed by the Steering Committee. The Steering Committee will develop agreed matching arrangements and make recommendations for funding to the Ministerial Board and State Ministers.

**REGIONAL DELIVERY**

The Trust will be delivered primarily through investments at the regional level.

**NRM regions and regional arrangements**

61. The NRM regions in Queensland are set out in Attachment C Part 1
62. Minor variations to the boundaries of NRM regions may be made by exchange of letters between the Parties.

**Cross-border and Inter-regional Arrangements**

63. The Parties acknowledge the need for consistency with relevant existing cross-border arrangements and agreements. The Parties agree to work with relevant States and stakeholders to develop integrated approaches for the implementation of NRM plans and regional investment strategies in those regions that have cross-border arrangements.

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64. The Parties recognise that effective NRM planning and implementation will require cooperation between the Regional Bodies and require arrangements as outlined in Attachment C part 2.

**Regional Bodies**

65. The State will formalise establishment of regional arrangements to deliver on the outcomes expected under this Agreement. The Parties recognise the key role Regional Bodies perform in the delivery of the Trust in Queensland. The Parties:
- a) recognise that with increasing maturity of the Regional Bodies measures to ensure continuous improvement in the regional arrangements are central to the delivery of the Trust;
  - b) recognise that increasing the certainty of operational support for Regional Bodies will enhance their ability to successfully deliver Trust investments;
  - c) agree that the State will review operational support for Regional Bodies by October 2004 and that the Parties will implement agreed outcomes; and
  - d) agree that in the interim, the Steering Committee will make recommendations to Ministers on steps to ensure continuing adequate support is provided for the operation of Regional Bodies.
66. These arrangements will enable the development of an accredited Regional NRM Plan to cover each region and enable the development of a regional investment strategy for each region.
67. The parties recognise the designation of Regional Bodies under the Interim Financial Agreement (Attachment C part 2). The parties agree that to maintain their designation status under this Agreement, Regional Bodies must (in accordance with the IFA clause 41) continue to enhance their governance arrangements. The Steering Committee will ensure that all Regional Bodies fully satisfy the principles under Attachment D, prior to Regional NRM Plan accreditation. As any future bodies are designated they will be included in Attachment C of this agreement.
68. The State will ensure that each Regional Body:
- a) is a single legal entity with no personal liability to individual members, such as an incorporated body as agreed by the State Minister for Natural Resources, Mines and Energy and the State Minister for the Environment;
  - b) has a majority community membership, balancing production and conservation interests, and seeks effective participation and

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representation by relevant stakeholders including indigenous interests, and local government, without compromising merit;

- c) includes effective representation for coastal and marine stakeholders, where relevant, and can effectively address coastal and marine issues;
- d) engages Indigenous people in the region to ensure that the use of their traditional biological knowledge in the scientific, commercial and public domains for Trust purposes proceeds only with the cooperation and control of the traditional owners of that knowledge and to ensure that the use and collection of such knowledge results in social and economic benefits to the traditional owners;
- e) liaises with agencies, authorities and other bodies concerned with natural resource management and biodiversity in order to promote integrated and sustainable management of natural resources;
- f) has the necessary skills and capacity to facilitate the development of a draft regional NRM plan that meets the agreed accreditation criteria;
- g) has the necessary skills and capacity to manage the implementation of agreed components of the Trust;
- h) maintains and provides proper financial records in accordance with generally accepted accounting principles and in accordance with the reporting requirements of the Commonwealth and State for external auditing purposes; and
- i) ensures adequate public access to information regarding decisions by the Regional Body including on priority setting and expenditure.

69. Regional Bodies will:

- a) be responsible for developing draft regional NRM plans in consultation with the Parties for accreditation by the Parties, and regional investment strategies;
- b) ensure the regional NRM plan is implemented in accordance with a partnership agreement referred to in clause 94; and
- c) will work with relevant other bodies, including Local Government, to ensure that regional targets are met.

70. A designated Regional Body will be a party to an agreement referred to in clause 94 and will have authority and accountability responsibilities under that Partnership Agreement.

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71. Upon the accreditation of an a regional NRM plan and the signing of a Partnership Agreement under clause 94 a Regional Body (and/or its delegated financial management agency) will be recognised as the institution for receiving funding to deliver agreed activities under regional investment strategies and be accountable for agreed expenditure and achievement of targets.

**Delivery in Torres Strait**

72. The Parties agree to
- a) acknowledge the particular circumstances pertaining to the Torres Strait as recognised in the Torres Strait Treaty, especially the unique marine assets of the region and the social, cultural, environmental and economic importance of these assets, and that international co-operation is necessary for the effective management of natural resources in the region;
  - b) avoid duplication and integrate the institutional arrangements for the Trust with those existing in the region, especially the Torres Strait Regional Authority, Island Co-ordinating Council, the Protected Zone Joint Authority and the Torres Strait Treaty Environment Management Committee; and
  - c) recognise that through these existing structures co-operation already exists between the community and governments to plan and manage for natural resource management outcomes.

**Delivery in Cape York**

73. The Parties recognise that the Cape York region is of specific interest under the proposed arrangements for the Trust as the region received 'assured expenditure' to the value of \$40 million for implementing strategies articulated in the Cape York Natural Heritage Trust Plan (CYNHT).
74. The Parties recognise that projects approved under the CYNHT strategies have not yet fully spent the \$40 million. The remaining portion of the \$40 million remains available for expenditure in the Cape York region.
75. The regional arrangements in the Cape York region will be determined by the Parties.. Until such time as these new arrangements are in place, the Cape York Interim Advisory group will be retained to provide advice to both Governments on the NRM planning and investment processes and to assist in implementation.

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**Engagement of Other Bodies**

76. The Parties acknowledge that other bodies may carry out, by agreement, initiatives and projects on behalf of or in partnership with the Regional Bodies. Other bodies may include State agencies, Local Government, consultants, and other organisations and individuals. Other bodies may be engaged through a tender process, service agreement, project application/ proposal managed by the Regional Bodies, or another process agreed in the agreement referred to in Clause 94.

**ACCREDITED NRM PLANS**

77. The Parties acknowledge that there will be a single accredited Regional NRM plan to cover each of the NRM regions, although that plan may build upon sub-regional/catchment plans.
78. The Parties recognise that in some instances it may not be possible to have a plan accredited that covers the full NRM region.
79. Where coastal or marine areas are included in an NRM region, the draft Regional NRM plan put forward for accreditation must be developed in co-operation with the land managers / agencies that have statutory coastal management or marine responsibilities, including Local Government, and address coastal water quality in accordance with the *National Water Quality Management Strategy* and *Australian and New Zealand Guidelines for Fresh and Marine Water Quality*.

**ACCREDITATION PROCESS**

80. The Parties will jointly evaluate and accredit Regional NRM plans in accordance with the NRM accreditation criteria agreed by the NRM Ministerial Council on 3 May 2002, and taking into account accreditation guidelines, at Attachment E. Where relevant, accreditation will be for both NAP and Trust purposes.
81. The Parties recognise that preparation of each Regional NRM plan for accreditation, for the purposes of the Trust and the NAP, will involve an iterative process of plan development or refinement.
82. Significant amendments to plans will be accredited by a similar process to the accreditation of the plans.
83. The Parties will work cooperatively with Regional Bodies from an early stage to facilitate the development of Regional NRM plans that will meet the accreditation criteria and guidelines at Attachment E and the Community Engagement Protocol at Attachment F.

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84. The accreditation of Regional NRM plans will be by agreement between the Ministers who constitute the Ministerial Board and State Ministers.

**REGIONAL INVESTMENT STRATEGIES**

85. The Parties agree that funding to implement Regional NRM plans will be determined on the basis of the Regional Investment Strategies associated with those plans.
86. Regional Investment Strategies will list NRM actions for which the Regional Body is seeking funding.
87. Regional Investment Strategies are to be:
- a) directed at achieving the NRM outcomes as identified in the accredited Regional NRM plan; and
  - b) developed by the Regional Body in consultation with the Parties, the community, key stakeholders and potential investors.
88. Regional Investment Strategies will form the basis of three year rolling investments subject to annual review by the Steering Committee. Review of the Regional Investment Strategies will reflect any substantive amendments to the accredited Regional NRM plan.
89. Regional Bodies are encouraged to submit Regional Investment Strategies to the Steering Committee at the same time as they submit their draft Regional NRM plan.
90. In preparing Regional Investment Strategies, regions should prioritise actions and focus initially on those actions deemed to be most important.
91. The Parties will develop agreed principles and criteria for making investment decisions taking into account the interim regional investment criteria at Attachment G.
92. Regional Investment Strategies should identify (and, where possible, provide costings for) strategies to address social and economic consequences of NRM actions.
93. Regional Investment Strategies will include information to inform investment decisions reflecting the following considerations:
- a) detail of the specific actions/projects proposed to be undertaken including responsibility for implementation;
  - b) the principles of ecologically sustainable development specified in subsection 21(3) of the Act;

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- c) costings of the actions and proposed sources of investment;
- d) details including costs of the proposed arrangements for monitoring and evaluation of individual actions;
- e) the expected returns on investment;
- f) identification of the primary beneficiaries of the investment (public good versus private);
- g) urgency/significance/critical nature of the action, and the consequences of not doing the action;
- h) relationship with existing Commonwealth and State Government policies/programs;
- i) risk factors and how these will be managed;
- j) assumptions underlying the chosen actions;
- k) timelines, milestones and performance indicators for each action;
- l) incorporation of non-Party in-kind support; and
- m) details of local arrangements for dissemination of information.

**PARTNERSHIP AGREEMENTS**

94. The Parties agree to develop one or more agreements with regional NRM bodies and other relevant Parties covering each NRM region for the purposes of the NAP and the Trust. The agreement will be based on a framework to be developed by the Parties, and will identify:
- a) the accredited NRM plan;
  - b) the roles and responsibilities of the Parties, regional body/ies and other contributors;
  - c) the cost sharing arrangements;
  - d) agreed outcomes to be achieved;
  - e) financial, legal and administrative arrangements, as necessary;
  - f) performance measures and milestones;
  - g) arrangements for reporting, monitoring, evaluation and review;

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- h) accountability arrangements including annual review, and financial reporting and six-monthly reporting on milestones;
- i) the obligation to report to the Parties in a timely manner on any issues that may significantly impact on the commitments made under the regional agreement; and
- j) compliance measures relating to specific performance under contractual arrangements.

**INTERIM REGIONAL DELIVERY**

95. Prior to the accreditation of a regional NRM plan and subject to compliance with the Act, Trust funds can be provided for:
- a) Foundation Funding to support the process of establishing regional bodies, developing or refining a draft Regional NRM plan, including support for a Regional Body to undertake activities which are additional to its existing responsibilities, such as evaluating existing plans, information gap filling, plan development and community consultation; and
  - b) Priority Action Funding for regions to address pressing NRM issues through large scale actions, prior to the accreditation and implementation of a Regional NRM plan, as well as technical support and capacity building. Priority will be given to proposals drawn from the activities identified in the draft Regional NRM plan.
96. Regions can access foundation or priority funding to facilitate and coordinate community engagement in regional planning and implementation. Proposals will need to clearly specify how the facilitator and coordinator positions will contribute to the development of regional arrangements for NRM in the region.
97. Foundation funding and Priority Action Funding has been provided under the Interim Financial Agreement. Additional Foundation Funding and Priority Action Funding will only be available where a Regional NRM plan is not completed before currently available funds are exhausted and when the Regional Body can demonstrate to the Steering Committees that satisfactory progress is being made in developing a Regional NRM plan for the region in which the project is being implemented.

**FACILITATORS/COORDINATORS**

98. The parties recognise that facilitators and coordinators play an important role in supporting the Trust programs and related natural resource management

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activities and in engaging stakeholders in all levels of delivery associated with the Trust.

99. The Parties recognise and agree that the facilitator and coordinator network for NRM Delivery includes in particular three levels of facilitators, Statewide Coordinators, Strategic Regional Facilitators and Local-level Facilitators and agree that irrespective of funding sources they will work together to ensure the network is integrated and efficient.
100. The Parties recognise that the roles of the Australian Government funded Statewide Bushcare, Landcare, Rivercare/Waterwatch, Coastcare, Coordinators and Indigenous Land Management Facilitators will be determined by the Australian Government and include to:
- a) provide advice and support to Strategic Regional and Local-level Facilitators and coordinators, Regional Bodies and implementation groups on the four key NHT theme issues, Bushcare, Coastcare, Landcare and Rivercare;
  - b) build and maintain relationships with Strategic Regional and Local-level Facilitators, Regional Bodies, State agencies and technical advisory panels, and other state and national stakeholders, to ensure Commonwealth interests are recognised;
  - c) communicate information and advice in relation to overall theme delivery issues and arrangements, and assist to coordinate across themes;
  - d) promote the outcomes and objectives of the NAP and NHT (including Envirofund) and other NRM investment opportunities;
  - e) coordinate relevant and timely training for Strategic Regional and Local-level Facilitators in theme areas;
  - f) support and facilitate strategies for communication and cooperation within and between Strategic Regional and Local-level Facilitators, community groups, industry representatives, local government, and State and Commonwealth agencies, in theme areas; and
  - g) build and maintain networks to ensure statewide coordination of theme agendas.
101. The Parties recognise that the Strategic Regional Facilitators while largely Commonwealth funded are a resource for use within the NRM regions and will have a close association and effective working relationship with the Regional Bodies. The work plans of the Strategic Regional Facilitators will be agreed between the Commonwealth, and relevant Regional Bodies and include:

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- a) support regional plan development, implementation and revision and assist in increasing the level and effectiveness of community involvement in regional processes and natural resource management in general by contributing to broad community engagement in the process and broad understanding of the issues to be covered;
  - b) provide support and advice to the Local-level Facilitator positions (eg. provide advice on policy issues, regional processes, training opportunities, stakeholder needs, sponsorship opportunities, technical and scientific sources of advice etc);
  - c) promote the outcomes and objectives of the NAP and NHT extension and assist in the delivery of Envirofund; and
  - d) promote information sharing and coordination across regions and States by sharing experiences, knowledge and resources with Statewide Coordinators and with other Strategic Regional Facilitator positions around Australia.
102. The parties agree that the roles of Local- level Facilitators will be as identified in the Regional NRM plans and management will be consistent with other activities invested in through the Regional Investment Strategy.
103. The Parties agree that additional facilitators and coordinators will be encouraged to integrate within this established NRM facilitator and coordinator network.

**STANDARDS AND TARGETS**

104. In relation to the regional delivery of the Trust, the Parties agree to implement and review the National Framework for Natural Resource Management Standards and Targets at Attachment H.
105. The Parties will require the Regional Bodies to establish regional targets for natural resource management and biodiversity conservation:
- a) for a minimum set of issues identified in the National Framework for Natural Resource Management Standards and Targets; and
  - b) for other issues of specific relevance to the region as a whole, or to localities or catchments within it.
106. Regional Targets will inform the development of the NRM plan and be appropriately reflected in regional investment strategies and Partnership Agreements. Consistent with adaptive management principles, regional targets should be quantifiable and measurable.

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107. Targets established through the regional NRM planning process in NRM regions adjacent to the Great Barrier Reef will need to take into account downstream impacts on the Great Barrier Reef World Heritage Area and the agreed outcomes of on-going cooperation between the Parties on this matter.
108. Regional Targets will be required to be included in the accredited NRM plan to enable its accreditation and will inform the development of the investment strategy and Partnership Agreement.
109. As specific further standards and targets, including for biodiversity, coastal management, other natural resource management issues, and best practice governance, are agreed by the Ministerial Council under the National Framework for Natural Resource Management Standards and Targets, these will be included in Attachment H to this Agreement.

## **PART 4: CAPACITY BUILDING**

### **CAPACITY BUILDING**

110. The Parties agree that the aim of capacity building under the Trust is to support the community, local government, and natural resource managers and users to further develop their ability to influence, make and implement decisions that lead to improved natural resource management outcomes.
111. The Parties agree that the target audiences for capacity building through the Trust are landholders, other resource users, community groups including Indigenous communities, regional organisations including Local Government, and natural resource managers and service providers, including facilitators, coordinators and persons employed by or working for the Parties.
112. The Parties agree that capacity building activities should be consistent with the nationally agreed framework (Attachment I) and:
  - a) will be strategically targeted to most effectively achieve priority regional NRM outcomes;
  - b) will be delivered by means that most effectively reach target audiences;
  - c) will be planned as an integral component of natural resource management, and is one of a range of strategies for helping to achieve effective on-ground action;
  - d) may include education and awareness raising, research and development, provision of information and data, development of tools and models, technical support, training, skill development, and facilitation and coordination; and

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- e) may be delivered at local, regional, State and national levels.

**PART 5: FUNDING ARRANGEMENTS**

113. The Parties recognise that all levels of government and the community in Australia currently contribute resources and effort to biodiversity conservation, sustainable use of natural resources and community capacity building and institutional change.
114. The Commonwealth will allocate \$26.04 million to the State for regional investments from the Trust over the financial year 2004-05 and \$28.55 million for the financial year 2005-06. The Commonwealth will advise the State of regional allocations for the 2006-07 financial year and any additional funding allocations as determined in advance of these years. In addition to this, there will be access to an Australia wide competitive regional component for the implementation of the Trust.
115. The Commonwealth will advise the State of State-wide and within-State allocations for 2004-05, 2005-06 and 2006-07 financial years in advance of those years.
116. Funding from the Trust will be provided to the State in accordance with signed financial agreements between the Parties. Those financial agreements will be based on the standard terms and conditions at Attachment J.

**FINANCIAL ARRANGEMENTS**

117. To ensure the maximum flexibility in the administration of the Natural Heritage Trust, and to take into account different circumstances across jurisdictions, financial arrangements will be determined in accordance with the following principles:
- a) the provision of funding by the Commonwealth from the Natural Heritage Trust is dependant on the State meeting its obligations under this Agreement, and the specific project and program commitments that are funded under this Agreement.
  - b) activity on private land will be funded taking into account the amount of public benefit received relative to the private benefit derived from the activity. Individuals who are direct beneficiaries of Trust funding will be expected to make complementary efforts to contribute to the project being funded in recognition of the private benefit they derive. They will also be expected to act consistently with the objectives of the Trust.
118. Matching Arrangements Matching arrangements for Commonwealth funding provided under the Trust, agreed by the NRM Ministerial Council on 11 October 2002, are as follows:

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- a) The State will match from its budgets the Commonwealth's investment in delivery of the Trust at the regional level;
  - b) Investments at the regional level will be managed under plans jointly accredited by the Parties;
  - c) Matching funding arrangements will not normally apply to projects the State has already announced it will proceed with;
  - d) For new and already announced funding by the State to be eligible as matching funding it must be
    - a. directly attributable to the regions in question,
    - b. directly relevant to activities in the Regional Investment Strategy being funded, see clause 85, and
    - c. for joint activities recommended by the Steering Committee and agreed by Commonwealth and State ministers in the region in question;
  - e) Subject to the above, where the State reduces its funding to a pre-existing or announced State activity, the Commonwealth will not make up the shortfall;
  - f) There will be full transparency of the source, quantum and delivery of contributions under the Trust including for funds that are managed jointly under regional NRM plans or resources that are matched on an agreed project by project basis; and
  - g) Auditing and reporting arrangements will be as agreed between the Parties and outlined at Attachment L.
119. Matching contributions by the State may include both cash and appropriately costed and audited in kind contributions (except for purchases of land under the National Reserves System where only cash matching will be accepted).
120. At the regional level, Trust investment will be determined on the basis of each region's investment strategy. The Parties will each contribute 50% of the resource contributions to be allocated.
121. The Parties can contribute differentially to jointly agreed activities within the region's investment strategy, provided their total contributions for the region are equal. Matching contributions will be articulated at the activity level.
122. At the national level, for State-wide and within-State investments within the National/State investment stream, the Parties will each contribute 50% of the

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resource contributions required. Resource contributions for multilateral investments will be as agreed by the Parties.

123. Where the State contributions fall short of the extent agreed by all Parties, the Commonwealth may reduce its funding contribution to match the total funding/in-kind resource contribution actually made by the State.
124. For the purposes of this Agreement, the Parties are required to account for and report on resources contributed in cash and in-kind, over the course of a program, or activity. Progressive payments of additional funds by the Commonwealth are contingent on the State meeting its funding and in-kind resource obligations. The Commonwealth is to be advised of revised in-kind resource contributions when further milestone payments from the Commonwealth are being sought or when reports on final project resource requirements are made

**The Resource Contributions**

125. The State's matching resource contribution will be identified annually in the NRM plan for each region or by other means as jointly agreed by the Parties.
126. The State will ensure that all recipients of public funds for Trust activities agree to full disclosure of the quantum and purpose of funding received as required.

**NHT Single Holding Account**

127. The Single Holding Account, as established under the Interim Funding Agreement, is a special General Ledger Cost Identifier established within the Queensland Department of Natural Resources, Mines and Energy chart of accounts to separately record and account for all transactions (revenue and expenditure) to implement the Trust under the Interim Funding Agreement. This account shall continue to be the Single Holding Account for the purposes of the delivery of the Trust in Queensland as relevant to this Agreement. This is an interest bearing account.
128. The interest generated for the funds in the Single Holding Account for the purposes of this Agreement is to be retained in the Single Holding Account and used for the purposes of the Trust in Queensland by agreement of the Steering Committee. Any interest is to be attributed to either party in proportion to their contributions for the purposes of the matching arrangements.
129. All payments from the Commonwealth and the State for the purposes of Activity Agreements will be made into the single holding account.

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130. At the termination of this Agreement, any unspent funds within the Single Holding Account will be returned to the Parties commensurate with their original contributions.

**Provision of Funding**

131. The State will transfer the Parties contributions for agreed Activities to Proponents quarterly in advance under Activity Agreements requiring completion of funded Activities. Progress payments will be made based on the achievement of milestones for the Activity as specified in the Activity Agreement. Each progress payment will be subject to the agreement of the Steering Committee.
132. An Activity may be terminated by the Steering Committee and the funds recovered by the State. The State will deposit these funds into the Single Holding Account to be reallocated to alternative activities by the Steering Committee.
133. Any underpayment or overpayment by the State or the Commonwealth and identified through the audit process will be recoverable by or from the State or the Commonwealth, as the case may be, and without limiting any other rights, may be offset against any amount subsequently due by the Commonwealth to the State

**. PART 6: MONITORING AND EVALUATION**

**MONITORING**

134. The Parties agree to jointly develop a monitoring and reporting strategy for delivery of the Trust, which will:
- a) be consistent with the National NRM Monitoring and Evaluation Framework (Attachment K) and the National Framework for NRM Standards and Targets (Attachment H);
  - b) be consistent with the requirements of the Parties; and
  - c) take account of and not duplicate other natural resource management policy initiatives at State and Commonwealth level.
135. The strategy will cover biophysical, social and economic elements and include, but not be limited to, the following components:
- a) the development and recording of consistent baseline data for all initiatives;

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- b) arrangements for the collection of point-in-time and trend data required to assess progress against regional targets (including management action targets);
- c) arrangements for monitoring the progress of nationally delivered elements of the Trust against high-level Trust and end-of-program objectives;
- d) common reporting indicators for actions funded by the Trust at local, regional, State and national scales and associated outputs;
- e) implementation of the protocols for the measurement and recording of key data items set out under the National NRM Monitoring and Evaluation Framework;
- f) auditing of the quality of data used to establish baselines, indicators and regional targets as part of the NRM Monitoring and Evaluation Framework; and
- g) roles, responsibilities and management arrangements for each evaluation activity covered by the strategy.

**EVALUATION**

136. The Parties agree to develop an evaluation strategy for delivery of the Trust, which will:
- a) be consistent with the requirements of the National NRM Monitoring and Evaluation Framework;
  - b) support improvement of program design and delivery and reorientation of investment during the life of the program; and
  - c) fulfil accountability requirements.
137. The strategy will include, but not be limited to, the following components:
- a) evidence-based reviews by Regional Bodies of the effectiveness of Regional NRM plans;
  - b) arrangements for the review, as required, of individual targets, strategies and timelines under Regional NRM plans;
  - c) a schedule of nationally coordinated evaluations over and at the end of the life of the Trust, addressing the effectiveness of planning and delivery arrangements and progress made against the long-term objectives of the Trust;

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- d) arrangements, as agreed under the National NRM Monitoring and Evaluation Framework, to conduct other evaluations as required;
  - e) procedures for the implementation of the findings of evaluation within an adaptive management model; and
  - f) roles, responsibilities and management arrangements for each evaluation activity covered by the strategy.
138. The Parties agree to develop accountability arrangements, consistent with the principles of adaptive management, that do not preclude or impede any party from revising targets, strategies and timelines, at any level of delivery, as a result of new findings from evaluation, or new knowledge or data.
139. The Parties agree to the development under the National NRM Monitoring and Evaluation Framework of a cost sharing and allocation framework ensuring adequate financial provision for the requirements of monitoring, evaluation, data storage and access. Where it is appropriate and cost-effective for an evaluation or monitoring activity to cover both the Trust and the NAP, the Parties will negotiate arrangements for the joint funding of that activity.

**PART 7: PROMOTION OF THE TRUST**

**PROMOTION OF THE TRUST**

140. In all circumstances where activities receive Commonwealth funding from the Trust, or where activities receive State contributions, including in-kind funds, that appropriate acknowledgement will be given to the Trust, and where appropriate the State.
141. The State will ensure that the Trust is being adequately acknowledged and consult and agree with the Commonwealth on major promotional and media opportunities in sufficient time to ensure joint activities can be pursued.
142. Each Party will ensure that:
- a) any publication, article, newsletter or other literary work prepared as part of an activity under the Trust acknowledges that it has been produced under the Trust, and has received Commonwealth and/or State/Territory financial support and displays the Trust logos or badging. A copy of such material is to be provided to the other Party where possible prior to its release;
  - b) signs, posters or other appropriate means as approved by the Commonwealth are used to acknowledge the Trust and Commonwealth and/or State/Territory financial support;

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- c) each Party's role is acknowledged at relevant forums, conferences and at project openings;
  - d) where projects include joint funding, all funding announcements are made jointly or by agreement with the other Party; and
  - e) where appropriate these requirements are reflected in Regional Agreements.
143. The Commonwealth will provide the State with the National Heritage Trust Style Guide to assist with compliance with clause 142 of this Agreement.
144. The Partnership Agreements underpinning Regional NRM plans and investment strategies will include clear protocols for Trust promotional activities. These will ensure adequate badging and credit for the Commonwealth and Queensland and recognition of their role in any announcements relating to approved projects.

**PART 8: INFORMATION MANAGEMENT**

145. The Parties will cooperate on the development of systems to share information for:
- a) administration of the Trust; and
  - b) resource condition and program monitoring data and the findings of evaluation.
146. The Parties will adopt the ANZLIC Data Access and Management Protocol for the collection management and use of data covered by this Agreement or as circumstances dictate develop specific protocols based on ANZLIC Data Access and Management Protocols.
147. For the purposes of developing, accrediting, implementing, monitoring and reporting against the NRM plan, the Parties agree that they will make all data relevant to the purposes of the Trust available, at no more than marginal costs of dissemination unless this is precluded for specific data sets under other arrangements, to regional bodies and State, Territory and Commonwealth governments. All datasets must be delivered with metadata meeting the documentation standards specified in the ANZLIC Data Access and Management Protocol.
148. The Parties agree to promptly comply with any reasonable request from the other Party to supply information relating to the implementation of this Agreement.
149. The Parties agree that they may each use data owned by the other Party for the purposes of meeting their respective responsibilities relating to the

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implementation of this Agreement, and to make data available to the other. The Parties agree that such data will remain the property of the owner and its use will be subject to such agreements as may be agreed. The Parties agree that data will not be used or communicated to any other person without the written permission of the owner.

150. If a Party receives a request for any information originating from the other Party that is not otherwise publicly available, the Parties must consult concerning release of the information.
151. The Parties reserve the right not to make pre-existing material not covered by the ANZLIC data access and Management Protocol available to a third party. Where confidentiality obligations apply to pre-existing material, the Parties must comply with these confidentiality obligations as specified by the owner(s).

**Freedom of Information**

152. If a Party receives any request for documents, including under Freedom of Information legislation the Parties will consult expeditiously on the release of those documents.

**REPORTING**

153. The Parties agree to report annually to the NRM Ministerial Council on the contributions activities under this Agreement have made to the implementation of the Trust with respect to:
  - a) inputs, outputs and progress towards intermediate and long-term outcomes;
  - b) performance against regional targets, consistent with the National Framework for NRM Standards and Targets;
  - c) progress in implementation of other Trust elements, including capacity building and communications.
154. These reports should be furnished and agreed by the Steering Committee and should include material sufficient to permit the Commonwealth to satisfy its reporting commitments under the Act and include:
  - a) compliance and progress with the institutional reform elements of the Trus.

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**PART 9: OPERATION OF THE AGREEMENT**

**CONFLICT RESOLUTION**

155. In the event that any dispute arises under this agreement, a representative of each of the Parties shall discuss the dispute as soon as practicable to try to resolve the dispute. Should the dispute remain unresolved the dispute shall be referred to a representative of each of the Parties at senior managerial level as soon as practicable to try to resolve the dispute. Should the dispute remain unresolved the dispute shall be referred to the Commonwealth and the State Minister as soon as practicable to resolve.

**AUTHORITY**

156. Any action which under this Agreement is required or permitted to be taken by a Party, other than an action which is required to be taken by a Minister or the Steering Committee, may be taken by an officer who is authorised for that purpose.

**INTELLECTUAL PROPERTY**

157. The Parties agree that:

- a) ownership of intellectual property in project material, and sharing of benefits arising from the commercialisation of intellectual property arising from activities undertaken by a regional body will vest in the Regional Body. The State will ensure that Activity Agreements with Regional Bodies include provisions to grant the Commonwealth and the State a permanent, irrevocable, royalty-free, world-wide, non-exclusive licence (including a right of sub licence) to use, reproduce, adapt and exploit the project material;
- b) for activities directly undertaken by the State at the agreement of the Commonwealth and the State, ownership of intellectual property in project material, and sharing of benefits arising from commercialisation of intellectual property will be vested jointly in equal shares in the Commonwealth and the State on its creation. The Commonwealth and the State may independently use this project material at their discretion; and
- c) if requested by the Commonwealth or the State, the Steering Committee can require the State to require a third party to bring into existence, sign, execute or otherwise deal with any document that may be necessary or desirable to give effect to clause 157.

158. To the extent that project material or pre-existing material comprises:

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- a) traditional Indigenous knowledge which is culturally sensitive to Indigenous organisations; or
- b) other information which the Commonwealth and/or the State has been advised must remain confidential.

The Commonwealth and the State must not disclose such project material or pre-existing material to persons other than the State and the Commonwealth.

**INTERPRETATION**

159. In this Agreement:

“Activity” means a discrete activity or project, or set of activities, funded through or within a program or programs;

“Activity Agreement” means an agreement between the State and a Proponent to deliver one or more Activities approved by the Australian Government and State Ministers, being an agreement which is approved by the Steering Committee, or, where the Proponent is the State or an agency of the State, the terms specified by the Steering Committee for the Proponent to deliver one or more Activities approved by the Ministers;

“Advisory Group” means the NRM Regional Advisory Group referred to in clauses 43-45;

“Agreement” means all parts of this Agreement between the Commonwealth of Australia and the State of Queensland and includes the Attachments to this Agreement;

“ANZLIC” means Australia New Zealand Land Information Council – The Spatial Information Council;

“**capacity building**” means the range of activities by which individuals, groups and organisations improve their capacity to achieve sustainable natural resource management. Capacity in this context includes awareness, skills, knowledge, motivation, commitment and confidence;

“**Cape York Interim Advisory Group**” means the Cape York Interim Assessment Group as established under this agreement, renamed to better reflect its ongoing role in the delivery of the Trust in the Cape York region.

“**cross-border**” means an area of land and/or sea or focus of activity under the Trust that straddles one or more boundaries between States or regions;

“**culturally sensitive**” means any traditional or cultural issue which in accordance with traditional laws and customs, including as advised by Aboriginal and Torres Strait Islander elders, is considered to be sensitive, or of a secret or sacred nature;

“**draftRegional NRM Plan**” means an integrated catchment/regional natural resource management plan prepared in accordance with clauses 77-79 that has not been accredited;

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**“Facilitator/coordinator”** means Trust funded people who coordinate and facilitate the community to become involved in projects to achieve natural resource management outcomes;

**“Foundation Funding”** means funding provided on a matching basis during the interim period under clause 95-97;

**“GST”** means any tax imposed under any GST Law, including the *A New Tax System (Goods and Services) Act 1999 (Cth)* as amended and includes GST within the meaning of the GST Act;

**“Indigenous organisation”** includes a community council, council of elders, Registered Native Title Body Corporate, Prescribed Body Corporate, Indigenous corporation, or other incorporated indigenous body;

**“Indigenous significance”** means any natural resource, area, place, or thing (tangible or intangible) which is of physical, economic, social, cultural, historic, and/or spiritual significance to Aboriginal and Torres Strait Islander people;

**“in-kind”** means a non-cash contribution to jointly agreed NRM regional and State-wide investment activities (including regional NRM plans and interim regional proposals) that are directed at achieving Trust outcomes;

**“intellectual property”** includes all copyright (including rights in relation to phonograms and broadcasts), all rights in relation to inventions (including patent rights), plant varieties, registered and unregistered trademarks (including service marks), registered designs, and circuit layouts, and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields, as well as traditional Indigenous knowledge;

**“interim period”** means the period within which interim funding may be provided in a State pursuant to clauses 95-97;

**“land management instruments”** are land use policy tools and range from regulatory tools such as tenure and lease conditions, through to incentives such as stewardship payments, to voluntary activities such as Nature Conservation Agreements, Indigenous Land Use Agreements, and Property Management Plans. They are supported by Industry Best Practice guidelines and the provision of information about the Land Resource, especially condition and trend information;

**“Local Government”** includes a legally constituted council, shire, municipality, Deed of Government in Trust body, or other local authority established under State legislation;

**“material”** includes documents, equipment, software, goods, information and data stored by any means;

**“migratory species”** means all species included in appendices to the Convention on Migratory Species (Bonn Convention) for which Australia is a Range State; and all species included in lists under migratory bird agreements between Japan and Australia and China and

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Australia (JAMBA and CAMBA); and all native species identified under any new international agreement; and which are protected by the *Environment Protection and Biodiversity Conservation Act 1999*;

**"Ministerial Board"** means the Natural Heritage Ministerial Board established by section 40 of the Act, comprising the Commonwealth Minister for the Environment and Heritage and the Commonwealth Minister for Agriculture, Fisheries and Forestry;

**"NAP"** means the National Action Plan for Salinity and Water Quality adopted by Commonwealth, State and Territory Governments to tackle salinity and improve water quality in priority areas;

**"National NRM Monitoring and Evaluation Framework"** means the National Natural Resource Management Monitoring and Evaluation Framework endorsed by the NRM Ministerial Council on 3 May 2002;

**"National NRM Standards and Targets Framework"** means the National Natural Resource Management Standards and Targets Framework endorsed by the NRM Ministerial Council on 3 May 2002;

**"Natural Heritage Trust Partnership Agreement"** means the agreement made between the Parties on 5 November 1997 for the purposes of the Trust and related programs;

**"NRM"** means natural resource management, which includes any activity relating to the management of the use, development or conservation of one or more of the following natural resources: soil, water, vegetation, biodiversity or any other natural resource, including coastal and marine areas, and World Heritage, Ramsar Wetland and other protected areas;

**"NRM Ministerial Council"** means the Natural Resource Management Ministerial Council of Commonwealth and State Ministers established by the Council of Australian Governments with responsibility for natural resource management issues in Australia;

**"Regional NRM plan"** means an integrated catchment/regional natural resource management plan accredited by the Parties in accordance with clauses 80-84 that provides the basis for effective and strategic Commonwealth and State NRM investments;

**"NRM region"** means the geographic regions for which natural resource management planning will be undertaken, set out at Attachment C, and includes the coastal waters of the State and the sea-bed and subsoil beneath, and the airspace above;

**"Parties"** means the Commonwealth of Australia and the State of Queensland;

**"Partnership Agreement"** means an Agreement between the Parties and a regional body, made pursuant to clause 94;

**"Priority Investment Region"** means the geographic regions within which NAP investments will be made under the NAP Bilateral;

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**“Priority Actions”** means projects for which funding is provided on a matching basis during the interim period under clause 95-97;

**“program”** means the four Trust programs of primary importance for this Agreement outlined at Attachment A, namely the Landcare Program, the Bushcare Program, the Rivercare Program and the Coastcare Program;

**“project material”** means all material created or provided by the Commonwealth, State or third parties as part of or in performance of an Activity, and includes new, enhanced or derived data;

**“Proponent”** means the organisation responsible for an Activity;

**“Ramsar Wetland”** means a wetland, or part of a wetland, designated under the Ramsar Convention for inclusion in the List of Wetlands of International Importance and whose values are protected by the *Environment Protection and Biodiversity Conservation Act 1999*;

**“Regional Body”** means a regional body designated by the Parties for the purposes of the Trust under clause 65;

**“Regional Investment Strategies”** means the elements of a regional NRM plan nominated according to the process outlined in clauses 85-93 for which funding will be sought;

**“Reserve”** means the Natural Heritage Trust of Australia Reserve established by section 4 of the Act;

**“Single Holding Account”** means the special General Ledger Cost Identifier established within the Queensland Department of Natural Resources, Mines and Energy referred to in clause 127;

**“Stakeholders”** includes persons, groups or institutions (including local, regional, State and national government agencies) with interests in a policy, program or project;

**“State Ministers”** means the Ministers responsible for administering the accountable State agencies referred to in clause 68a;

**“Steering Committee”** means the Commonwealth/State Steering Committee whose role is described in clause 37-43;

**“the Act”** means the *Natural Heritage Trust of Australia Act 1997 (Cth)* unless otherwise specified;

**“Torres Strait Treaty”** means the Treaty between Australia and the Independent State of Papua New Guinea concerning Sovereignty and Maritime Boundaries in the area between the two Countries, including the area known as Torres Strait, and Related Matters;

**“Trust”** means the Natural Heritage Trust;

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**“World Heritage”** means natural and cultural heritage that is of outstanding universal value and is recognised under the World Heritage Convention and whose values are protected by the *Environment Protection and Biodiversity Conservation Act 1999*.

160. In this Agreement unless the contrary intention appears:

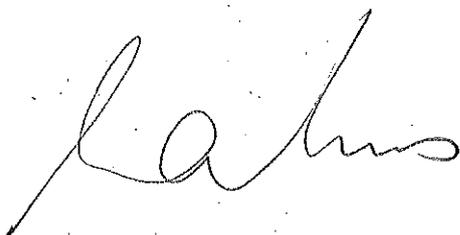
- a) a reference to a clause or Attachment is a reference to a clause or Attachment to this Agreement and a reference to this Agreement includes a reference to an Attachment;
- b) a reference to this Agreement or another instrument (including a regional NRM plan) is a reference to this Agreement or that other instrument as amended or varied from time to time;
- c) a reference to a statute or ordinance includes any consolidations, amendments, re-enactments or replacements thereof and also includes regulations and other instruments made under them;
- d) a word importing the singular includes the plural and vice versa, a word importing a gender includes each other gender and a reference to a person includes an individual, firm, body corporate, association (whether incorporated or not), government, governmental or semi-governmental body, local authority or agency;
- e) a reference to an act, matter or thing includes the whole or any part of that act, matter or thing and a reference to a group of acts, matters, things or persons includes each act, matter, thing or person in that group;
- f) where any terms and conditions are added to an Attachment of this Agreement it is agreed that those terms and conditions will form part of this Agreement; and
- g) headings are inserted for convenience and do not affect the interpretation of this Agreement.

161. Other words and expressions used in this Agreement will, so far as is applicable, have the meanings attributed to them by definitions in the Act.

*Natural Heritage Trust Extension Bilateral Agreement*

**EXECUTED** as an agreement.

Signed for and on behalf of the COMMONWEALTH OF AUSTRALIA by:



**The Honourable Warren Truss MP**  
**Minister for Agriculture, Fisheries and Forestry**



**The Honourable Dr David Kemp MP**  
**Minister for the Environment and Heritage**

Signed for and on behalf of the STATE OF QUEENSLAND by:



**The Honourable Terry Mackenroth MP**  
*Acting Premier of the State of Queensland*

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## ATTACHMENT A

**FRAMEWORK FOR THE  
EXTENSION OF THE NATURAL HERITAGE TRUST**

1. Lessons learnt from the first phase of the Trust and the establishment of the *National Action Plan for Salinity and Water Quality* (the NAP) have been taken into account in the finalisation of the framework. There will be a fundamental shift in the Trust towards more strategic investment.
2. The model for regional investment under the extension of the Trust will be based on that used for the NAP, including bilateral and regional partnership agreements, investment against accredited regional plans, and the provision of foundation and priority funding.

**Trust objectives**

3. The Trust will have three overarching objectives.
  - (i) Biodiversity Conservation - the conservation of Australia's biodiversity through the protection and restoration of terrestrial, freshwater, estuarine and marine ecosystems and habitat for native plants and animals.
  - (ii) Sustainable Use of Natural Resources - the sustainable use and management of Australia's land, water and marine resources to maintain and improve the productivity and profitability of resource based industries.
  - (iii) Community Capacity Building and Institutional Change - support for individuals, landholders, industry and communities with skills, knowledge, information and institutional frameworks to promote biodiversity conservation and sustainable resource use and management.

These overarching objectives have been the basis for defining the four programs and the development of the ten areas of activity.

**Trust programs**

4. The Trust will have four programs. These programs establish the resource condition outcomes that will be sought through Trust investment. Detailed descriptions of the programs are at Attachment A.1.
  - (i) The Landcare Program will invest in activities that will contribute to reversing land degradation and promoting sustainable agriculture.
  - (ii) The Bushcare Program will invest in activities that will contribute to conserving and restoring habitat for our unique native flora and fauna which underpins the health of our landscapes.
  - (iii) The Rivercare Program will invest in activities that will contribute to improved water quality and environmental condition in our river systems and wetlands.
  - (iv) The Coastcare Program will invest in activities that will contribute to protecting our coastal catchments, ecosystems and the marine environment.

## Scope of Activity

5. The following 10 areas of activity define the scope of Trust investment:
- (v) protecting and restoring the habitat of threatened species, threatened ecological communities and migratory birds;
  - (vi) reversing the long-term decline in the extent and quality of Australia's native vegetation;
  - (vii) protecting and restoring significant freshwater, marine and estuarine ecosystems;
  - (viii) preventing or controlling the introduction and spread of feral animals, aquatic pests, weeds and other biological threats to biodiversity;
  - (ix) establishing and effectively managing a comprehensive, adequate and representative system of protected areas;
  - (x) improving the condition of natural resources that underpins the sustainability and productivity of resource based industries;
  - (xi) securing access to natural resources for sustainable productive use;
  - (xii) encouraging the development of sustainable and profitable management systems for application by land-holders and other natural resource managers and users;
  - (xiii) providing land-holders, community groups and other natural resource managers with understanding and skills to contribute to biodiversity conservation and sustainable natural resource management; and
  - (xiv) establishing institutional and organisational frameworks that promote conservation and ecologically sustainable use and management of natural resources.
6. Natural resource management priorities will vary between regions and between States/Territories, as will the extent to which the areas of activity identified for Trust investment are addressed in regional plans. It is, therefore, not anticipated that each regional NRM plan will necessarily address all of the ten areas of activity. Similarly, equal emphasis may not be applied to all components of a single area of activity within a regional plan.
7. Investment under the Trust will be available for salinity and water quality measures across Australia, including in NAP regions. At least \$350 million of the Trust funds will be invested directly on measures to improve water quality.

## Levels of investment

8. Investment under the Trust will occur at three levels: national/state; regional; and local. Transitional arrangements will be necessary to provide support for ongoing work consistent with expected regional priorities, to build on the outcomes of existing Trust investments, and to maintain momentum and continuity within communities.

### 9. National / State Investments

Investment at this level will address activities that have a broadscale, rather than a regional or local, outcome. This will include activities at the state-wide level, as well as those that cross over state and regional boundaries. It will also address matters of direct Commonwealth jurisdiction, such as those relating to Commonwealth waters.

10. National/State investments can be grouped together into three sets:
  - *Commonwealth activities*: giving effect to Federal Government environmental and natural resource responsibilities and priorities, and implemented solely by the Commonwealth or in partnership with other jurisdictions;
  - *Joint Commonwealth and State/Territory activities*: including cross-jurisdictional activities, identified and agreed jointly by the Commonwealth and the States/Territories; and
  - *State-wide and within-State activities*: identified and agreed to jointly by the Commonwealth and the States/Territories.
11. Investment priorities are likely to cover National / State activities such as resource assessment, research, industry strategies, innovative approaches to managing NRM issues such as weeds, marine species and protected areas, reserve acquisitions, training and information, and national coordination/facilitation.
12. While at the National / State level the four programs will form four discrete funding sources, complementary outcomes will be pursued. Investment priorities will be funded from one or more of the four programs depending on the nature of the activity in question.
13. Regional investments

This will be the principal delivery mechanism for the Trust and will follow, as far as practical, the model developed for the NAP. Under this model, investment is made on the basis of an accredited, integrated NRM plan and investment strategy/proposal developed by the region.
14. Plans which seek accreditation for Trust investment will identify all of the NRM issues in a region (based on the best available scientific and technical information), develop actions to address these issues and then prioritise the most important issues for action. They will also set resource condition and management action targets based on agreed national standards.
15. The requirement that plans be based on rigorous scientific and technical information, and that they set achievable natural resource condition targets, will require the Trust to invest in research. As many plans will be based on existing regional and catchment plans, the nature and subject of the research for which funding may be provided will need to be carefully targeted and determined on a case by case basis.
16. Investment proposals for Trust funding submitted to the Commonwealth and relevant State/Territory after plan accreditation must demonstrate how the actions for which funding is sought meet the areas of activity for investment established for the Trust.
17. In the NAP priority regions the delivery of Trust and NAP funding will be integrated, subject to the requirements necessary to meet separate auditing and evaluation requirements for the two programs.
18. A process is currently under way to review the accreditation criteria developed by the NAP to ensure that plans accredited under the criteria can be used as a basis for investment under a range of programs including the NAP and the Trust.
19. At the regional level the four programs will be integrated and complementary outcomes will be pursued.

20. Regional boundaries will be established using the following principles:
- (xv) regions will be based on integrated NRM considerations;
  - (xvi) regions reflect, where possible, existing regional arrangements; and
  - (xvii) relevant regions incorporate coasts and adjacent waters.

A consequence is that the NRM regions used for the Trust will not be inconsistent with the NAP arrangements.

21. Where regional arrangements are less well defined, for example in the rangelands, the Commonwealth, rangelands States and the Northern Territory will jointly determine the approach to be taken. Cross border arrangements for any region would need to be developed on a case-by-case basis.

22. Rangelands

Trust investment in the rangelands may occur outside a regional framework, but still within the areas of activity identified for Trust investment.

Delivery of the Trust in the rangelands will build on existing national, state and regional strategies and initiatives and follow the principles agreed for accreditation and investment in integrated natural resource management strategies.

Attention will be given to gathering and sharing information to promote cost effectiveness and consistency across jurisdictions. Funding at the regional level will incorporate a flexible approach to accommodate the particular characteristics and needs of the rangelands.

This flexibility will be agreed bilaterally and consider issues such as sparse populations, indigenous communities, organisational structures, priority actions and partnerships.

23. Interim Regional Arrangements

A process for managing the transition to regional implementation is a high priority. Arrangements will need to be flexible to provide a level of certainty and predictability for regions, support for ongoing work consistent with expected regional priorities and to build on the outcomes of existing projects.

24. Funds will be available for some activities prior to accredited plans being in place.

25. There will be investment against two categories of activities in this interim period:

- *Foundation* funding to support the process of developing or refining a regional integrated NRM strategy, including support for the regional organisation to undertake activities such as evaluating existing plans, information gap filling, plan development and community consultation; and
- *Priority funding* for regions to continue to address pressing NRM issues through large-scale actions, prior to the accreditation and implementation of a regional NRM plan, as well as technical support and capacity building.

26. Continued funding for facilitators and coordinators is needed during the interim period to facilitate community input into the development of regionally strategic NRM plans, assist community groups with Australian Government Envirofund projects and project reporting, assist the community to finalise projects and submit final reports for the first phase of the Trust, provide technical support and community development needs, and support Commonwealth obligations.

27. There will only be one interim funding round (2002-03), unless circumstances in some regions justify a second round. Any project extension would be subject to review against progress in completing regional plans and implementing individual projects. Overall investment in interim projects will be small in proportion to investment following the accreditation of regional plans. Interim projects should address the most

time critical priority issues in a region, clearly demonstrated through sound scientific and planning processes.

28. Approved interim projects will need to demonstrate:
- *contribution* to the objectives of the Natural Heritage Trust and consistency with the identified priority areas of activity;
  - that the range of natural resource management issues were adequately considered in *putting* together the bids;
  - consistency with existing plans;
  - consultation with stakeholders and community support;
  - a need for early commencement (such as the opportunity to avoid more significant impacts, the window of opportunity is small, or the opportunity to link with other activities);
  - support for continuity and momentum in existing community capacity;
  - value for money;
  - approval for the work from the land manager; and
  - receipt of any statutory approvals that may be necessary, and compliance with any relevant legislation.
29. The process for managing this funding will involve seeking bids from each region (principally from established regional groups), assessment and prioritisation of bids on a state-wide basis by a panel with a majority community membership and a community chair, and consideration of the recommended bids by the Commonwealth and relevant state and territory as joint investors. Where regional arrangements are less well established, the Commonwealth and States will discuss arrangements further.
30. Australian Government Envirofund
- These grants will provide the opportunity for community groups, in particular those that have had little or no previous engagement with the Trust, to build capacity through:
- gaining experience in addressing NRM issues on a relatively small scale;
  - finding out about the range of approaches to addressing these issues;
  - building networks with others addressing similar issues; and
  - participating in the development and implementation of broader regional approaches to natural resource management.
31. The Australian Government Envirofund will assist groups to undertake:
- small on-ground projects tackling local problems;
  - projects in areas where regional plans are not yet well developed; and
  - important local projects.

Activities should not be inconsistent with regional plans.

32. A process for managing this grants program will be negotiated with those jurisdictions willing to administer the grants on behalf of the Commonwealth.
33. While at the Australian Government Envirofund level the four programs will form four discrete funding sources, complementary outcomes will be pursued.

34. The Australian Government Envirofund will not be addressed in either State/Commonwealth bilateral agreements or regional agreements.

### Funding

35. The Trust is only one of a range of potential sources of investment funds for any individual integrated natural resource management plan, and regional communities are expected to seek, as they consider appropriate, investment for different activities and outcomes under their plans from different sources.
36. Up to 3-year funding will be provided for funding based on accredited regional plans subject to annual review against milestones.
37. In principle and subject to negotiations concerning implementation arrangements and the provision of information on the allocation of funds to regional programs:
- (xviii) States and Territories will match from their budgets the Commonwealth's investment in delivery of the NHT at the regional level;
  - (xix) Investments at the regional level will be managed under plans jointly accredited by the Commonwealth and the relevant State/Territory;
  - (xx) Matching funding arrangements will not normally apply to projects the States and Territories have already announced they will proceed with.
  - (xxi) For new and already announced funding by the States and Territories to be eligible as matching funding it must be:
    - (a) directly attributed to the region in question;
    - (b) directly relevant to activities in the regional investment strategy being funded; and
    - (c) for jointly agreed activities in the region in question.
- Subject to the above, where a state/territory reduces its allocation to a pre-existing/announced State/Territory activity, the Commonwealth will not make up the shortfall.
- (xxii) There will be full transparency of the source, quantum and expenditure of all resource contributions under the NHT including for funds that are managed jointly under accredited plans or resources that are matched on an agreed project by project basis; and
  - (xxiii) Auditing and reporting arrangements will be agreed between the Commonwealth and each State and Territory to give effect to iv above.
38. Matching investment agreed by the States and Territories may include both cash and appropriately costed and audited in kind contributions (except for purchases of land under the National Reserves System where only cash matching will be accepted).
39. At the regional level Trust investment will be determined on the basis of each region's investment strategy. The Commonwealth and State/Territory will each contribute 50% of the resources to be allocated. The Commonwealth and State can contribute differentially to jointly agreed activities within the investment strategy, provided their total contributions are equal.
40. At the national level, for State-wide and within-State investments within the National/State investment stream, the Commonwealth and State/Territory will each contribute 50% of the resources required. Contributions for multilateral investments will be as agreed by the parties.

### **Bilateral and Regional Agreements**

41. The Trust bilateral agreements will be based primarily on the structure used for the NAP bilateral agreements, and will draw on the existing Trust Partnership Agreements and Memoranda of Understanding.
42. The bilateral agreements will establish a framework under which the Parties will work cooperatively for the purposes of section 19 of the *Natural Heritage Trust of Australia Act 1997*.
43. The bilateral agreements will address institutional change required to underpin Trust delivery. This will include the institutional reforms agreed under the NAP IGA being applied to Trust regions.
44. Where coastal areas are included in NRM regions, the NRM plans to be accredited under the extended Trust are to be developed in cooperation with the land managers/agencies that have statutory coastal management responsibilities within each jurisdiction.
45. All jurisdictions support the engagement of local government in the delivery of the Trust. To implement regional delivery of Trust investment, agreements will be developed with each agreed local government/regional group describing the management and accountability arrangements. The process for developing the agreements within each State and Territory will be determined through the bilateral agreements.

### **Monitoring and Evaluation**

46. The NRM Ministerial Council is overseeing the development and implementation of a national monitoring and evaluation framework that will cover both the Trust and the NAP and which will enhance the capacity to monitor and measure progress against the objectives of both programs.
47. Monitoring and evaluation is an ongoing activity in NRM. It will be necessary to determine the level of Trust funds required to support monitoring and evaluation at all levels of investment, further to that already provided from other sources.

## ATTACHMENT A.1

### RIVERCARE

#### National Goal

To improve water quality and environmental condition in our river systems and wetlands.

#### Priorities

In seeking to achieve this goal, Rivercare will principally deliver the following Trust priorities:

- to improve the condition of water resources that underpins the sustainability and productivity of industries dependent on water resources;
- to secure access to water resources for productive and recreational purposes;
- to encourage the development of sustainable and profitable management systems for water resources for application by land-holders and other natural resource managers and users;
- to protect and restore significant freshwater ecosystems in rivers and wetlands;
- to prevent or control the introduction and spread of aquatic pests, weeds and other biological threats to biodiversity and productivity; and
- to protect and restore the riverine and wetland habitat of threatened species, threatened ecological communities and migratory birds.

Rivercare will assist in giving effect to the following elements of the Trust priorities:

- to reverse the long-term decline in the extent and quality of Australia's native vegetation in riverine and wetland areas;
- to establish and effectively manage riverine and wetlands elements of a comprehensive, adequate and representative system of protected areas; and

Rivercare, in conjunction with all other Trust programs will contribute to the following Trust priorities:

- to provide land-holders, community groups and other natural resource managers with understanding and skills to contribute to biodiversity conservation and sustainable natural resource management; and
- to establish institutional and organisational frameworks that promote conservation and ecologically sustainable use and management of natural resources.

#### National Outcomes

The principal outcomes sought by Rivercare are: improved water quality and reliable allocations for human uses, industry and the environment; and effective management and sustainable use of rivers, streams, wetlands and groundwater, and their associated biodiversity. Specific outcomes will be pursued in the following areas:

- improved water quality in rivers and streams, and in coastal and estuarine environments affected by river systems.
- improved resource security and sharing arrangements between the environment, human uses and industries;
- sustainable and productive land and water management systems, including
  - caps on the extractive use of water from all surface and groundwater systems that are over-allocated or approaching full allocation, and a strategy and timetable for meeting the caps; and ;

- removal of impediments to the effective operation of trading markets in, and integrated management of, both surface and groundwater systems;
- improved water use efficiency and re-use;
- improved adoption of clean wastewater and stormwater systems;
- protection, conservation and restoration of wetland systems;
- conservation of the biodiversity of aquatic and riparian systems;
- restoration of important fish migration routes through such activities removal of barriers and the construction of fish passage devices;
- protection of priority instream, riparian and floodplain habitats, including Ramsar sites, nationally significant wetlands and migratory water bird habitat;
- reduction in inputs of nutrients, sediments and other pollutants into waterways and groundwater;
- reduced impact on water quality and biodiversity from feral animals and weeds;
- prevention or control of the introduction of aquatic pests and weeds and reduction of their ecological and economic impact;
- engagement of the community in monitoring and protecting Australia's waterways, wetlands and groundwater;
- improved awareness, understanding and support among the wider community of the need for sustainable water management and aquatic biodiversity conservation;
- development of data collection, information, research and skills to support decision making; and
- improved and integrated management of aquatic systems, rivers, streams, wetlands and groundwater and their associated environments as a single integrated resource, while not discounting the special requirements of any aspect of that resource.

## **COASTCARE**

### **National Goal**

To protect our coastal catchments, ecosystems and the marine environment.

### **Priorities**

In seeking to achieve this goal, Coastcare will principally deliver the following Trust priorities:

- to protect and restore significant marine, coastal and estuarine ecosystems,
- to protect and restore the coastal, estuarine and marine habitats of threatened species, threatened ecological communities, and migratory shorebirds and waterbirds;
- to prevent or control the introduction and spread of introduced marine pests, coastal weeds and other biological threats to biodiversity,
- to establish and effectively manage a comprehensive, adequate and representative system of marine protected areas, and
- to improve the condition of coastal, estuarine and marine resources that underpin the sustainability of coastal, estuarine and marine-based resource industries.

Coastcare will assist in giving effect to the following Trust priorities:

- to reverse the long-term decline in the extent and quality of Australia's native coastal and estuarine vegetation;
- to secure access to marine and coastal resources for productive purposes;
- to encourage the development of sustainable and profitable management systems for application by coastal and marine resource managers and users.

Coastcare, in conjunction with all other Trust programs, will contribute to the following Trust priorities:

- to provide land-holders, community groups and other natural resource managers with understanding and skills to contribute to biodiversity conservation and sustainable natural resource management, and
- to support institutional and organisational frameworks that promote conservation ecologically sustainable use and management of natural resources.

### **National Outcomes**

The principal outcomes sought by Coastcare are protection of the environmental values of our coasts, estuaries and marine environment, sustainable development of their resources and enhanced amenity of coastal areas. Specific outcomes will be pursued in the following areas:

- an improved national framework for integrated coastal zone management;
- implementation of more coordinated and effective planning regimes for coastal, marine and estuarine areas, including addressing ribbon development in the coastal fringe;
- development and implementation of recovery plans and threat abatement plans for nationally listed coastal, marine and estuarine species and ecological communities;
- identification and conservation of estuarine, coastal and marine biodiversity hotspots;
- development of a national framework to reduce the threats to coastal and marine species;
- inclusion of under represented marine regions in the national representative system of marine protected areas;

- achievement of target reductions in marine, coastal and estuarine pollution from source, particularly in coastal and urban water quality hot spots, including the Great Barrier Reef lagoon;
- development and application of appropriate economic and market-based measures to support the conservation of coastal and marine native biodiversity;
- integration of coastal water quality protection and biodiversity conservation into the core business of regional/catchment organisations;
- improved management of important migratory shorebird sites, including enhanced conservation of habitat for nationally and internationally significant shorebirds;
- prevention or control of the introduction of coastal weeds and introduced marine pests, and reduction of their ecological and economic impact;
- effective control of the loss of native coastal and marine vegetation;
- minimising the impact of land-based sources of pollution and nutrients on coastal, estuarine and marine habitats;
- improved ecologically sustainable use of fisheries resources in estuarine and marine environments;
- effective control of the loss of critical coastal, estuarine and marine fish nursery areas through measures to ensure biodiversity conservation and the productivity of fisheries;
- the commitment, skill and knowledge of coastal and marine managers to manage coastal and marine environments sustainably and make well-informed decisions; and
- understanding and appreciation by coastal communities, including indigenous communities, of the role of coastal and marine native biodiversity in Australia's rural and urban landscapes and an enhanced involvement in coastal and marine management activities;

Coastcare will work with the other Trust programs to achieve improved marine, coastal and estuarine water quality, habitat protection and biodiversity conservation outcomes, and promote the ecologically sustainable use of marine and coastal natural resources.

## **LANDCARE**

### **National Goal**

To reverse land degradation and promote sustainable agriculture.

### **Priorities**

In seeking to achieve this goal, Landcare will principally deliver the following Trust priorities:

- to improve the condition of land resources that underpins the sustainability and productivity of resource based industries;
- to secure access to land resources for productive purposes;
- to encourage the development of sustainable and profitable land management systems for application by land-holders and other natural resource managers and users; and
- to prevent or control the introduction and spread of feral animals, weeds and other biological threats to productivity.

Landcare will assist in giving effect to the Trust priorities:

- to protect and restore the habitat of threatened species, threatened ecological communities and migratory birds on agricultural land;
- to reverse the long-term decline in the extent and quality of Australia's native vegetation on agricultural land; and
- to protect and restore significant freshwater, marine and estuarine ecosystems by improving the management of land resources.

Landcare, in conjunction with all other Trust programs will contribute to the following Trust priorities:

- to provide land-holders, community groups and other natural resource managers with understanding and skills to contribute to biodiversity conservation and sustainable natural resource management; and
- to establish institutional and organisational frameworks that promote conservation and ecologically sustainable use and management of natural resources.

### **National Outcomes**

The principal outcome sought by Landcare is increased profitability, competitiveness and sustainability of Australian agricultural industries, enhancement and protection of the natural resource base, and improved land use leading to better soil health, water quality and vegetation condition. Specific outcomes will be pursued in the following areas:

- measures to reduce land degradation, including its impact on water quality;
- improvement in clarity and certainty of property rights to underpin sound management practices;
- the use of land resources within their capabilities;
- development and implementation of best practice systems, including codes of practices and environmental management systems;
- maintenance and improvement of the productivity and efficiency of land resource use;

- equipping individual farmers and communities with the understanding, skills, self-reliance and commitment necessary to maintain economic viability and sustainably manage natural resources
- increased capacity of natural resource managers to make well informed decisions; and
- support for institutional arrangements for regional delivery.

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## **BUSHCARE**

### **National Goal**

To conserve and restore habitat for Australia's unique native flora and fauna that underpin the health of our landscapes.

### **Priorities**

In seeking to achieve this goal, Bushcare will principally deliver the following aspects of the Trust priorities:

- to protect and restore terrestrial threatened species habitat and threatened ecological communities, and migratory birds;
- to reverse the decline in the extent and quality of Australia's native vegetation;
- to establish and effectively manage a comprehensive, adequate and representative system of terrestrial protected areas; and
- to prevent or control the introduction and spread of feral animals, terrestrial pests, weeds and other biological threats to biodiversity.

Through the above priorities Bushcare will assist the Landcare program in achieving the Trust priority of improving the condition of natural resources that underpin the sustainability and productivity of resource-based industries.

Bushcare, in conjunction with all other Trust programs will contribute to the following Trust priorities:

- to provide landholders, community groups and other natural resource managers with understanding and skills to contribute to biodiversity conservation and sustainable natural resource management; and
- to support institutional and organisational frameworks that promote conservation and ecologically sustainable use and management of natural resources.

### **National Outcomes**

The principal outcome sought by Bushcare is a reversal of the trend of depletion of the nation's key terrestrial biodiversity assets. The following specific outcomes will be pursued:

- development and implementation of recovery plans and threat abatement plans for nationally listed terrestrial threatened species and ecological communities;
- identification and conservation of terrestrial biodiversity hotspots;
- implementation of effective measures to control the clearing of native vegetation, specifically including:
  - prevention of clearing of endangered and vulnerable vegetation communities and critical habitat for threatened species;
  - limitation of broadscale clearing to those instances where regional biodiversity objectives are not compromised;
- a substantial increase in the area and quality of the national reserve system;
- enhanced engagement with indigenous communities, leading to an expansion of the Indigenous Protected Area network;
- integration of biodiversity conservation as part of the core business of regional/catchment organisations;

- development and application of appropriate economic and market-based measures to support the conservation of terrestrial native biodiversity;
- improved protection and management of World Heritage properties;
- conservation and enhancement of remnant native vegetation;
- more sustainable management of rangeland ecosystems through measures including identification and protection of areas of high conservation significance, improved fire management and implementation of total grazing management practices to conserve biodiversity;
- increased revegetation, integrating multiple objectives including biodiversity conservation, salinity mitigation, greenhouse gas abatement, improved land stability and enhanced water quality;
- reduction in the impact on terrestrial biodiversity of feral animals and weeds, focussing on weeds of national significance and "sleeper" weeds;
- improved quarantine controls and enhanced risk assessment procedures to eliminate the introduction of new live organisms harmful to native biodiversity;
- the commitment, skill and knowledge of land managers to manage terrestrial native biodiversity sustainably; and
- understanding and appreciation by communities of the role of terrestrial native biodiversity in Australia's rural and urban landscapes.

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TIMETABLES FOR WATER RESOURCE PLANS AND RESOURCE OPERATIONS PLANS

WATER RESOURCE PLANS							
	1999/2000	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Notice of intention to prepare draft WRP published			<p>Fitzroy (amendment to include overland flow) (13 Sept 2001)</p> <p>Logan (inc. Albert) (21 Nov 2001);</p> <p>Georgina/Diamantina (21 Nov 2001);</p> <p>Burdekin (17 Jan 2002);</p> <p>Mary (inc. Burrum &amp; Sunshine Coast Catchments) (20 May 2002)</p>	<p>Southern Gulf (Sep 2002)</p> <p>Burnett (amendment to include Bundaberg coastal aquifer) (Feb 2003)</p> <p>Pioneer (amendment to include groundwater) (Oct 2002)</p> <p>Moreton (March 2003)</p>	<p>Proserpine (Aug 2003)</p> <p>Burdekin (amendment to include groundwater) (July 2003)</p> <p>Herbert (July 2003)</p> <p>Fitzroy (amdt to include Callide groundwater) (2003)</p> <p>Toowoomba Basalts and Eastern Downs Sandstones (2003)</p>	Baffle	Great Artesian Basin
Notice of release of draft WRP	<p>Burnett (26 Jun 2000);</p> <p>Boyne (23 May 2000);</p> <p>Condamine-Balonne (14 Jun 2000);</p> <p>Moonie (9 May 2000);</p> <p>Warrego/Paroo/Bulloo/Nebine (22 Jun 2000)</p>		<p>Barron (20 Dec 2001);</p> <p>Pioneer (18 Dec 2001)</p>	<p>Border Rivers (8 July 2002)</p> <p>Moonie (revised) (8 July 2002)</p> <p>Warrego/Paroo/Bulloo/Nebine (revised) (8 July 2002)</p> <p>Condamine-Balonne (revised) (Oct 2002)</p> <p>Georgina/Diamantina (Dec 2002)</p> <p>Logan (Feb 2003)</p> <p>Fitzroy (amendment to include overland flow)</p>	<p>Mitchell (Feb 2004)</p> <p>Southern Gulf (Feb 2004)</p> <p>Burdekin (amendment to include groundwater) (2004)</p> <p>Mary (Dec 2003)</p> <p>Herbert (April 2004)</p> <p>Proserpine (May 2004)</p> <p>Fitzroy (amdt to</p>	<p>Burnett (amendment to include Bundaberg coastal aquifer) (July 2004)</p> <p>Moreton (Aug 2004)</p>	

<p>Governor in Council approval of WRRP</p>	<p>Fitzroy (23 Dec 1999); Cooper (7 Feb 2000)</p>	<p>Burnett (14 Dec 2000); Boyne (14 Dec 2000)</p>	<p>Burnett (amendment) (19 Dec 2001)</p>	<p>(Dec 2002) Burdakin (Dec 2002) Pioneer (amendment to include groundwater) (June 2003)</p>	<p>include Callide groundwater) (2003) Toowoomba Basalts and Eastern Downs Sandstones (2004) Calliope (2004)</p>	<p>Southern Gulf (Sept 2004) Mitchell (Sept 2004) Proserpine (Nov 2004) Burdakin (amdt to include coastal alluvial aquifer) (2004) Toowoomba Basalts and Eastern Downs Sandstones (2004) Calliope (2004)</p>	<p>Moreton (2005)</p>
<p>Burnett (amendment to include overland flow) (June 2003) Georgina/Diamantina (June 2003)</p>	<p>Barron (Sep 2002) Pioneer (Sep 2002) Moonie (Dec 2002) Warrego/Paroo/Bulloo/Nebine (Dec 2002) Border Rivers (Dec 2002) Condamine-Balonne (April 2003) Fitzroy (amendment to include overland flow) (June 2003) Georgina/Diamantina (June 2003)</p>	<p>Mary (June 2004) Logan (Aug 2003)</p>	<p>Burdakin (July 2003) Pioneer (amendment to include groundwater) (Nov 2003) Fitzroy (amdt to include Callide groundwater) (2004) Mary (June 2004) Logan (Aug 2003)</p>	<p>Burdakin (amendment to include Bundaberg coastal aquifer) (2004) Herbert (Oct 2004)</p>	<p>Burdakin (amdt to include coastal alluvial aquifer) (2004) Toowoomba Basalts and Eastern Downs Sandstones (2004) Calliope (2004) Burnett (amendment to include Bundaberg coastal aquifer) (2004) Herbert (Oct 2004)</p>	<p>Herbert (Oct 2004)</p>	

RESOURCE OPERATIONS PLANS

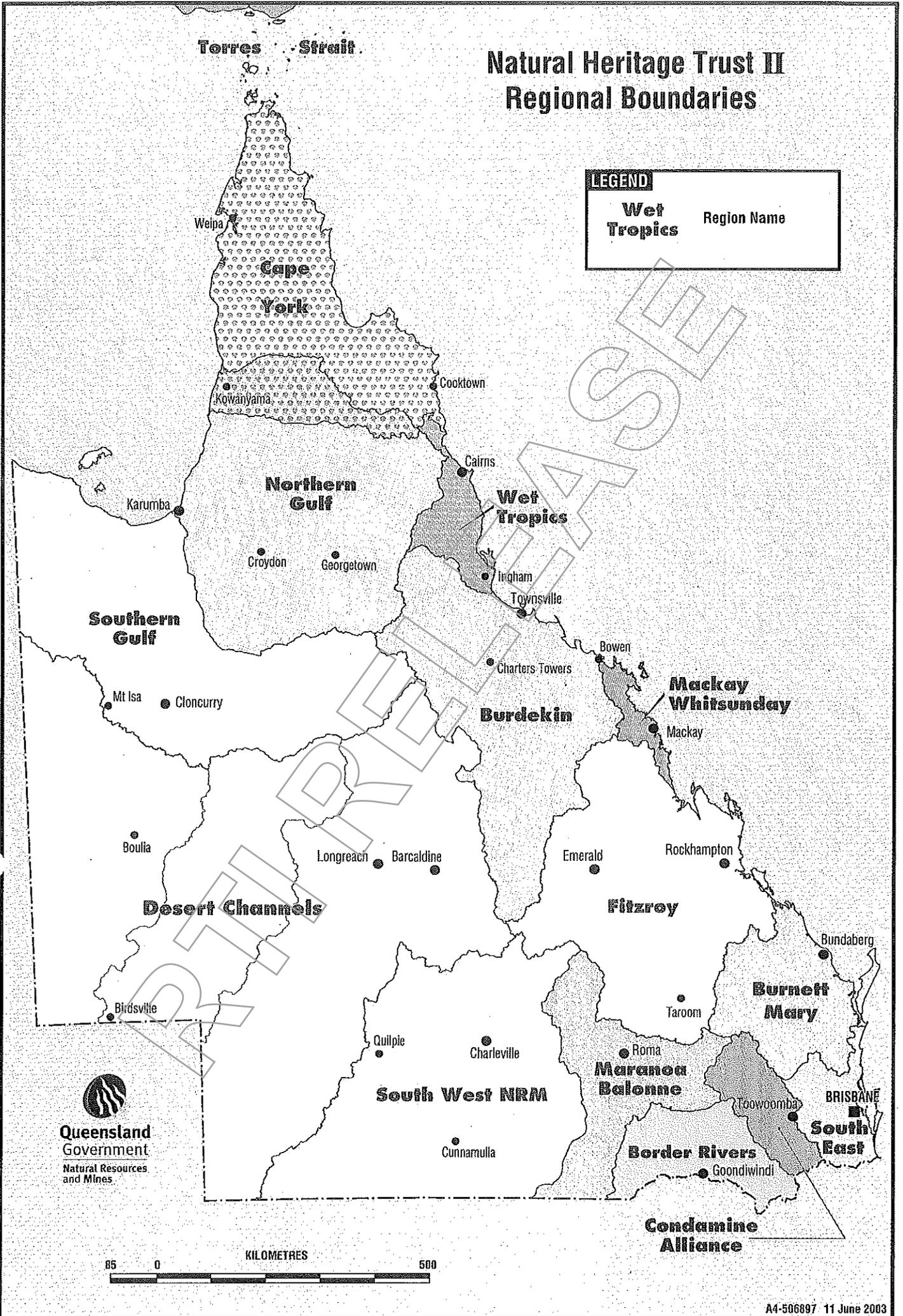
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Notice of intention to prepare draft ROP published	Fitzroy (23 Nov 2000); Boyne (24 March 2001)	Burnett (20 Feb 2002);	Border Rivers (8 July 2002) Moonie (8 July 2002) Warrego/Paroo/Bulloo/Nebine (8 July 2002) Barra (Sep 2002) Pioneer (Sep 2002) Condamine-Balonne (Oct 2002)	Logan (Sep 2003) Burdakin (Aug 2003) Fitzroy (amdt to include Callide groundwater) (2004)	Mary (July 2004) Burdakin (amendment to include coastal alluvial aquifer) (2004) Burnett (amendment to include Bundaberg coastal aquifer) (2004) Toowoomba Basalts and Eastern Downs Sandstones (2004) Mitchell (Oct 2004) Southern Gulf (Oct 2004) Herbert (Nov 2004) Proserpine (Jan 2005)	Moreton (2005)	
Notice of release of draft ROP		Boyne (8 Dec 2001)	Fitzroy (Aug 2002) Burnett (Dec 2002) Condamine-Balonne (March 2003) Border Rivers (March 2003) Moonie (March 2003) Warrego/Paroo/Bulloo	Logan (April 2004) Burdakin (Dec 2003)	Burdakin (amendment to include coastal alluvial aquifer) (2005) Burnett (amendment to include Bundaberg coastal aquifer) (April 2005) Fitzroy (amdt to include Callide	Proserpine (Jul 2005) Mary (July 2005) Moreton (2006)	

			<p>/Nebine (March 2003)</p> <p>Barron (Feb 2003)</p> <p>Pioneer (Feb 2003)</p>		<p>groundwater) (2004)</p> <p>Mitchell (2005)</p> <p>Southern Gulf (2005)</p> <p>Toowoomba Basalts and Eastern Downs Sandstones (2005)</p>		
<p>Governor in Council approval of ROP</p>			<p>Boyerne (Aug 2002)</p> <p>Fitzroy (Feb 2003)</p> <p>Barron (June 2003)</p> <p>Pioneer (June 2003)</p> <p>Burnett (May 2003)</p> <p>Moonie (June 2003)</p> <p>Warrego/Paroo/Bulloo /Nebine (June 2003)</p>	<p>Condamine-Balomme (July 2003)</p> <p>Border Rivers (July 2003)</p>	<p>Herbert (2005)</p> <p>Burdakin (July 2004)</p> <p>Logan (Sep 2004)</p>	<p>Burdakin (amendment to include coastal alluvial aquifer) (2005)</p> <p>Mitchell (2005)</p> <p>Southern Gulf (2005)</p> <p>Proserpine (Oct 2005)</p> <p>Toowoomba Basalts and Eastern Downs Sandstones (2005)</p> <p>Mary (Jan 2006)</p> <p>Fitzroy (amdt to include Callide groundwater) (2005)</p> <p>Burnett (amendment to include Bundaberg coastal aquifer) (2005)</p> <p>Herbert (2005)</p>	<p>Moreton (2006)</p>

# Natural Heritage Trust II Regional Boundaries

**LEGEND**

Wet Tropics Region Name



Produced at the Indoropology Science Centre by the Natural Resource Information Management Group,  
Natural Resource Sciences, Department of Natural Resources and Mines  
Workspace - Iproj015103961

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## Attachment C part 2

## QUEENSLAND NHT REGIONS AND REGIONAL BODIES

Table 1: REGIONAL BODIES DESIGNATED under the Extension of the Interim Funding Agreement signed in February 2004

Region	Regional NRM Body Name	River Basins and Marine boundary included in the region
Northern Gulf	<u>Northern Gulf Resource Management Group</u>	All lands drained by the Norman, Gilbert and Staaten River Basins and their tributaries and marine waters and islands to the 3 nautical mile limit.  A MOU is to be developed between Cape York and the Northern Gulf to determine cooperative arrangements relating to the Mitchell River catchment before accreditation of NRM plans.
Southern Gulf	<u>Southern Gulf Catchments Inc.</u>	All lands drained by the Settlement Creek, Nicholson, Leichhardt, Morning Inlet and Flinders River Basins and their tributaries in Queensland and marine waters and islands in the Gulf of Carpentaria to the 3 nautical mile limit within the jurisdiction of Queensland.
Burdekin	<u>Burdekin Dry Tropics Board.</u>	All lands drained by the Burdekin (including the Belyando and Sutter Rivers), Haughton, Black, Ross and Don River Basins and their tributaries and marine waters and islands to the 3 nautical mile limit.
Mackay Whitsunday	<u>Mackay Whitsunday Regional NRM Group.</u>	All lands drained by the Proserpine, O'Connell, Pioneer and Plane Creek River Basins and their tributaries and marine waters and islands to the 3 nautical mile limit.
Fitzroy	<u>Fitzroy Basin Association.</u>	All lands drained by the Fitzroy, Water Park Creek, Styx River, Shoalwater Creek, Raglan, Calliope and Boyne River Basins and their tributaries and marine waters and islands to the 3 nautical mile limit
Lake Eyre	<u>Desert Channels Queensland Inc.</u>	All lands drained by the Georgina, Diamantina and Cooper Creek River Basins and their tributaries within Queensland.
Burnett Mary	<u>Burnett Mary Regional Group for NRM Inc..</u>	All lands drained by the Burnett, Mary, Kolan, Boyne, Burrum, Baffle Creek River Basins and their tributaries and marine waters and islands to the 3 mile nautical limit
Condamine	<u>Condamine Alliance Inc.</u> It is expected that prior to accreditation that there is an effective cross basin MOU.	All lands drained by the Condamine River and its tributaries including and east of Chinchilla and Tara Shires.
Maranoa Balonne	<u>Queensland Murray Darling Committee</u> , on behalf of the Maranoa Balonne Catchment Association. . It is expected that prior to accreditation that there is an effective cross basin MOU	All lands drained by Maranoa and Balonne Rivers and the Condamine River and its tributaries excluding and west of Chinchilla and Tara Shires. Recognition is given to the need to incorporate planning and management into the New South Wales river systems.
Border Rivers	<u>Queensland Murray Darling Committee</u> , on behalf of the	All lands drained by the Moonie, and Border Rivers River Basins and their tributaries within Queensland.

Region	Regional NRM Body Name	River Basins and Marine boundary included in the region
	Border Rivers Catchment Association and subject to a Memorandum of Understanding between the BRCA and the QMDC. It is expected that prior to accreditation that there is an effective cross basin MOU	Recognition is given to the need to incorporate planning and management into the New South Wales river systems.
South West Queensland	<u>South West NRM Group Inc.</u>	All lands drained by the Bulloo, Paroo, Warrego and Culgoa River Basins and their tributaries within Queensland. Recognition is given to the need to incorporate planning and management into the New South Wales river systems.
Torres Strait	<u>Torres Strait Regional Natural Resource Management Body.</u>	The TS NRM region boundary runs in a clockwise direction from the south west corner of the Torres Strait Protected Zone (TSPZ), north to the western intersection of the TSPZ and the Australia - PNG border, along the border to the eastern intersection of the TSPZ and the Australia - PNG border, along the TSPZ boundary south to its south east corner, south to the GBRMP boundary, west along the GBRMP northern boundary to the tip of Cape York, along the lowest astronomical tide on the west coast of Cape York Peninsula to 11 degrees south, then west to meet up with a southern extension of the western boundary of the TSPZ. Australian territorial sea and land beyond the Australian border but within the TSPZ is also included (eg Turu Cay, Deliverance Is, Bramble Cay etc).
Wet Tropics	<u>Far North Queensland Natural Resource Management Limited.</u>	All lands drained by the Daintree, Mossman, Barron, Mulgrave-Russel, Johnston, Tully, Murray, and Herbert River Basins and their tributaries and marine waters and islands to the 3 nautical mile limit
South East Queensland	<u>Natural Resource Management Southeast Queensland Inc.</u>	All lands drained by the Noosa, Maroochy, Pine, Pumicestone, Upper, Mid and Lower Brisbane, Lockyer, Bremer, Logan-Albert, Coomera, Nerang, Gold Coast coastal creeks, and their tributaries within Queensland and marine waters and islands to the 3 nautical mile limit.

Table 2: DESIGNATION OF CAPE YORK

The processes outlined below are those to be adopted for Cape York to meet designation criteria.

Region	Regional NRM Body Name	River Basins and Marine boundary included in the region
Cape York	The Parties are negotiating appropriate regional arrangements for Cape York to meet NHT2 bilateral requirements	<p>All lands drained by the Jardine, Jacky Jacky Creek, Ducie, Wenlock, Olive-Pascoe, Lockhart, Embley, Watson, Archer, Stewart, Holroyd, Coleman, Normanby, Jeannie, Endeavour, River Basins and their tributaries and marine waters and islands to the 3 nautical mile limit, and the boundary with the Torres Strait as set out above.</p> <p>Key islands are yet to be defined through negotiation with the proposed Torres Strait Regional Body. A MOU is being developed between Cape York and the Northern Gulf to determine treatment of the Mitchell River catchment.</p>

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## ATTACHMENT D

### Key considerations underpinning the designation of regional bodies

#### PRINCIPLES

- 1) Regional bodies will be designated in accordance with clause 63 of the Natural Heritage Trust Bilateral Agreement for the purpose of advancing the three overarching objectives of the Trust and delivering the four Trust Programs – Bushcare, Coastcare, Landcare and Rivercare.
- 2) The capacity of a nominated group to advance the overarching objectives of the Trust and fulfil the accountability responsibilities under the Bilateral Agreement will form the primary basis for deciding whether a nominated regional group should be designated a regional body under the Bilateral Agreement.
- 3) Queensland and the Commonwealth are making a significant investment in the four Trust programs and as such will exercise judgement in the selection and designation of regional bodies so as to ensure investment returns are optimised.
- 4) Where appropriate, existing community-based regional groups and regional networks may be used as a basis for nominating a group for designation as a regional body under the Bilateral Agreement.
- 5) Different processes may be used to nominate and select for regional group membership in different regions. However, the process must be transparent, open to all who wish to nominate, impartial and conducted in a way which has broad community support and confidence. The objective of the process is to contribute to the development of healthy regional arrangements which are supported by the community.
- 6) The membership of a regional body must be in accordance with the requirements of Clause 64 of the Bilateral Agreement. The Steering Committee will ensure that the regional body has the necessary skills and capacity to facilitate development of a NRM plan and Investment Strategy and to manage the implementation of the Natural Heritage Trust.
- 7) Queensland and Commonwealth officers may be jointly involved in providing advice and otherwise liaising with regional bodies.

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## ATTACHMENT E

## NATIONAL GUIDELINES FOR THE ACCREDITATION OF INTEGRATED CATCHMENT/REGIONAL NATURAL RESOURCE MANAGEMENT PLANS

### Introduction

The Commonwealth and State/Territory Governments have developed criteria for the accreditation of Integrated Catchment/Regional Management Plans (at [Attachment E](#)). The Criteria outline the key processes and elements that plans should include in order to be accredited and to receive government investment through natural resource management related programs, including the National Action Plan for Salinity and Water Quality (NAP) and the Natural Heritage Trust (NHT).

These guidelines have been prepared to provide catchment/regional bodies with more detailed information about what is required in developing a plan in order to meet the accreditation criteria. These guidelines should be read in conjunction with the criteria.

### Rationale for the Regional Approach to Natural Resource Management (NRM)

Government support for natural resource management is moving from a project based approach to strategic investment at a regional scale. The major thrust of initiatives such as the National Action Plan for Salinity and Water Quality and the extension of the Natural Heritage Trust is delivery at the regional level in recognition of:

- the strong interrelationships between the various resource and environmental degradation issues occurring in regions that call for integrated management responses;
  - regional planning as an effective way to engage all stakeholders and to build on activity at the property and local levels, while also complementing state and national activity;
  - an approach that can be adapted to suit specific circumstances – enabling social, economic and environmental dimensions of a region to be considered in an integrated way; and
  - the regional scale as an appropriate scale for negotiating trade-offs, resolving conflict and for determining priorities and shared investment arrangements.
- regional communities responsibilities for sustainable natural resources are management. The regional planning process provides a framework in which regional communities can identify issues, develop management responses that reflect their aspirations, achieve ownership of the solutions, and convince potential investors that proposed results will be achieved.

Regional plans are most effective when they are developed and overseen by regional communities. However, governments can play a role in providing guidance and support so that regions can become self sufficient in managing their natural resources in the longer term. Governments are therefore interested in investing in activities which will lead to improvements in natural resource management practices and contribute to the long term sustainability of the natural resource base.

### What does accreditation mean?

Accreditation, put simply, is an agreement between the Commonwealth, relevant State/Territory Government, and the regional body that, at a particular point in time, a regional plan is sufficiently comprehensive and based on an inclusive community process so as to provide a sound basis on which investments may be made. No plan can be static however, and as new information and knowledge comes to hand, or as community aspirations change, it is expected that plans will be revised in light of this new information or changes.

Governments understand that regional bodies will be at various stages of development in relation to planning and development capability. The availability of factual information and analysis on which to prepare and base a regional plan will also vary across regions. Regional plans may therefore vary in the level of analysis and scientific data they contain when they are accredited.

Governments also recognise that significant planning has already occurred in many regions. To meet the criteria, regions may need to: (a) refine existing plans where these provide an adequate base and appropriate regional coverage; (b) develop new 'overarching' plans to coordinate, reference, update and fill gaps in existing plans; or (c) prepare new plans. A regional plan can therefore be a framework that brings together a series of planning documents covering different issues, themes and geographical areas.

### **What is the process for accrediting regional plans?**

Regional bodies that have the authority and capacity to develop an integrated plan and to oversee its implementation will develop plans. Details of these bodies will be agreed through bilateral negotiations between the Commonwealth and relevant State/Territory Governments. Plans will be assessed against the accreditation criteria and accredited by the Commonwealth and relevant State/Territory Governments. This will be done through an iterative process with government representatives available to assist regional bodies throughout the plan's development to ensure groups are aware of government requirements for investment.

Diagram 1 provides a summary of the broad process of regional plan development and accreditation and the preparation of an investment strategy. The flowchart at Figure 1 illustrates in broad terms the Commonwealth and the States involvement in the development, assessment and accreditation of regional integrated NRM plans.

Regional agreements between the Commonwealth, relevant State/Territory Governments, and relevant regional bodies will describe the management and accountability arrangements to apply to the implementation of an accredited plan and investment strategy. The agreement will also identify responsibility for implementing the different components of the plan.

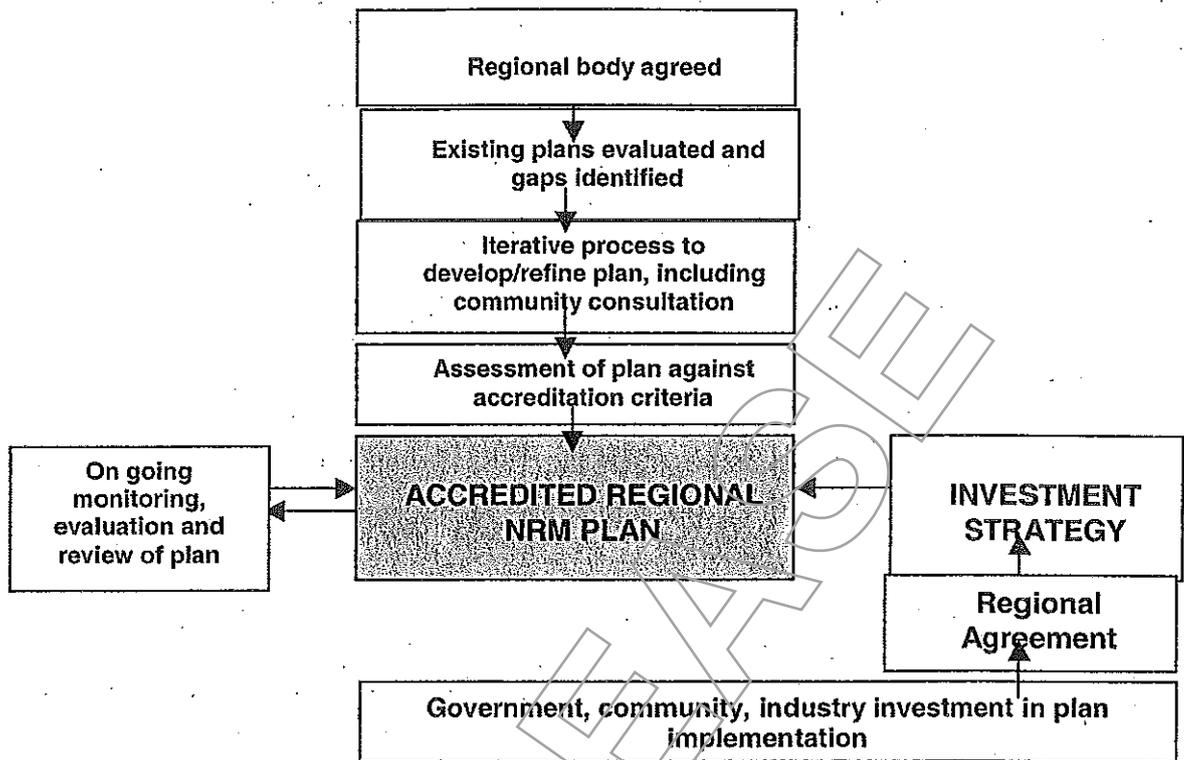
### **What is the difference between a regional plan and an investment strategy?**

A regional plan provides a strategic framework through which regional communities can identify natural resource management issues in their region, assess the social, economic and biophysical drivers, develop regional targets, and identify actions to achieve these targets. A regional plan is, in effect, the 'blueprint' for identifying and achieving the region's natural resource management targets.

An investment strategy is essentially a business prospectus that is developed to attract external investment in priority actions that are identified in the regional plan. An investment strategy outlines the funding required to implement an accredited plan and identifies the returns for the investment of the respective contributors. It will provide the basis for devolved funding and for assessing performance against which ongoing payments will be made.

The actions to be funded through the investment strategy will generally address short-term management action targets, but contribute to achieving the longer-term resource condition targets of the regional plan. Over time, new investment strategies will be developed as particular issues identified in the regional plan are addressed and investment priorities change. It is expected that regional bodies will develop investment strategies alongside regional plans. These strategies will provide a basis for investments by governments under NRM programs such as the NAP and the NHT. Governments may invest in those public good elements of investment strategies that accord with the objectives of the relevant funding programs and which contribute to the agreed national outcomes. Section 3 contains further guidance on investment strategies.

### **Figure 1: Summary of the process of regional plan development and accreditation and preparation of an investment strategy**



## The Practical Application of the Accreditation Criteria

In developing NRM plans, regions should be guided by the complete 2-page set of accreditation criteria endorsed by Ministers at the NRM Ministerial Council meeting in May 2002. The summarised key elements of the accreditation criteria require regional bodies to demonstrate that their plans:

- cover the full range of natural resource management (NRM) issues;
- are underpinned by scientific analysis of natural resource conditions, problems and priorities;
- have effective involvement of all key stakeholders in plan development and implementation;
- focus on addressing the underlying causes rather than symptoms of problems;
- include strategies to implement agreed NRM policies to protect the natural resource base;
- demonstrate consistency with other planning processes and legislative requirements applicable to the region;
- set targets at the regional scale, consistent with the National Framework for NRM Standards and Targets;
- identify strategic, prioritised and achievable actions to address the range of NRM issues and achieve the regional targets: this includes an evaluation of the wider social, economic and environmental impacts of such actions, and of any actions needed to address such impacts; and
- provide for continuous development, monitoring, review and improvement of the plan.

The following sections provide further guidance on the summarised key elements of the accreditation criteria.

### Key Element: Covering the full range of NRM issues

Plans are required to cover the full range of natural resource management issues – across terrestrial, freshwater, coastal, estuarine and marine ecosystems as relevant – given the interconnected nature of natural resource issues and problems. Success in managing or preventing natural resource and environmental degradation will come from the development of better management systems that take account of the interrelationships between the various social, economic, biophysical and institutional factors. Plans should also consider and address impacts external to the region. This could include, for example, water quality impacts that a particular land use may be having downstream, or increased salinity levels outside the region because of land use in a recharge area.

As well as defining boundaries and coverage, plans should provide:

- an overview of the region's natural, cultural, social and economic resources including current management practices – a core suite of information could include:
  - regional biophysical characteristics: landscape, geology, soils, vegetation, biodiversity, hydrology, climate (including climate change projections and impacts) and reference data sources/maps as possible;
  - production/economic issues;
  - social/demographic characteristics;
  - land use and tenure;

- identified environmental and heritage values, including regional natural resource assets of international, national or state value, such as sites of natural heritage significance (eg. Matters of national environmental significance defined in the *Environment Protection and Biodiversity Conservation Act 1999* such as Ramsar wetlands, threatened species and ecological communities, and migratory species) and sites of cultural heritage significance; and
- infrastructure (such as roads) and sites of cultural heritage significance potentially at risk from land degradation problems such as salinity;
- an analysis of the biophysical, social, institutional and economic factors affecting environmental and resource degradation within the region, including a description of the upstream inputs to, and downstream impacts from the region.
- Major descriptions and sources of information for the above items may be in a variety of forms and locations. To avoid overly large plans, background and source information may be referenced provided it is publicly available. Plans should also document major information sources relevant to the region, including other plans and strategies (for example, regional water or vegetation management plans, or threatened species recovery plans).

**Key Element: Scientific analysis of natural resource conditions, problems and priorities**

An adequate scientific base to underpin plans is important to ensure that community and government investments are directed to the most effective actions aimed at achieving the best outcomes. Governments are therefore looking for regional plans to offer some assurance that:

- a range of options has been determined based on thorough technical analysis;
- all the environmental, heritage, social and economic implications of these options have been assessed as part of the cost benefit analysis;
- proposed actions have been determined based on best available knowledge and information; and
- proposed actions will achieve regional targets and contribute to nationally agreed natural resource management outcomes identified in the National Framework for NRM Standards and Targets.

To achieve the above, plans should be based upon a thorough analysis, carried out at the catchment/regional level, of natural resource conditions, problems and priorities, and include:

- a review of existing regional science and information for adequacy;
- baselines from which to measure change, consistent with indicators developed under the National NRM Monitoring and Evaluation Framework and targets under the National Framework for NRM Standards and Targets;
- an indication of actions required to fill identified information gaps;
- use of natural resource mapping such as of salinity, hydrology, vegetation cover/condition, biodiversity, land capability and terrain and modelling technologies where relevant;
- incorporation of Indigenous knowledge, where appropriate, in accordance with agreed protocols and with prior approval of the Indigenous custodians of the knowledge;
- analysis and where relevant modelling of proposed actions and their economic, social, environmental and heritage impacts, with trade-offs clearly outlined, and potential solutions to adverse social and economic consequences; and

- Indications of how proposed strategies/actions are explicitly related to modelling scenarios, where these have been adopted to assist decision-making or priority setting.

It is recognised that 'perfect' information for accrediting integrated catchment/regional plans may not exist and that action should not be unduly delayed in a quest for better and better data:

- where there is insufficient scientific information available to fully meet this criteria and where the timeframe does not allow for its collection, the gaps should be specified together with a strategy for future inclusion in the plan;
- consistent with a precautionary approach to addressing natural resource management issues, appropriate plans may be accredited and actions financed on information available. However, adaptive management approaches should be adopted and plans and strategies should be continually developed and improved as information and modelling techniques become available

### **Key Element: Effective involvement of all key stakeholders in plan development & implementation**

It is important that there is ownership of both the problem and the solutions if regional approaches to natural resource management are to be effective. The accreditation criteria therefore also aim to ensure that consultative community engagement processes are adopted in the development of the regional plan. If community members do not consider that they have had an opportunity to make adequate input to the plan's development, including the definition of the problems, the setting of priority actions and targets and the development of new management systems, then it is unlikely that the plan would be successfully implemented. Governments will want an indication of the consultative arrangements that led to the development and the conclusions of the plan.

Regional plans can address this by demonstrating:

- the key processes to ensure effective involvement of all key stakeholders in plan development and implementation; including local government, state agencies, land managers, industry, communities, indigenous people, academic/scientific sector and environmental groups;
- that a well-planned, comprehensive consultation process took place with broad public awareness of the process; and that there were adequate arrangements for involvement by individuals and groups, and clear timelines for comment. (Community participation programs should take into account and, where possible, build on previous or current consultation activities in each region);
- that the participation arrangements were appropriate to the region and the specific needs and nature of its community, including local government (for example, arrangements need to take account of population, distance, and any special needs of particular groups);
- that all relevant stakeholders are committed to targets and actions proposed in the catchment/regional plan; and
- that the commitment and support of specific stakeholders critical to the implementation of particular actions has been secured. The roles, responsibilities, capacity, specific commitments and cost-sharing arrangements of these stakeholders should be included in the plan:
- this would include securing local government commitment to implement the actions for which they have responsibility (eg. amendments to statutory planning schemes or changes to public land management practices);

- where relevant, plans should also provide evidence of effective liaison arrangements with management authorities responsible for conservation areas within the region (for example, national parks, World Heritage properties, and other protected areas).

Plans should include a commitment to develop and implement a communication strategy within an agreed timeframe, to raise awareness and engage the broader community in pursuing sustainable natural resource management in the region.

The plan should also provide evidence that the stakeholders responsible for undertaking actions, making changes and meeting targets are fully aware of what needs to be done and the full impact of these actions; and are committed to the proposed strategies contained in the plan to improve natural resource management. This is particularly important for local governments as they have land use planning responsibilities that can impact on the ability to meet targets and implement actions at the local level.

**Key Element: Addressing the causes rather than symptoms of problems**

Actions identified in the plan should be primarily focussed on addressing the causes of natural resource degradation identified in the initial analysis of the region's problems. However, this should not preclude immediate action, where appropriate, on preventative, enhancement or restorative activities.

Plans should include strategies to achieve long term improvements in natural resource management practices. These could be pursued through the development and implementation of innovative mixes of activities and incentives – tailored to each region's social, economic and environmental circumstances. Strategies to conserve and enhance ecosystem structure and function will also be important, in order to maintain the ecosystem services which underpin biodiversity conservation and sustainable resource use.

Governments recognise that a range of policy and management responses will be required to achieve the outcomes sought from regional plans. Accordingly, governments are willing to explore a range of approaches and innovative solutions to bring about change.

Specific strategies could include:

- identifying key threats/threatening processes, and undertaking preventative action in areas of high risk to reduce the prospect of additional or future natural resource management problems;
- defining terms and conditions under which further development may occur within existing planning regimes; and
- introducing economic and market based incentives and motivational mechanisms to facilitate fundamental change in the management of land, water, and vegetation resources.

Plans should indicate how community support can be developed and maintained, thereby helping to guarantee effective implementation of the plan as well as achieve fundamental changes in resource use. This could be pursued through effective community involvement, communications programs, and recognition and consideration of community interests.

**Key Element: Strategies to implement agreed NRM policies to protect the natural resource base**

Where regions have responsibilities under Commonwealth/State/Territory land, vegetation and water, marine and coastal policies and frameworks, governments will be looking at how these responsibilities are reflected in the regional plan. It is expected that actions proposed in the regional plan will contribute to these policies and frameworks and enable them to be taken forward and implemented at the regional level.

Bilateral agreements under government funding programs may commit the State/Territory and regions to specific improvements in policy frameworks or acceleration of actions under existing policy frameworks. Government expectations are that regional plans will show how these commitments will be met at the regional level. For example, for regions covered by the NAP Intergovernmental Agreement, requirements for water management will include meeting any caps on extractive use of water introduced by the States and Territories and implementing improvements in environmental flows in accordance with the COAG water reforms. The NAP Intergovernmental Agreement also requires States and Territories to institute controls, which at a minimum prohibit land clearing in the priority regions where it would lead to unacceptable land or water degradation.

Governments are also interested in how the proposed strategies and actions in the regional plan are consistent with, and contribute to, other agreed national and state strategies and policies, such as:

- statewide environmental legislation and policies, including state water or vegetation management plans;
- the COAG Water Reform Framework;
- the National Water Quality Management Strategy, including agreement on water quality environmental values;
- vegetation/habitat policies, plans, instruments, including the National Framework for the Management and Monitoring of Australia's Native Vegetation;
- management strategies for weeds of national significance;
- recovery/threat abatement/conservation management plans for threatened species and ecological communities;
- coastal management policies, strategies and plans;
- strategies for greenhouse abatement and/or carbon sinks;
- regional and site specific Indigenous and historic heritage legislation, policies and plans.

Governments will work closely with the regions to ensure that plans are developed with consideration of key NRM policy requirements.

**Key Element: Consistency with other planning processes and legislative requirements**

The accreditation process will not over-ride the requirements of Commonwealth and State/Territory legislation. Regions should still comply with state/regional/local statutory and non-statutory planning frameworks and instruments, and any relevant Commonwealth legislation, including the *Environment Protection and Biodiversity Conservation Act 1999*. For example, where World Heritage properties are located within the region, plans should take into account the Australian World Heritage management principles (under the Environment Protection and Biodiversity Conservation Regulations 2000) and ensure that actions will not have a significant impact on the values of the World Heritage property. Similarly, regional plans should also be consistent with other planning processes that have been collectively agreed by relevant jurisdictions.

Likewise, plans for regions located within the Murray Darling Basin need to be consistent with the Basin Sustainability Plan and other Murray Darling Basin initiatives and should explicitly demonstrate how actions will contribute to agreed Murray Darling Basin targets. If any significant inconsistencies occur between regional natural resource management and other planning processes, plans should explain the rationale for the inconsistency and include appropriate measures to address negative impacts arising from proposed strategies and actions.

### **Key Element: Setting targets at the regional scale, consistent with the National Framework for NRM Standards and Targets**

The Commonwealth and States/Territories have developed a National Framework for Natural Resource Management Standards and Targets.

The Framework specifies the minimum set of matters for which all regions must set measurable and achievable regional targets. Targets will be a core element of each regional plan, and may relate to absolute improvement in resource condition or decreases in the rate of degradation. The Framework does not specify the level for the targets in any region. In recognition of the relationship between standards and targets and monitoring and evaluation requirements, multilaterally agreed indicators applicable to each region's context for natural resource outcomes and management actions (including capacity building) will be required to be included in each plan. Further information on monitoring and evaluation indicator requirements will be prepared separate to these guidelines.

Governments will require all regions to undertake an initial assessment of all matters identified in the minimum set of required targets, as part of their integrated NRM planning process. If there are no significant NRM issues raised with regard to a particular matter, a statement that a target is not applicable and the evidence for this conclusion should be included in the plan. The need to set a target should be considered at any review of the accredited plan.

Targets can be characterised as aspirational targets, achievable resource condition targets, and targets for management actions. Aspirational targets set a long-term vision, providing a direction for setting the costed and achievable resource condition targets. Management action targets identify short-term, specific activities or results, which will contribute to achieving the desired changes in resource condition.

In many cases, a reasonable period of monitoring will be required to establish baselines or trends. Hence, many regions will not be in a position to set natural resource condition targets at the time their regional plans are put forward for accreditation. To address this situation, for accreditation, a regional plan will need to contain:

- (i) management action targets, which will result in progress towards the minimum set of matters identified for regional targets;
- (ii) resource condition targets consistent with the National Standards and Targets Framework, where they can be set, noting the availability of such tools as the Water Quality Targets database;
- (iii) resource condition targets which have been agreed by relevant jurisdictions, including affected jurisdictions, through other processes, including Murray Darling Basin end-of-valley salinity targets;
- (iv) commitment to the early establishment of monitoring systems to collect/analyse baseline and trend information, to enable setting of resource condition targets against the minimum set of matters;
- (v) proposals and a timetable for undertaking the target-setting process; and
- (vi) a commitment to have in place, within 3 years of signing of the relevant Bilateral Agreement(s), the minimum set of regional resource condition targets, or have demonstrated significant progress towards their establishment (including performance against points iii and iv above).

Some regions may have existing resource condition targets for matters in the minimum set that are specified differently from those in the National Framework, but which meet the requirements and priorities determined by the regions and the State. Providing the regional plan includes the requirements identified in points (i) to (vi) above, then the arrangements for addressing these differences and transition to the National Framework will be agreed between the Commonwealth and the relevant state.

**Key Element: Strategic, prioritised and achievable actions necessary to address the range of NRM issues and achieve the regional targets**

Sufficient resources will rarely be available to immediately implement all actions and needs identified. As a result, regions will need to identify and prioritise the strategies and actions necessary to achieve the regional targets.

Regional plans should describe and evaluate the range of possible actions to address the issues and their social, economic and environmental impacts. This would include:

- quantifying, where appropriate, the costs and benefits of options, as well as the implications of taking no action;
- where relevant, modelling proposed actions and their economic, social and environmental impacts;
- outlining trade-offs and solutions or mitigation strategies;
- identifying the circumstances in which regions may need structural adjustment assistance as a result of the plan's implementation; and
- identifying community capacity building activities necessary to promote sustainable resource management and biodiversity conservation.

On the basis on the above analysis, plans should then describe preferred options and actions, and their impacts. These would include actions to:

- protect the natural resource base which underpins sustainable production and promote more efficient resource use (for example, by managing soil acidification, soil structure, water resources);
- protect environmental values (for example, by conserving biological diversity, habitats and ecosystem functioning); and
- ameliorate negative impacts arising from proposed strategies and actions.

Each proposed action or strategy will need to contribute to the achievement of the specific targets. For this reason the plan will need to include an analysis of:

- the mechanism or process through which the action will achieve or contribute to the target/milestone;
- the assumptions underlying the mechanism or process through which it is believed the action will achieve the target/milestone;
- the possible risks (e.g. possible external influences) that might adversely impact on the achievement of the target/milestone.

The assumptions will be the basis for developing evaluation questions for the action or strategy. The identified risks will be the basis for a risk management strategy by which the plan will manage potential risks to the achievement of targets/milestones.

Plans should reflect the interrelated as well as the broad nature of natural resource management issues. Specific strategies and actions could include, for example:

- maintaining and improving the condition of existing native vegetation, including threatened communities;

- establishing multiple purpose perennial vegetation (focussed on agriculture, forests, biodiversity and greenhouse outcomes) in targeted areas; identified through salinity, vegetation and hydrology mapping, and groundwater modelling;
- implementing recovery and action plans for threatened species that occur within the region;
- implementing threat abatement plans for key threatening processes within the region;
- protecting and rehabilitating priority waterways, floodplains, wetlands, and estuaries;
- improving stream water quality, for example, through activities in the riparian zone or through using engineering works, where appropriate, in critical areas (eg. salt interception devices and groundwater pumping, removal of weirs and redundant structures, fish ladders, artificial wetlands);
- improving the management of environmental allocations;
- using water more efficiently (eg. through activities which harness private investment in storage and distribution systems);
- improving water quality through best management practices, for example by minimising nutrient discharges and water sensitive urban design;
- installing drainage in catchments/regions where agreed by affected land managers, the downstream impacts are positive, and the overall benefits of the scheme provide substantial long-term results over other approaches;
- improving planning frameworks to reduce the rate of habitat clearance;
- improving capital works planning and coordination to minimise to best direct effort and resources to mitigate downstream impacts;
- stimulating landholders to implement improved biodiversity conservation and sustainable resource management;
- assessing, identifying and addressing training needs;
- developing capacity building strategies to be adopted within the region;
- addressing adjustment and property amalgamation issues including the impact on farmers, landholders, rural industries and flow on effects to regional communities;
- identifying and addressing natural resource management causes of rural/urban infrastructure degradation (buildings, roads, etc.);
- identifying strategies to deal with significant adverse social and economic impacts arising from changes to natural resource management.
- identifying opportunities for the implementation of market based mechanisms, such as markets for ecosystem services.

For priority regions under the NAP, plans should include specific actions to:

- prevent, stabilise and reverse trends in dryland salinity affecting the sustainability of production, the conservation of biological diversity and the viability of regional infrastructure; and
- improve water quality and secure reliable allocations for human uses, industry and the environment:
  - this could include, for example, strategies for reallocating water and projects that result in more efficient delivery, use and recycling of water.

In some areas it will be technically and economically unfeasible to do anything but learn to live with the effects of salinity. Therefore the development of a shared vision that incorporates features such as salinity risk areas and sites that may have structural adjustment issues or other regional development opportunities is vital.

**Key Element: Continuous development, monitoring, review and improvement of the plan**

To provide a sound basis for investment, plans must include clear requirements for ongoing monitoring and review to reflect new information and ensure continuous development and improvement of the plan over time. This should include a process for continuing to engage all stakeholders in reviewing and updating plans. Plans should also identify accountability, monitoring, and reporting arrangements, and performance milestones (based on management action targets) linked to the achievement of regional targets.

Accountability arrangements for implementing plans will need to integrate with broader accountability frameworks of relevant funding programs. For those regions covered by the NAP, accountability arrangements should integrate with the framework outlined in the Intergovernmental Agreement that includes:

- (a) plans including adequate monitoring of short to medium-term implementation of actions and a commitment to long-term effective monitoring of the biophysical, social and economic impacts of investments;
- (b) regions reporting annually to the Commonwealth and State/Territory governments on progress and investment proposals on a three year running basis; and
- (c) Commonwealth and State/Territory governments reporting annually on a national and state basis through the NRM Ministerial Council, with the reports being publicly available.

The *National NRM Monitoring and Evaluation Framework* and the *National NRM Standards and Targets Framework* establish common structures and requirements for monitoring and evaluation within NRM programs. There will be some mandatory information that will be required for national processes.

Plans should contain a monitoring and evaluation component that is consistent with the *National NRM Monitoring and Evaluation Framework* and include the key elements outlined below. Where these elements do not appear, there should be a clearly documented process to establish these elements within required timeframes.

*Program Logic:*

- An explanation of how the plan is intended to bring about long term resource condition outcomes, including the core strategies to be employed, the stages in each process, the change mechanisms and the assumptions that underlie them? (Note that the Plan should contain a comprehensive outline of the general processes by which the resource condition objectives will be achieved. The Investment Strategy should set these out in greater detail for individual funded actions.)
- Processes to test these assumptions and revise the plan when necessary.
- A performance information and evaluation strategy that is consistent with, and relevant to, this rationale and these assumptions.

*Existing Monitoring:*

- Details of the processes that are currently in place to monitor those aspects of natural resource condition identified as significant in the plan.

- An explanation of how these will be incorporated into an overall monitoring strategy for the plan.

*Performance Indicators:*

- Indicators and measures consistent with the Monitoring and Evaluation Framework to be used to measure and report on the minimum set of matters for targets established under the Standards and Targets Framework.
- Indicators and measures which will be used in measuring and reporting on management action targets within 2 years of commencing activities and at the end of the program.
- Processes to review these targets periodically in the light of monitoring and evaluation findings, new research, or improved models.
- All other indicators pertinent to the strategies or actions employed to achieve the goals of the Plan (e.g. measures of outputs or of institutional or behavioural change).
- Details of the processes for data collection, which ensure that necessary performance data is current and timely.
- A satisfactory process of validation and quality control for performance data at the point of collection.

*Baseline Data:*

- Details of all of the available baseline data including measures of resource condition, attitude and behaviours where relevant to the Plan.
- An assessment of its usefulness and applicability

*Actions to Address Data Gaps:*

- Identification of any data gaps including baseline data or deficiencies in existing monitoring arrangements that need to be filled to meet performance information requirements for the plan
- A plan to develop appropriate measures to fill these gaps

*Data Management:*

Include details of the:

- proposed information management system and an assessment of its adequacy for the collection, storage, analysis and reporting of all performance information, including a costing
- systems capability of cooperative data-sharing arrangements where possible to minimise duplication and maximise efficient use of data.
- access arrangements for the information that is collected
- systems conformity to the multilateral Data Management Agreement / ANZLIC

*Evaluation:*

- An evaluation strategy that establishes processes for the review of the plan and its evaluation needs, at both regional and project levels.
- Details of the structures and processes for the management of the schedule of evaluations and the implementation of their recommendations
- An agreement for the evaluations to be utilised within the National M&E Framework

### *Communication and Reporting:*

- Details of a comprehensive reporting structure tailored to the needs of all stakeholder groups including its ability to transmit complete and accurate information in the agreed format to the required stakeholders in time for it to be used for the purposes for which it was collected

### *Roles and Responsibilities:*

- Details of the organisational and institutional arrangements and responsibilities for:
  - the collection, storage, analysis and reporting of performance information
  - the management of the performance information management system
  - ensuring relevant evaluations are undertaken at appropriate times, and that findings are reported and utilised as appropriate.

### *Adequate Resources:*

- An assessment of the adequacy of the resources allocated for on-going maintenance of systems for the collection of monitoring data, including storage, analysis and reporting; the conduct of evaluations; and establishment of baseline information (Note that resources include Dollars, Capacity, Institutions and Structures)
- A realistically costed proposal for any additional requirements.

## **Investing in Regional Plans**

### **The purpose and scope of investments**

In addition to developing and accrediting a regional plan, governments (and other potential investors) and regional communities will need to agree on investments in priority actions arising from accredited regional plans.

Investment proposals are a continuation of the regional planning process – for accreditation, Governments require a description of the regional NRM condition, targets and actions to improve it, while for investments Governments will require details of specific actions to address NRM problems identified in the plan, including the cost and specific impact on particular NRM outcomes. Governments will invest in these overall NRM outcomes rather than individual projects.

### **What information would investors need?**

Potential investors will require certain information to inform their investment decision-making. In preparing investment proposals, regions should focus initially on those actions deemed to be most important (except where, for example, the bilateral agreement requires investment proposals to be prepared for *all* actions in the regional plan). The minimum information that Governments are likely to require to assist their investment decision-making would be:

1. detail of the specific actions/projects proposed to be undertaken
2. costings of the actions and proposed sources of investment;
3. details of the proposed monitoring and evaluation strategy for individual actions;
4. the expected returns on investment—in particular, a summary of what the proposed actions will deliver in relation to the targets outlined in the accredited regional plan;
5. identification of the primary beneficiaries of the investment (public good versus private);
6. urgency/significance/critical nature of the action, and the consequences of not doing the action

7. relationship with existing Government policies/programs;
8. risk factors and how these will be managed;
9. assumptions for chosen actions; and
10. timelines, milestones and performance indicators for each action.

Where relevant, the investment proposals should also identify (and provide costings for) strategies to address those social and economic consequences of NRM actions.

Against the minimum information requirements, it is recognised that different investors will require different levels of detail. For this reason, investment proposals will need to be prepared cooperatively between the region and potential investors - likely to be an iterative process to provide the information required and also to ensure the best opportunity of proposals being funded.

### **Process for selecting regional plan investments**

As the Commonwealth and the States will be joint investors in regional plans, they will need to decide on the process for selecting preferred investments for NAP and NHT funding, including, for example, an agreement on the decision-making criteria to be used in each jurisdiction. As investment proposals build on the regional plan, the investment decision-making criteria will need to have continuity with the accreditation criteria. As well as connecting with the accreditation criteria, Governments' investment decision-making criteria will need to flow directly from the minimum information requirements.

### **Glossary**

**Achievable resource condition targets:** Within regional plans, regional bodies will be required to set specific, timebound and measurable targets, relating largely to resource condition, against the minimum set of matters for regional targets set out in the National Framework for NRM Standards and Targets. The timeframe for achievement of these targets is likely to be 10-20 years. These targets must be pragmatic and achievable. They would be developed iteratively, including through a benefit/cost analysis. Examples could include: average salinity of X ECs at specific end-of-valley site by year Y; X hectares of specific native vegetation type within region at year Y; X stream sites within region in specific river health category by year Y. Within their regional plans, regional bodies may also wish to set targets for matters that are additional to the minimum set.

**Aspirational targets:** As part of the regional planning process, it may be valuable for regions to set out a vision or goals for NRM in their region, which could include long-term "targets" which are aspirational statements about the desired condition of their natural resources in the longer term (eg 50+ years). These goals or "targets" would guide regional planning, and set a context for the measurable and achievable targets required under this Framework. Examples could include: regional extent of native vegetation to be increased to 30% cover; decrease in average salinity in regional streams.

**Bilateral agreement:** is an agreement between two parties, usually the Commonwealth and relevant State/Territory Government. The nature and title of bilateral agreements may vary, depending on their purpose or related funding program. For example, the current bilateral agreements for funding under the Natural Heritage Trust are called 'NHT Partnership Agreements'.

**Heritage value:** of a place includes the place's natural and cultural environment having aesthetic, historic, scientific or social significance for current and future generations of Australians.

**Investment strategy:** is the 'prospectus' or 'business plan' that is developed to attract external investment in the regional plan. The investment strategy identifies the specific actions, costs, time frames required to implement the regional plan and achieve the regional targets, as well as the expected returns on investment.

**Management action targets:** Regional bodies will be required, as part of their regional plans, to set short-term targets (1-5 years), relating mainly to management actions or capacity-building. These targets must contribute to progress towards the longer-term resource condition targets. The matters for these targets are not specified, as the relevant management solutions to reversing resource degradation are likely to vary substantially between regions. Examples include: X hectares of recharge zones within region to be revegetated by year Y; X km of riparian zone to be fenced and managed, X% of farms within region with whole farm plans.

**National Action Plan for Salinity and Water Quality:** the National Action Plan was endorsed by the Prime Minister, Premiers and Chief Ministers at the Council of Australian Governments on 3 November 2000 with governments committing a total of \$1.4 billion over seven year to implement the plan. Key objectives of the National Action Plan are to:

- prevent, stabilise and reverse trends in salinity, particularly dryland salinity, affecting the sustainability of production, the conservation of biological diversity and the viability of our infrastructure; and
- improve water quality and secure reliable allocations for human uses, industry and the environment.

Further details can be found at: [www.affa.gov.au/actionsalinityandwater](http://www.affa.gov.au/actionsalinityandwater).

**National Framework for NRM Standards and Targets:** is an agreed approach to achieving change in natural resource condition and management, by establishing a set of desired national natural resource outcomes, and a minimum set of matters for which regional targets must be set, to make progress towards these outcomes. Agreed guidelines and protocols for establishing these targets will form a component of the Framework. Principles and an approach to best practice management of natural resources will also be developed under the Framework.

**National NRM Monitoring and Evaluation Framework:** is a framework prepared to support the Natural Resource Management Ministerial Council in assessing progress towards improved natural resource condition and the assessment of the performance of national natural resource management programs, strategies and policies.

**National Standards:** will be agreed between the Commonwealth and the States/Territories and comprise two elements:

1. the desired condition of Australia's natural resources and an approach to setting regional targets to achieve this; and
2. principles for best practice management of natural resources by governments, including legislative, policy, process and institutional systems.

**National Outcomes:** the National Framework for NRM Standards and Targets identifies agreed national outcomes, which are aspirational statements about desired national natural resource condition.

**Natural Heritage Trust:** was established by the Commonwealth Government in 1996, with \$1.5 billion invested in Australia's natural heritage over the six years to 30 June 2002. The goal of the Trust is to stimulate activities in the national interest to achieve the conservation, sustainable use and repair of Australia's natural environment. The Trust is a partnership of all Australians, bringing together the efforts of individuals, communities and governments, targeting our environmental problems at their source. In May 2001, the Commonwealth Government committed \$1 billion to extend the Natural Heritage Trust for a further five years, commencing in 2002-03. Further details can be found at: [www.nht.gov.au](http://www.nht.gov.au).

**Regions:** will be agreed and the boundaries described in bilateral agreements. They can be based on a range of different scales. For example, some regions may be defined on a biophysical basis (such as catchment or sub-catchment scale) while other may be based on administrative boundaries (for example, local government boundaries or state agency regional boundaries). A region may also cross state/territory borders.

**Regional agreement:** is an agreement between the Commonwealth, relevant State/Territory Governments, and relevant regional bodies. The agreement will describe the management and accountability arrangements to apply to the implementation of an accredited plan and investment strategy. The agreement will also identify responsibility for implementing the different components of the plan.

**Regional body:** is the organisation agreed between the Commonwealth and relevant State/Territory Government as being responsible for overseeing the development and implementation of a regional plan. The nature of regional bodies will vary from state to state, depending on the legislative and policy frameworks within each jurisdiction. For example, in South Australia regional bodies are known as Integrated Natural Resource Management Groups, while in Victoria, Catchment Management Authorities are the agreed regional bodies.

**Regional Targets:** will assist regional communities to define what they want to achieve within their regional NRM plans. Targets will also help the regions to measure the success of their efforts and their contribution to national improvements in resource condition and management. Regional targets will set out desired outcomes and timeframes for reaching them. Regional targets fall into three categories:

1. aspirational targets;
2. achievable natural resource condition targets; and
3. management action targets.

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## ATTACHMENT F

### PROTOCOL FOR COMMUNITY ENGAGEMENT IN REGIONAL NATURAL RESOURCE MANAGEMENT PLANNING AND IMPLEMENTATION

#### What is this protocol designed to do?

Before the Commonwealth and relevant State/Territory Ministers can accredit them, regional integrated natural resource management plans must adequately address nine key criteria. These criteria were agreed at the Natural Resource Management Ministerial Council on 3 May 2002.

Of these criteria, one relates specifically to community engagement and consultation: "Effective involvement of all key stakeholders is required to ensure plans are accurate, comprehensive, well coordinated and able to be implemented:

- (a) Local Government, State agencies, industry and communities, indigenous people, academic/scientific community and environmental groups should be involved where relevant; and
- (b) Stakeholders' roles and responsibilities in implementing actions to achieve the targets will be identified."

It is recognised that the process and specific actions taken to meet this criteria will vary from region to region, taking into account the cultural, economic and social differences between communities. This protocol, however, sets out some minimum expectations and requirements. Regional groups will be required to document the actions and processes they propose to employ to meet these requirements, and subsequently to provide evidence that meets the standards described below.

#### Minimum process and timeframes

As a minimum, it is expected that opportunities will be provided for the following stakeholders to be actively engaged in developing and implementing the plan, including in the process of defining and allocating responsibility for specific actions to deliver the plan:

- Local government; State and Commonwealth agencies; Indigenous communities; key industry, environmental and community development groups; relevant natural resource management community groups; and the relevant academic/scientific community.

Community engagement efforts must be both 'passive' (that is, provision of information) and 'active' (that is, provide opportunities for direct interaction, discussion and debate).

The advertising, promotion and information provision relating to the process of developing and refining the draft plan and the subsequent investment strategy must be sufficient to ensure that all sections of the general community and all key stakeholders have adequate opportunity to understand the content and provide comment.

Copies of the draft plan must be made freely available and accessible to all in, or with an interest in, the region.

- It is expected that draft regional integrated natural resource management plans will be released for a public consultation period of no less than six weeks— noting that a longer period may be desirable in many cases.

The community engagement process must be appropriate to the region and the specific needs and nature of its community.

There must be a documented process for gauging the level of support and commitment from key stakeholders and the broader community for the strategies, targets, actions and priorities proposed in the plan and subsequent investment strategy.

There must be evidence that:

- (a) key stakeholders and the broader community have been actively engaged in the planning process, including in setting the strategies, targets and actions, priorities, and in considering any trade-offs
- (b) there is strong support from key stakeholders and the broader community for the strategies, targets, actions and priorities proposed in the plan and investment strategy
- (c) where a group or individual is identified as being responsible for the implementation of an action or actions in either the plan or investment strategy, that group or individual is committed to and supportive of those actions
- (d) the extent to which key stakeholders and the broader community do not agree with or support the strategies, targets, actions and priorities proposed in the plan and investment strategy is clearly understood
- (e) there has been sufficient opportunity for those that do not support the plan or investment strategy (or elements of these documents) to present their views and provide alternative solutions
- (f) any issues raised have been actively considered and addressed in a transparent and objective way
- (g) adequate feedback has been provided to those involved in the community engagement process of the actions taken to address the issues raised and the reasons.

## ATTACHMENT G

### INTERIM REGIONAL FUNDING CRITERIA

The State Assessment Panel will assess bids for interim foundation funding against the following criteria:

#### **Foundation funding**

Foundation funding is intended to support the process of developing or refining integrated natural resource management plans to the stage where the Commonwealth and relevant State/Territory governments can formally accredit them. Regions may also use foundation funding to develop their investment strategies once their plans are accredited. Regions that are also eligible for foundation funding under the National Action Plan for Salinity and Water Quality (NAP) will need to make a strong case as to why they require additional Trust foundation funding. Regions may apply for foundation funding for activities that:

- support the process of developing or refining integrated regional / catchment natural resource management plans;
- assist in the establishment of regional bodies;
- assist in the evaluation of existing plans;
- fill information gaps;
- assist community consultation and engagement; and
- capacity building and community support activities to help communities develop and implement regional plans and achieve the targets and outcomes identified in foundation funding projects and existing plans and strategies.

#### **Priority projects**

Priority projects are intended to allow regions to continue to address pressing NRM issues through large-scale actions, prior to the accreditation and implementation of a regional NRM plan, as well as technical support and capacity building. These projects should address the essential emerging or ongoing issues that need to be done now in a region, clearly demonstrated through existing planning processes. Projects may also address facilitation and coordination activities to help achieve priority project outcomes.

Priority projects under regional interim funding will need to demonstrate that they:

- contribute to the objectives of the Natural Heritage Trust and are consistent with the identified funding priorities;
- are consistent with regional plans and other plans in the region;
- were developed in consultation with stakeholders and have community support;
- need early commencement (such as the opportunity to avoid more significant impacts, the window of opportunity is small, or the opportunity to link with other activities);
- support continuity and momentum in existing community capacity;
- represent good value for money;
- have a clear public benefit;
- have approval for the work from the land managers (where appropriate);
- have been granted any statutory approvals that may be necessary, and
- comply with any relevant Commonwealth and/or State/Territory legislation and other relevant intergovernmental arrangements.

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## ATTACHMENT H

### NATIONAL FRAMEWORK FOR NATURAL RESOURCE MANAGEMENT (NRM) STANDARDS AND TARGETS

#### Purpose

1. This National Framework establishes the principles and requirements for natural resource management standards and targets, to guide investment through national natural resource management programs, particularly investment through integrated regional NRM plans under the *National Action Plan for Salinity and Water Quality* and the *Natural Heritage Trust*.

#### Elements of the Framework

2. The National Framework comprises:
  - (a) **national natural resource outcomes** - and a minimum set of matters for which regional targets are required, with associated national guidelines and protocols for regional target-setting, monitoring and reporting
  - (b) **national standards defining best practice management** of natural resources, applying principally to legislative, policy, process and institutional systems, which when adopted will assist in the achievement of national outcomes.
3. This framework sets out consistent national directions and approaches to natural resource planning, target-setting, action and performance measurement at all levels. Details of each element follow.

#### *National Natural Resource Outcomes*

4. The statements of desired national natural resource outcomes are listed at Table 1. These include the objectives of both the National Action Plan and the Natural Heritage Trust.
5. The national outcomes are aspirational statements about desired national natural resource outcomes. They are expressed in a manner that allows an assessment of progress towards those outcomes to be made.
6. The national outcomes are largely focussed on resource condition, but also include the objective of changing land and water management systems and practices which will be integral to the achievement of improvements in resource condition.
7. The national outcomes provide direction for catchment/regional communities to identify specific timebound and measurable targets for each region, which will move natural resource condition towards the achievement of the national outcomes.

#### *Regional Targets*

8. This Framework specifies the minimum set of matters for which all catchments/regions must set regional targets (see Table 1). The Framework does not specify the level for the targets in any region. Actual target levels will need to be determined according to each region's circumstances.

9. Targets will be set by regional bodies as a core element of integrated regional NRM plans. The plans, and the targets they contain, will be considered by the Commonwealth and States/Territories as part of the accreditation process prior to investment by governments in those plans. Targets may relate to absolute improvement in resource condition or decreases in the rate of degradation. They may be expressed as numbers or percentage changes.
10. Governments will require all regions to undertake an initial assessment of all matters identified in the minimum set of required targets, as part of their integrated NRM planning process. If there are no significant NRM issues raised with regard to a particular matter, a statement that a target is not applicable and the evidence for this conclusion should be included in the plan. The need to set a target should be considered again when the accredited plan is reviewed.
11. Targets can be characterised as aspirational targets, achievable resource condition targets, and targets for management actions.

(c) *Aspirational targets*

As part of the regional planning process, it may be valuable for regions to set out a vision or goals for NRM in their region, which could include long-term "targets" which are aspirational statements about the desired condition of their natural resources in the longer term (eg 50+ years). These goals or "targets" would guide regional planning, and set a context for the measurable and achievable targets required under this Framework. Examples could include: regional extent of native vegetation to be increased to 30% cover; decrease in average salinity in regional streams.

(d) *Achievable resource condition targets*

Within regional plans, regional bodies will be required to set specific, timebound and measurable targets, relating largely to resource condition, against the minimum set of matters for regional targets (set out in Table 1). The timeframe for achievement of these targets is likely to be 10-20 years. **These targets must be pragmatic and achievable.** They would be developed iteratively, including through a benefit/cost analysis. Examples could include: average salinity of X ECs at specific end-of-valley site by year Y; X hectares of specific native vegetation type within region at year Y maintained or regenerated; X stream sites within region in specific river condition category by year Y. Within their regional plans, regional bodies may also wish to set targets for matters that are additional to the minimum set.

(e) *Management action targets*

In addition, regional bodies will be required, as part of their regional plans, to set short term targets (1-5 years), relating mainly to management actions or capacity-building. These targets must contribute to progress towards the longer-term resource condition targets. Only some matters for management targets are specified, as the relevant management solutions to reversing resource degradation are likely to vary substantially between regions. In setting these targets, regions need to take account of national indicators, and associated guidelines and protocols for measuring and reporting, as set out in the National Framework for NRM Monitoring and Evaluation, so that they use consistent approaches, where these have been identified. Examples of management action targets include: X hectares of recharge zones within region to be revegetated by year Y; X km of riparian zone to be fenced and managed for

conservation and landscape function, X% of farms covering Y% of region with whole farm plans.

12. In many cases, a reasonable period of monitoring will be required to establish baselines or trends. Hence, many regions will not be in a position to set specific achievable targets for natural resource condition at the time their regional plans are put forward for accreditation. To address this situation, for accreditation, a regional plan will need to contain:

- (i) management action targets (see 12c above), which will result in progress towards the minimum set of matters identified for regional targets;
- (ii) resource condition targets consistent with the National Framework for NRM Standards and Targets, where they can be set;
- (iii) resource condition targets which have been agreed by relevant jurisdictions, including affected jurisdictions, through other processes, including MDBC end-of-valley salinity targets;
- (iv) commitment to the early establishment of monitoring systems to collect/analyse baseline and trend information, to enable setting of resource condition targets against the minimum set of matters;
- (v) proposals and a timetable for setting targets; and
- (vi) a commitment to have in place, within 3 years of signing of the relevant Bilateral Agreement(s), the minimum set of regional resource condition targets (see "b" above), or have demonstrated significant progress towards their establishment (including performance against dot points iv and v above).

13. Some regions may have existing resource condition targets for matters in the minimum set (Table 1) that are specified differently from those in the National Framework, but which meet the requirements and priorities determined by the regions and the State. Providing the regional plan includes the requirements identified in paragraph 13 above, then the arrangements for addressing these differences and transition to the National Framework will be agreed between the Commonwealth and the relevant state.

#### ***Guidelines, Indicators and Protocols***

14. National guidelines for setting targets, and indicators and protocols for monitoring and reporting of progress against targets are being identified to:

- promote consistency in setting and measuring progress towards targets within and across regions;
- allow aggregation and reporting on progress nationally;
- allow comparison of program achievements with national assessments of condition or trends in resource condition (eg NLWRA, SoE reporting); and
- enable feedback to regions on how they are contributing to achieving national outcomes.

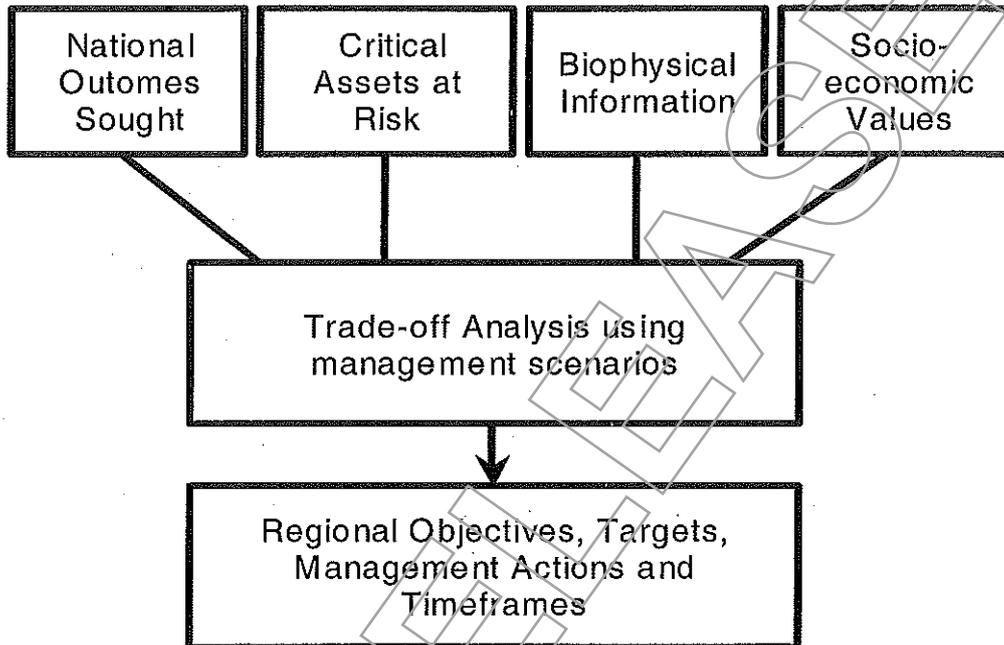
15. Agreed guidelines and protocols have been developed and will be made available to regional groups. Further guidelines and protocols will be developed and agreed in consultation with States / Territories, regions and relevant data

collection and management agencies, as part of the National Framework for NRM Monitoring and Evaluation.

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### Regional Target-Setting Process - Social and Economic Assessment

16. Central to the setting of resource condition targets at the regional scale will be an understanding of the social and economic consequences that may arise in the delivery of actions towards the targets. It is important that an analysis is undertaken, based on an appropriate level of social, economic as well as environmental data (see Figure 1).



**Figure 1 - process for setting objectives and targets within regional plans and selecting a set of management actions to achieve them**

17. The iterative process for setting targets should take place within the context of preparing for accreditation of an integrated NRM Plan, and should include:
- Identifying the regional natural resource assets to be managed, and the threatening processes or risks to them;
  - Setting goals or aspirational targets with reference to the national natural resource outcomes being addressed;
  - Collecting available resource data and identifying baseline conditions;
  - Identification of social and economic values requiring particular consideration;
  - Trade-off analysis using management scenarios. Such trade-off analyses could utilise a range of tools to develop and compare scenarios, including modelling, cost-benefit analysis, multiple-criteria analyses etc. The analyses would take account of constraints such as available funding, regional capacity, and the protection of key assets. The option of

- sacrificing areas where rehabilitation is not feasible or practical may need to be considered;
- Setting achievable resource condition targets for the region with associated timeframes, for those matters identified in the minimum set of regional targets, and using agreed guidelines identified for each matter (see paragraph 13 in relation to the timing of the establishment of such targets). Targets for other issues of specific relevance to the region should also be established;
  - Establishing shorter-term management actions that will result in progress towards each resource condition target. An iterative planning process should be used to identify "best bet" strategies that go furthest towards achieving resource condition targets given socio-economic objectives;
  - Assessment of the broad social and economic impacts, with particular reference to the economic production profile of the region, the broad social profile (demography, social trends etc), and any relevant ongoing structural adjustment processes;
  - Monitoring and evaluation and review of targets.
18. If the economic or social impact of proposed interventions is sufficiently large, the regional / catchment body may decide to proceed with a broader socio-economic profiling and impact assessment to increase investor and community confidence and understanding of the scale and distribution of costs and benefits.

### **Roles and Responsibilities**

19. Roles and responsibilities of regional bodies, State and Territory Governments and the Commonwealth will be set out in general terms in the Accreditation Criteria, the National Action Plan and Natural Heritage Trust Bilateral Agreements and Regional Partnership Agreements.
20. With regard to standards and targets, regional bodies are responsible for:
- undertaking a process of NRM planning and target-setting which draws on relevant environmental, social and economic information and expertise as well as wide stakeholder consultation, existing targets and target-setting processes, and includes appropriate and agreed regional solutions to NRM problems;
  - incorporating, into their integrated regional NRM plans, management targets that will contribute to the achievement of natural resource condition targets and national outcomes;
  - submitting a regional plan to governments for accreditation. This plan is to be accompanied by an investment strategy which supports actions to progress towards the targets;
  - identifying relevant monitoring systems or establishing monitoring arrangements for both management actions/outputs and natural resource condition, using the relevant agreed guidelines and protocols;

- establishing, within the agreed timeframe, specific natural resource condition targets on the minimum set of matters in the National Framework for NRM Standards and Targets;
  - reporting on progress against management and resource condition targets;
21. Governments, both Commonwealth and State/Territory, will:
- incorporate the *National Framework for NRM Standards and Targets* as a schedule to National Action Plan and Natural Heritage Trust Bilateral Agreements;
  - work with regional bodies to develop integrated regional NRM plans, including targets, by providing:
    - support for capacity-building (data, information, analysis, skills, R&D) through foundation funding
    - accreditation criteria and guidelines for plans
    - guidelines for regional target-setting
    - relevant advice;
  - accredit regional plans which meet the accreditation criteria, and their accompanying investment strategies;
  - provide funding to regions to implement agreed investment priorities;
  - provide an appropriate legislative, policy and institutional framework to support regional NRM actions and solutions;

#### **Accountability**

22. Setting achievable targets for natural resource condition is a challenging task. In many instances, particularly dryland salinity, changes are only apparent over a long time, and will be influenced by factors that go beyond the actions funded by the NAP. In addition, Australia's high climatic variability makes identifying trends difficult. The assumptions made about the likely effects of management actions will, of necessity, change over time as we gain greater understanding of ecological processes.
23. Governments will need to take these uncertainties into account in assessing the achievement of regions in making progress towards resource condition targets. Associated with this, there will need to be regular review of targets, to implement an adaptive management approach. Reviews will also enable targets to take account of improving information and scientific understanding about trends in resource condition and about ecosystem function.
24. Against this background, performance against resource condition targets will be assessed as part of the overall evaluation plans for the implementation of the National Action Plan and the Natural Heritage Trust.
25. On the other hand, regions will be accountable for, and will be required to report progress against management action targets, and continued investment will be linked to the achievement of these targets.

## Best Practice Management or Governance Standards

26. National standards for best practice management of natural resources are intended to assist in the achievement of national natural resource condition outcomes. These governance standards will cover the scope of issues addressed in integrated catchment/regional plans, and be capable of applying broadly to NRM systems established by governments – legislative, policy, process and institutional.

27. A set of principles will be developed, relating to policy and planning for natural resources, and will provide a basis for the development of national standards defining best practice management of natural resources, for example:

- decision-making which is integrated (ie considering environmental, social and economic considerations), comprehensive and transparent, including adequate stakeholder consultation
- an adequate legislative basis, with appropriate compliance and enforcement mechanisms
- accredited regional/catchment scale planning processes as a key element
- adequate monitoring and evaluation - including agreed protocols for measurement, and regular review and external audit
- agreed protocols for data custodianship, management and exchange
- decision-making based on good science, economic analysis, the best available information and, where appropriate, predictive modelling
- consistent with the principles of adaptive management and continuous improvement

28. The process of identifying and developing best practice standards will be undertaken jointly by the Commonwealth, States and Territories. The NRM Ministerial Council, on 3 May 2002, agreed on the following approach:

### *Phase 1*

- Consultation and agreement on a set of national best practice governance principles, with brief explanatory material
- Information sharing between jurisdictions on current practice (commence 2002 and on-going)

### *Phase 2 - if decision made to proceed:*

- Document and agree on best practice for the agreed set of principles (end 2005)

### *Phase 3 - if decision made to proceed:*

- self assessment of performance, and reporting to Ministerial Council on progress (from 2005 and 2 yearly)

**Table 1 - National Outcomes and Minimum Set of Regional Targets**

<p style="text-align: center;"><b>National Outcomes</b></p> <p>The national outcomes are aspirational statements about desired national natural resource outcomes</p>	<p style="text-align: center;"><b>Matters for which Regional Targets must be set</b></p>
<ol style="list-style-type: none"> <li>1. The impact of salinity on land and water resources is minimised, avoided or reduced.</li> <li>2. Biodiversity and the extent, diversity and condition of native ecosystems are maintained or rehabilitated</li> <li>3. Populations of significant species and ecological communities are maintained or rehabilitated.</li> <li>4. Ecosystem services and functions are maintained or rehabilitated.</li> <li>5. Surface and groundwater quality is maintained or enhanced.</li> <li>6. The impact of threatening processes on locations and systems which are critical for conservation of biodiversity, agricultural production, towns, infrastructure and cultural and social values, is avoided or minimised.</li> </ol>	<p style="text-align: center;"><b>Resource Condition Matters for Targets</b></p> <ol style="list-style-type: none"> <li>1. Land salinity.</li> <li>2. Soil condition.</li> <li>3. Native vegetation communities' integrity</li> <li>4. Inland aquatic ecosystems integrity (rivers and other wetlands).</li> <li>5. Estuarine, coastal and marine habitats integrity.</li> <li>6. Nutrients in aquatic environments.</li> <li>7. Turbidity / suspended particulate matter in aquatic environments.</li> <li>8. Surface water salinity in freshwater aquatic environments.</li> <li>9. Significant native species and ecological communities.</li> <li>10. Ecologically significant invasive species.</li> </ol>
<ol style="list-style-type: none"> <li>7. Surface water and groundwater is securely allocated for sustainable production purposes and to support human uses and the environment, within the sustainable capacity of the water resource.</li> <li>8. Sustainable production systems are developed and management practices are in place, which maintain or rehabilitate biodiversity and ecosystem services, maintain or enhance resource quality, maintain productive capacity and prevent and manage degradation.</li> </ol>	<p style="text-align: center;"><b>Management Action Matters for Targets</b></p> <ol style="list-style-type: none"> <li>1. Critical assets identified and protected.</li> <li>2. Water allocation plans developed and implemented.</li> <li>3. Improved land and water management practices adopted.</li> </ol>

**Please note:** This table should be read in conjunction with the National NRM Monitoring and Evaluation Framework and the table describing "National Outcomes, Matters for Target and Performance Indicators".

## ATTACHMENT I

# NATIONAL NATURAL RESOURCE MANAGEMENT CAPACITY BUILDING FRAMEWORK

### Introduction

The Natural Resource Management Capacity Building Framework provides a common, consistent and complementary approach to capacity building as a guide to all jurisdictions in planning and implementing capacity building investments. While it is initially focused on supporting the NAP and NHT processes, it also provides a potential framework for other programs with natural resource management (NRM) capacity building components. Rather than stand in isolation of similar initiatives within other sectors, it is recognised that it is important to be cognisant of, learn from and draw upon the wide range of capacity building frameworks and strategies already in existence and become an integral component of existing policies and programs for natural resource management.

This framework is a resource tool for a wide range of stakeholders in natural resource management including:

- The Natural Resource Management Ministerial Council and its committees and working groups;
- Commonwealth and State/Territory program Steering Committee members
- Capacity Building technical officers at all levels of government
- Planners at all levels of government
- Regional NRM bodies

### What is meant by Capacity Building

*Capacity building relates to a range of activities by which individuals, groups and organisations improve their capacity to achieve sustainable natural resource management. Capacity in this context includes awareness, skills, knowledge, motivation, commitment and confidence. While regional bodies are a key target audience for capacity building, it is equally an issue for diverse players such as landcare groups, indigenous communities, industry sectors, local government and State/Territory and Commonwealth Government agencies.*

Capacity building for natural resource management goes beyond the traditional, top-down approach of enhancing skills and knowledge through training and provision of technical advice. It focuses on *enhancing genuine community engagement* in all aspects of NRM, from planning to on-ground actions. Therefore, in addition to the transfer of technology and technical capability, capacity building should foster social cohesion within communities, and build both human and social capital. For the purposes of this framework, human capital refers to the capability of individuals, and social capital refers to the level to which social networks, relationships and processes within a community support individuals to exercise their capabilities.

### Rationale for Capacity Building

To obtain on-ground improvement in our environment, those who live and work directly with it have a major role to play along with government and industry. It is well recognised that in order to achieve long-term environmental outcomes, investments in people are as critical as investments in on-ground works. The long-

term success of NRM programs depends on the degree to which the people owning, living with and dependant on our natural resources are able to make informed decisions that result in sustainable NRM and ongoing economic viability. Without this investment in people at all levels, including Government, there will be little chance of securing positive and long-lasting natural resource outcomes. In essence, long-term sustainable NRM depends largely on building human and social capital. It is understood that significant, positive environmental change will only be evident in the longer term. Therefore, it is important to identify intermediate outcomes such as increased awareness of NRM issues and on-ground actions that contribute directly to the longer-term bio-physical goals. Although they are the means to an end, rather than an end in themselves, these intermediate outcomes form the foundation upon which sustainable NRM will be built over time. Important intermediate outcomes of capacity building relate to attitude behaviour and practice change, and the development of the necessary skills and knowledge that will enable key stakeholders to be pro-active about change, and direct it rather than being overtaken by it.

### **Capacity building as a key investment under the NAP and Trust extension**

Natural resource management problems are extremely complex and occur on a broad spatial and temporal scale. Furthermore, they are likely to involve difficult trade-offs between alternative land uses – and users – at local, regional and national level. Individuals within communities and within Government require the skills, knowledge and will to respond effectively to new NRM challenges, and adopt an integrated approach in their quest for long-term solutions.

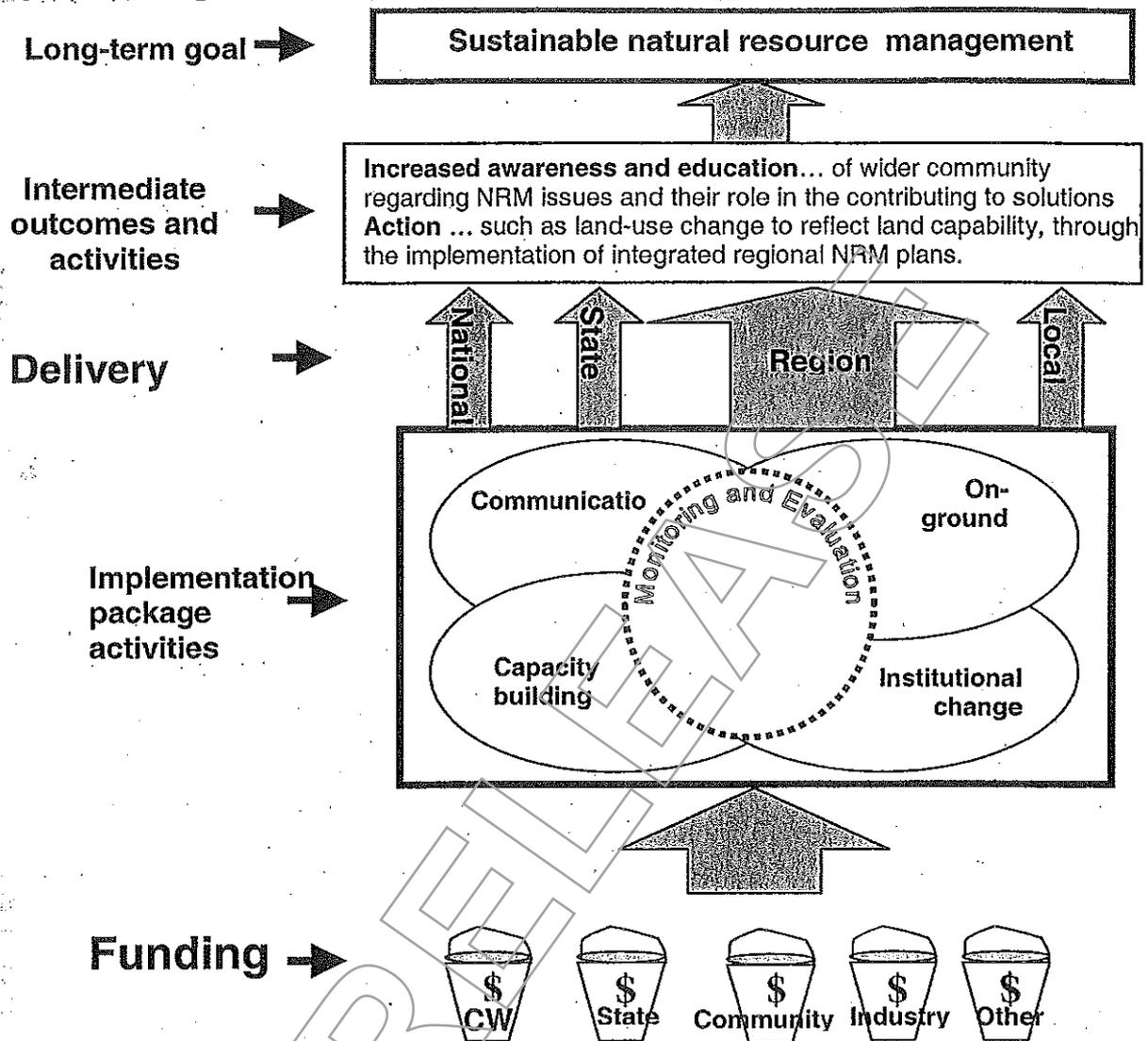
To assist natural resource managers and users within communities to deal with these complex NRM issues, the Commonwealth, State and Territory Governments, in partnership with communities, will build on previous initiatives by making further investments through long-term, strategic programs. Through the NAP and the Trust extension, governments will invest in activities and projects over the next 5-7 years, with a focus on addressing issues of salinity, water quality, biodiversity and sustainable natural resource use in general. Emphasis will be placed on strengthening planning for and delivering investments at the regional level.

Governments will endeavour to maximise the effectiveness of the investments they make in NRM. Enhancing the capability of stakeholders to be actively involved at all stages of NRM planning and implementation will be a critical component of this investment, as it will promote local ownership and increase the uptake of existing and newly developed sustainable NRM practices and processes. Governments must also review and change their own processes to work more effectively with the community.

### **Capacity Building within the broader national sustainable NRM framework**

While the tendency within NRM program development is to compartmentalise elements, capacity building cannot be viewed in isolation. Other elements are equally important in bringing about change. Elements such as institutional change and communication which are currently being pursued in parallel through the NAP and NHT, are linked with – and in some cases actually overlap with – the activities identified in the capacity building framework. Therefore, rather than being viewed as discrete, the various components of support for sustainable NRM should be seen as interdependent components of a holistic implementation package. This is illustrated in Figure 1.

Figure 1: Conceptual model of integrated Government support to sustainable NRM



### The Guiding Principles of Capacity Building

Implementation of the specific activities of the framework will be guided by a series of principles. The principles for capacity building (as specified below) should be reflected in the development of capacity building components of the regional NRM plans.

Capacity building:

- should ensure that the key stakeholders and priority issues are targeted to meet the priority NRM outcomes of the region;
- should encourage partnerships between stakeholders;
- should value and build on existing capacity local expertise and knowledge;
- should be based on learning from each other through sharing resources, experience and expertise;
- should be based on principles of trust, mutual reciprocity and norms of action;
- should encompass 'learning by doing' and other appropriate learning styles;
- should value and utilise indigenous expertise and knowledge;

- should be accessible to the entire community, including people of non-English speaking backgrounds;
- should be based on access to accurate, scientific and technical information, and
- should contribute to building human and social capital.

### **The Goal and Expected Strategic Activity Areas of the Capacity Building Framework**

This Framework is one of the mechanisms through which the broader NAP and NHT2 goals can be achieved. In particular, the specific goal of the Capacity Building component of these programs is:

*Informed and improved decision-making, and the implementation of these decisions resulting in the sustainable management of natural resources.*

Community engagement in NRM decision making and implementation is a critical outcome of capacity building investments. Four broad activity areas have been identified as the vital pillars for achieving community engagement, and they should not be pursued in isolation of one another. It is the combination of enhancing the *ability to act* through provision of knowledge and skills, and fostering *motivation to act* through awareness raising and the provision of facilitation and support that should lead to effective community engagement in sustainable NRM.

The four key areas are specified below, with details of potential activities under each of these outcomes specified in Appendix 1. Bilateral agreements between the Commonwealth and States/Territories will provide further detail on the activities within each jurisdiction. Regional NRM plans will specify the activities within these conceptual areas to be invested in, and the resource management targets being sought by these investments.

- 1) **Awareness:** Individuals within the community being aware of regional NRM issues, and understanding the link between these issues and the long-term viability of the community.

The development of a sound understanding of NRM issues and how they may affect the community, both now and into the future requires an increase in an individual's awareness. When the level of awareness of NRM issues is raised, it is hoped that individuals will seek to understand more, and be motivated to support and participate in the assessment, planning, implementation and evaluation of solutions.

Potential areas of activity include:

- *Awareness raising activities through community-based organisations and local events;*
- *Formal advertising and marketing activities in regions; and*
- *Engagement of primary and secondary educational institutions in increasing awareness of future land managers with regard to NRM issues.*

- 2) **Information and knowledge:** Natural resource managers and users able and willing to access the necessary information, data and science – biophysical, social and economic – to make sound NRM decisions.

Effective sustainable NRM at the farm, catchment and regional level requires sound and relevant bio-physical, social and economic data and information. This information can be used to build knowledge of environmental systems, facilitate the development of long-term practical models, undertake social impact assessments,

evaluate alternative options and contribute to day-to-day management decisions. The provision of practical models and tools can also assist the regional planning process. All the required information for making sustainable NRM decisions may not be available, and this should be the focus of research and development (R&D) investments. It is important to ensure that this information is packaged in a way that meets the needs of land managers seeking to implement sustainable NRM, thereby turning information into knowledge.

Potential areas of activity include:

- *Research into the impediments of change to more sustainable NRM practices;*
- *Identification of bio-physical, social and economic data and research gaps;*
- *Collection of information and undertaking research to fill those gaps*
- *The development of decision support and negotiation tools for complex decision making;*
- *Improving community and Government awareness of the availability of existing information and data resources;*
- *Facilitating involvement of community, government agencies, universities and others in data collection and research;*
- *Development of mechanisms for identifying, valuing and making use of local knowledge;*
- *Supporting the development of consistent and reliable frameworks for natural resource monitoring and reporting in regions;*
- *Developing new approaches to extension and adoption;*
- *Packaging information so it is accessible to users; and*
- *Collection of baseline data for target setting and monitoring and evaluation.*

- 3) **Skills and training:** Natural resource managers and users equipped with, or having access to, the necessary technical, people management, project management and planning skills to participate in the development and implementation of sustainable NRM at the property, local and regional scales.

Sustainable NRM requires the available knowledge to be implemented as on-ground activities. In addition to knowledge, natural resource managers and users require skills to undertake the implementation of these activities. A considerable level of skills already exists within communities. However, a broader range of skills are required for the community to fully engage in NRM programs, in particular those with a regional focus.

Potential areas of activity include:

- *Development of tools for the identification of skills and knowledge gaps;*
- *Development of new, and modification of existing training materials; and*
- *Strategic delivery of training based on identified skills and knowledge gaps and strategic partnerships with training institutions, industry etc*

- 4) **Facilitation and support:** Support systems in place to ensure the engagement and motivation of the community, build social capital and enable skilled NRM managers and users to exercise ownership over regional NRM decision-making processes, and effectively implement actions arising from these processes.

Natural resources managers and users must be genuinely engaged in NRM planning and decision-making processes in order to develop real commitment to take action. A strong feeling of ownership over the NRM planning process will increase motivation and the likelihood that the outcomes identified in the regional integrated NRM plans are achieved. The provision of skills and knowledge alone may not be sufficient to initiate, plan and manage change. It is critical to provide an environment for community engagement to take place, which supports, promotes and encourages innovation, commitment and action.

Potential areas of strategic activity include:

- *The provision of community support networks;*
- *Provision of technical support for regional bodies in developing integrated regional natural resource management plans;*
- *Leadership development programmes within the community regarding NRM;*
- *Community motivation initiatives such as recognition of accomplishments and information sharing fora;*
- *Mechanisms for engaging and supporting indigenous and non-English speaking communities in sustainable NRM; and*
- *Mechanisms for engaging land managers and other NRM stakeholders such as local governments and agriculture industry bodies.*

### **Participants in Capacity Building**

The participants in capacity building are those involved with natural resource management and planning, including:

- Regional integrated NRM groups and key stakeholder groups;
- Landholders, their representatives and other resource users;
- Indigenous communities;
- Regional and local community-based groups and organisations;
- Scientific and research organisations;
- Local government, State and Commonwealth agencies and elected representatives; and
- NRM service providers and managers, including facilitators and coordinators
- Technical and financial advisers and consultants.

### **Monitoring and Evaluation**

Given that NRM outcomes are only achievable over the long term, monitoring the achievement of intermediate outcomes, such as attitude, practice and behaviour change, is critical in assessing the impact of short-term investments of NRM programs such as the NAP and NHT. Capacity building activities are key mechanisms through which these intermediate outcomes can be realised. Monitoring and evaluation of the effectiveness of these activities in bringing about the desired change should be an integral component of developing and implementing a capacity building plan. Monitoring and evaluation is the key mechanisms for:

- reporting activities against expenditure;

- assessing the success of various capacity building initiatives and revising the approach towards capacity building accordingly, and
- revising progress towards your targets and based on this information, reviewing the level to which your targets are realistic and achievable in the given time-frame.

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ATTACHMENT J

**STANDARD TERMS AND CONDITIONS OF FINANCIAL AGREEMENTS  
BETWEEN THE COMMONWEALTH AND THE STATE OF QUEENSLAND  
FOR THE PURPOSES OF FINANCIAL ASSISTANCE  
UNDER THE BILATERAL AGREEMENT**

**1. Preamble**

- 1.1 The parties acknowledge that this attachment to the Bilateral Agreement deals with the provision of funds by the Commonwealth and the State for Activities approved under the Bilateral Agreement between the Commonwealth and the State made under the *Natural Heritage Trust of Australia Act 1997*.
- 1.2 In the event of any conflict between the provisions of the Bilateral Agreement, terms and conditions specific to an approved activity, and these Standard Terms and Conditions, the order of precedence amongst the documents will be as follows:
- (a) the terms and conditions specific to an Activity under a Financial Agreement;
  - (b) these Standard Terms and Conditions; and
  - (c) the Bilateral Agreement.

**2. Interpretation**

- 2.1 In these Standard Terms and Conditions unless the contrary intention appears:

“Activity” means those activities, tasks or projects listed in a Financial Agreement that the Parties have agreed to fund with NHT Funds under a Financial Agreement;

“Activity Material” means all material created by the Commonwealth, the State or a third party as part of or in the performance of an Activity, and includes new, enhanced or derived data;

“Activity Agreement” means an agreement made between the State and a Proponent under which the Proponent agrees to undertake one or more Activities and the State agrees to provide NHT Funds for those Activities;

“Alternative Activities” means alternative Activities approved by the Steering Committee in accordance with clauses 5.3, 7.6, 7.8, 7.9 and 11.3;

“Asset” is defined as a capital item to the value of \$1,000 or more;

“Bilateral Agreement” means the Bilateral Agreement between the Commonwealth of Australia and the State under section 5 of the Natural Resources Management (Financial Assistance) Act 1992 and section 19 of the *Natural Heritage Trust of Australia Act 1997* of the type referred to in subsection 19(4) and includes the Attachments to the Bilateral Agreement;

“Certifying Officer” means the authorised officer (senior executive or general manager) of the NRM&E;

"Commonwealth NHT Funds" means the funds that the Commonwealth has agreed to pay to the State under the NHT and which are set out in a Financial Agreement;

"Proponent" means the organisation responsible for performing one or more Activities under an Activity Agreement or under terms and conditions specified by the Steering Committee where the State is the proponent;

"NRM&E" means the State Department of Natural Resources, Mines and Energy;

"Electronic Communication" has the same meaning as in the *Electronic Transactions Act 1999* (Cth);

"Expected Outcomes" means the expected outcomes for each Activity as specified in a Financial Agreement or agreed in accordance with clause 7.9;

"Financial Agreement" means an agreement made between the Commonwealth and the State under section 5 of the Natural Resources Management (Financial Assistance) Act 1992 and section 19 of the *Natural Heritage Trust of Australia Act 1997* and in accordance with clause 116 of the Bilateral Agreement for the provision of NHT Funds to undertake Activities. A Financial Agreement consists of these Standard Terms and Conditions, the completed Financial Agreement (pro forma) including all schedules and attachments and any special terms and conditions, and the Bilateral Agreement;

"Single Holding Account" means the accounts established by the State under clause 127 of the Bilateral Agreements;

"Independent Auditor" is a person who is a member of the Institute of Chartered Accountants in Australia, the National Institute of Accountants, or CPA Australia, or who is registered as an auditor pursuant to the *Corporations Act 2001*;

"Intellectual Property" includes all copyright (including rights in relation to cinematograph films, phonograms and broadcasts), all rights in relation to inventions (including patent rights), plant varieties, registered and unregistered trademarks (including service marks), registered designs, circuit layouts and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields as well as traditional Indigenous knowledge;

"Material" includes documents, equipment, software, goods, information and data stored by any means;

"Milestones" means the milestones for each Activity specified in a Financial Agreement or agreed in accordance with the procedure in clause 7.9;

"Ministers" means the Minister for Agriculture, Fisheries and Forestry, the Minister for the Environment and Heritage and State Ministers as defined in the Bilateral Agreement;

"NHT" means the Natural Heritage Trust of Australia Account established under the *Natural Heritage Trust of Australia Act 1997* (Cth);

"NHT Funds" means the Commonwealth NHT Funds and the State NHT Contribution (if any);

"NHT1" means activities funded between 1996/1997 to 2001/2002 under the first phase of the Natural Heritage Trust;

"State NHT Contribution" means contributions in cash or in-kind, if any, that the State has agreed to contribute for the purposes of an Activity and which are set out in a Financial Agreement;

"Outputs" means the outputs for each Activity as specified in a Financial Agreement or agreed in accordance with the procedure in clause 7.9;

"Parties" means the Commonwealth of Australia and the State;

"Payment Schedule" means the payments for each Activity specified in a Financial Agreement or agreed in accordance with the procedure in clause 7.9;

"Pre-existing Material" means any material developed before the date of this Agreement;

"Project Officer" means the Commonwealth officer responsible for the administration of a Financial Agreement as notified to the State from time to time;

"Regional Funding" means the total Commonwealth funding for the regions listed in a Financial Agreement;

; and

"Steering Committee" means the Commonwealth/State Steering Committee established under the Bilateral Agreement.

2.2 In these Standard Terms and Conditions, unless the contrary intention appears:

- (a) words importing a gender include each gender;
- (b) words in the singular number include the plural and words in the plural number include the singular;
- (c) words importing persons include a partnership and a body whether corporate or otherwise;
- (d) clause headings are for convenient reference only and have no effect in limiting or extending the language of the provisions to which they refer; and
- (e) all references to clauses are clauses in this Standard Terms and Conditions unless otherwise specified.

## 5. Payment of Commonwealth and State Contributions

5.1 The Commonwealth will pay the Commonwealth NHT Funds into the Single Holding Account in progressive instalments as specified in a Financial Agreement. Any cash contributions, which the State is required to make in accordance with a Financial Agreement, will also be paid by the State into the Single Holding Account.

- 5.2 The Commonwealth will ensure that Commonwealth NHT Funds are transferred to the Single Holding Account in accordance with the Commonwealth Ministerial approval and Steering Committee recommendations.
- 5.3 Any interest earned on NHT Funds held in the Single Holding Account will be retained in the Single Holding Account and reallocated to Alternative Activities approved by the Steering Committee.
- 6. Activity Agreements**
- 6.1 Subject to clause 7.10, the the Statemust, within 60 days of the date of a Financial Agreement, enter into Activity Agreements with Proponents for all of the Activities specified in that Financial Agreement.
- 6.2 Before entering into an Activity Agreement, the State must endeavour to ensure that the Proponent:
- (a) is able to manage and monitor expenditure in conformity with sound financial practices; and
  - (b) meets relevant conditions set out in the Financial Agreement and any other conditions that may apply to the Activity from time to time.
- 6.3 Without limiting any other provision of a Financial Agreement, the Activity Agreements must provide that:
- (a) the Proponent will perform, or procure the performance of, one or more of the Activities;
  - (b) the Proponent will achieve, or procure the achievement of, the Milestones the Outputs and the Expected Outcomes;
  - (c) the NRM&E will pay the NHT Funds allocated to the Activity or Activities specified in a Financial Agreement to the Proponent on the achievement of the Milestones for the Activity or Activities;
  - (d) if the Proponent intends to engage a third party to perform the Activity or Activities, and the same Proponent has previously engaged the same third party to perform an activity or activities under NHT1, the third party must provide a complete acquittal of all NHT1 funds before it receives any funds under a Financial Agreement;
  - (e) the Activity Agreement may be terminated by the State if the relevant Financial Agreement is terminated.
- 6.4 The State must ensure, when entering into a Activity Agreement with a Proponent for an Activity that will include devolved grants, that the Activity Agreement includes the requirement to use the Devolved Grant Protocol .

- 7. Release of NHT Funds from the Single Holding Account**
- 7.1 The State must not pay NHT Funds out of the Single Holding Account unless the Steering Committee has authorised it to do so.
- 7.2 NHT Funds released from the Single Holding Account must be paid to Proponents in accordance with signed Activity Agreements.
- 7.3 The NRM&E will be responsible for timely payment to Proponents. In accordance with the Activity Agreements, the Proponent will administer the funds in undertaking the Activities.
- 7.4 The Steering Committee will be responsible for:
- (a) agreeing the release of NHT Funds from the Single Holding Account;
  - (b) reviewing quarterly financial reports submitted by each Proponent for each Activity being undertaken by that Proponent in accordance with the relevant Activity Agreement;
  - (c) reviewing biannual performance reports submitted by each Proponent in relation to each Activity being undertaken by that Proponent in accordance with the relevant Activity Agreement; and
  - (d) agreeing the value of the State's in-kind contribution (where relevant) in accordance with agreed principles and guidelines.
- 7.5 Release of NHT Funds from the Single Holding Account for an Activity may be deferred until the Milestones or other agreed actions for that Activity have been completed to the satisfaction of the Steering Committee.
- 7.6 Any overpayments from the Single Holding Account must be recovered by the State. Any underpayment or overpayment by the State will be recoverable by or from the State into the Single Holding Account to be reallocated to Alternative Activities approved by the Steering Committee.
- 7.7 The Commonwealth is not required to make further payments into the Single Holding Account in relation to an Activity unless the State has provided a satisfactory report to the Steering Committee accounting for payments already made in relation to that Activity. The report will set out particulars of:
- (a) funds paid to the relevant Proponent under the relevant Activity Agreement;
  - (b) expenditure by the Proponent for each Activity;
  - (c) current balance of the Single Holding Account in relation to that Activity; and
  - (d) funding requirements set out in the relevant Activity Agreement for the next quarter to enable the Proponent to carry out that Activity.
- 7.8 The State will require that the Proponent return NHT Funds that have not been spent on the Activity, or have been misspent. The State will deposit NHT Funds into the Single Holding Account to be reallocated to Alternative Activities by the Steering Committee on such terms and conditions as the Steering Committee determines.

- 7.9 Where the Milestones, Outputs, Expected Outcomes or Payment Schedule for any Activity are not specified in a Financial Agreement, the Commonwealth and the State shall agree in writing on the Milestones, Outputs, Expected Outcomes and Payment Schedule for each such Activity within 60 days of the date of that Financial Agreement. Once agreed, the Milestones, Outputs, Expected Outcomes and Payment Schedule shall be taken to be included in the Financial Agreement. In the event that the parties do not agree on the Milestones, Outputs, Expected Outcomes or Payment Schedule for any Activity, any Commonwealth NHT Funds which have been paid into the Single Holding Account for the purposes of that Activity shall be retained in the Single Holding Account and reallocated to Alternative Activities by the Steering Committee on such terms and conditions as the Steering Committee determines.
- 7.10 The State must not enter into a Activity Agreement with a Proponent in respect of an Activity unless the Milestones, Outputs, Expected Outcomes and Payment Schedule for that Activity are specified in a Financial Agreement or the Commonwealth and the State have agreed on the Milestones, Outputs, Expected Outcomes and Payment Schedule for that Activity in accordance with clause 7.9 and the Milestones, Outputs, Expected Outcomes and Payment Schedule for the Activity are reflected in the Activity Agreement.
- 7.11 The total amount of funding provided under a Activity Agreement can only be varied by Ministerial agreement.
- 8. Auditing, Reporting and Acquittal Requirements**
- 8.1 The State must, through the NRM&E, provide to the Commonwealth, within six months of the end of each financial year, an Annual Financial Statement for the Single Holding Account audited by an Independent Auditor, and an Annual Performance Report to the Steering Committee for Activities under this Financial Agreement. The audited Annual Financial Statement will include:
- (a) all Commonwealth NHT Funds received into the Single Holding Account;
  - (b) all the State NHT Funds received into the Single Holding Account;
  - (c) all NHT Funds paid out of the Single Holding Account by Proponent and Activity, and
  - (d) a certification signed by the Certifying Officer stating that, in the opinion of the Certifying Officer, the amounts shown on the statement of expenditure were spent in accordance with the Financial Agreement.
- 8.2 The Annual Performance Report must include the status of acquittals of Activities outlined in the relevant Activity Agreement(s).
- 8.3 Proponents, who are to receive ongoing funding and have failed to submit the required acquittal, or have submitted inadequate information, must be advised by the State that no further NHT Funds will be paid until the acquittal has been completed.
- 8.4 The State will report annually on the provision of the State NHT Contributions on Activities. The format of the report will be agreed by the Steering Committee. The report will include a statement from each Proponent that the in-kind (and cash)

contributions agreed by the State have been provided to the region within the agreed timeframe.

8.5 The State must ensure that the Activity Agreement made with each Proponent includes a requirement that each Proponent submits to the NRM&E for each Activity:

- (a) quarterly financial reports; and
- (b) biannual performance reports;
- (c) annual financial report audited by an Independent Auditor; and
- (d) final reports within 30 days of completion of the Activity.

8.6 The State must ensure that the Activity Agreement made with each Proponent includes a requirement that a copy of the final report in clause 8.5(d) above for each Activity is forwarded directly to the Commonwealth. The report should be addressed to:

The Director  
Australian Government Natural Resource Management Team - Qld Section  
The Department of Agriculture, Fisheries and Forestry  
GPO Box 858  
CANBERRA ACT 2601

8.7 The State must ensure that the Activity Agreement made with each Proponent includes a requirement that, within 10 working days of the end of each quarter the Proponent must report to the Steering Committee on the following for each Activity:

- (a) whether the Milestones have been met;
- (b) whether the scheduled payment is required;
- (c) whether a variation is required; and
- (d) a report on expenditure of NHT Funds.

8.8 The State must ensure that the Activity Agreement made with each Proponent includes a requirement that, by 15 October each year, the Proponent must report to the Steering Committee on the following:

- (a) progress of each Activity against the relevant Milestones;
- (b) if any Milestone has not been completed, reasons for the delay and a revised timetable for Milestones by Activity; and
- (c) progress of each Activity against the relevant Outputs;
- (d) a biannual summary of expenditure of NHT Funds.

8.9 The State must ensure that the Activity Agreement made with each Proponent includes a requirement that, by 15 April each year, the Proponent must report to the Steering Committee on the following:

- (a) progress of each Activity against the relevant Milestones;
- (b) if any Milestone has not been completed, reasons for the delay and a revised timetable for Milestones by Activity;
- (c) progress of each Activity against the relevant Outputs;

- (d) a summary of outputs for the year;
- (e) a report on progress towards the achievement of catchment and resource condition targets; and
- (f) an annual summary of expenditure of NHT Funds.

8.10 Reports on the progress of each Activity against the Milestones and the Outputs that are submitted under a Financial Agreement must be consistent with clause 153 of the Bilateral Agreement.

## 9. Variations

9.1 The State may, with the agreement of the Project Officer, vary:

- (a) Payment Schedules, (but not the total funding for the Activity);
- (b) Milestone due dates by up to three months, (but not the completion date of the Activity);
- (c) Outputs that do not alter expected outcomes.

9.2 The Steering Committee may agree to the variation of:

- a) NHT Funds for an Activity, provided that the variation is no more than 10% (or \$100,000 whichever is the lesser amount) and that any variation is offset against variations to the total funding of other Activities in the same region, for Activities with a total budget of \$100,000 or more;
- b) [this is not clear]  
NHT Funds for an Activity, provided that the variation is no more than 20% and that any variation is offset against variations to the total funding of other Activities in the same region, for Activities with a total budget of up to \$100,000;
- c) Milestone dates that extend the final completion date of the Activity by no more than 6 months from the original completion date;
- d) Outputs for an Activity that result in no more than a 10% variation (where quantifiable, or where not, in the reasonable opinion of the Steering Committee) of an Expected Outcome.

9.3 Any other changes involving:

- a) funding for an Activity,
- b) Milestones (including completion dates),
- c) Outputs,
- d) Expected Outcomes,

can only be made with the approval of Ministers.

**10. Activity Material, Assets and Intellectual Property**

- 10.1 The Intellectual Property in Activity Material created under or in connection with a Financial Agreement vests on its creation in the State.
- 10.2 The State agrees to grant to the Commonwealth a permanent, non-exclusive, royalty-free licence to use, reproduce, adapt, commercialise and exploit the Activity Material and Intellectual Property anywhere in the world.
- 10.3 The State will provide the Commonwealth with a copy of the Activity Material upon request, and execute all documents necessary for the grant of the licence referred to in clause 10.2.
- 10.4 Unless otherwise agreed, a Party deriving any net income from the Intellectual Property in the Activity Material arising from a Financial Agreement, must pay to the other Party a share of that net income in the same proportion as the amount of funding provided by the other Party to the Activity bears to the total of the funding provided by both Parties to the Activity.
- 10.5 Ownership of Intellectual Property in any pre-existing material owned by the Commonwealth, the State, a Proponent or a third party is unaffected by this clause, unless otherwise agreed by the State and the Commonwealth.
- 10.6 No Assets can be acquired for private purposes using NHT Funds under this Financial Agreement, except where there is an identified public benefit as part of a funded Activity, and where it is explicitly agreed by the State and the Commonwealth.
- 10.7 Unless otherwise agreed between the Parties, Assets required for Activity implementation and acquired with NHT Funds under a Financial Agreement, shall be deemed to be the property of the Proponent, provided that they are used to advance the objectives of the NHT as applicable following completion of the Activity. The State must ensure that all Activity Agreements reflect this principle. For Commonwealth monitoring purposes, the State must ensure that the Activity Agreement made with each Proponent includes a requirement that the Proponent must maintain a register of Assets for assets acquired under a Financial Agreement.
- 10.8 All data will be managed in accordance with clauses 145 to 151 of the Bilateral Agreement.
- 10.9 To the extent that Activity Material or pre-existing material comprises traditional indigenous knowledge that is culturally sensitive to indigenous group(s), the Commonwealth and the State agree that they will not disclose such material to persons or bodies outside the Commonwealth or the State without the agreement of the relevant indigenous group(s).

**11. Dispute Resolution, Termination and Non-performance**

- 11.1 Either Party may review an Activity, in whole or in part, according to the provisions provided in this clause.
- 11.2 Where a Party considers that the performance of an Activity has not fulfilled the conditions of a Financial Agreement, and the State cannot resolve the matter, the Parties, through the relevant Steering Committee shall attempt to address the concern in the following manner:

- (a) use their best endeavours to negotiate a review of the Activity, including funding levels, and to identify deficiencies and how to best meet Outputs, Milestones and Expected Outcomes;
  - (b) attempt to resolve any dispute in the manner described in clause 155 of the Bilateral Agreement; and
  - (c) implement any agreed resolution.
- 11.3 If the procedure outlined in clause 11.2 fails, the Activity may be terminated at the direction of either Party at a date agreed by the Steering Committee and unexpended funds held by the Proponent in respect of the Activity, or which have been misspent by the Proponent, will be recovered by the State and deposited into the Single Holding Account. Such recovered funds along with any other funds held in the Single Holding Account in respect of the terminated Activity will be reallocated to Alternative Activities by the Steering Committee on such terms and conditions as the Steering Committee determines. The Alternative Activities can only be Activities under the Bilateral Agreement for funds in the Single Holding Account.
- 11.4 At the expiration or early termination of a Financial Agreement, any unexpended Commonwealth NHT Funds paid under that Financial Agreement are to be dealt with as agreed between the State and the Commonwealth. If no agreement can be reached, the unexpended Commonwealth NHT Funds must be returned to the Commonwealth.
- 11.5 If the Bilateral Agreement is terminated and there are unexpended Commonwealth NHT Funds in the Single Holding Account those funds must be returned to the Commonwealth.
- 12. Compliance with Law**
- 12.1 The State will endeavour to ensure that the Proponent, in carrying out Activities, complies with the provisions of any relevant statutes, regulations, by-laws, and requirements of the Commonwealth and the State.
- 12.2 Both Parties agree with respect to Activities to comply with the Information Privacy Principles set out in section 14 of the *Privacy Act 1988* and to comply in so far as is practicable with any policy guidelines laid down by the Commonwealth or issued by the Privacy Commissioner from time to time relating to the handling of personal information.
- 13. Taxes, Duties and Government Charges**
- 13.1 Subject to this clause, all taxes, duties and government charges imposed or levied in Australia or overseas in connection with a Financial Agreement must be borne by the State.
- 13.2 The funding provided by the Commonwealth under a Financial Agreement includes GST for supplies provided by the State to the Commonwealth in accordance with the Financial Agreement and which are Taxable Supplies within the meaning of the GST Act.
- 13.3 The funding payable by the Commonwealth to the State under a Financial Agreement must not include any amount that represents GST paid by the State on its own inputs and for which an input tax credit is available to the State.

13.4 Any refund of unspent funding must be inclusive of GST and must be accompanied by an Adjustment Note under the GST Act relating to Taxable Supplies for which the State previously issued to the Commonwealth a tax invoice.

#### 14. Books and Records

14.1 The State must ensure that the Activity Agreement made with each Proponent includes a requirement that the Proponent:

- (a) keeps and must require its contractors to keep adequate books and records in sufficient detail to enable the amounts of NHT funds payable by the State to the Proponent to be determined separately;
- (b) retain for a period of six years after termination or expiration of a Financial Agreement all books and records relating to the provision of NHT Funds;
- (c) allow the Commonwealth and its representatives, at reasonable times, audit (including examine and copy) material in the possession of the Proponent which is relevant to a Financial Agreement (including the Proponent's books and records).
- (d) give full and accurate answers to any questions the Commonwealth or its representatives may have concerning the books or records relating to a Financial Agreement and provide all assistance reasonably requested by the Commonwealth in respect of any inquiry into or concerning the Activity Agreement or a Financial Agreement. For these purposes an inquiry includes any administrative or statutory review, audit or inquiry (whether within or external to the Commonwealth), any request for information directed to the Commonwealth, and any inquiry conducted by Parliament or any Parliamentary committee.

14.2 The State must:

- (a) keep and require its contractors to keep adequate books and records in sufficient detail to enable the amounts of Commonwealth NHT funds payable by the Commonwealth under a Financial Agreement to be determined separately;
- (b) retain for a period of six years after termination or expiration of a Financial Agreement all books and records relating to the provision of Commonwealth NHT Funds to the State;
- (c) allow the Commonwealth and its representatives, at reasonable times, audit (including examine and copy) material in the possession of the State which is relevant to an Activity Agreement.

- (d) give full and accurate answers to any questions the Commonwealth or its representatives may have concerning the books or records relating to this Agreement and provide all assistance reasonably requested by the Commonwealth in respect of any inquiry into or concerning an Activity Agreement or a Financial Agreement. For these purposes an inquiry includes any administrative or statutory review, audit or inquiry (whether within or external to the Commonwealth), any request for information directed to the Commonwealth, and any inquiry conducted by Parliament or any Parliamentary committee.

**15. Notices**

15.1 A party giving notice or notifying under a Financial Agreement must do so in writing:

- (a) directed to the recipient's address specified in this clause, as varied by any notice; and
- (b) hand delivered or sent by pre-paid post, facsimile or Electronic Communication to that address.

15.2 The parties' notice details are:

**Commonwealth's Details:**

Australian Government Natural Resource Management Team  
Department of the Environment and Heritage, Department of Agriculture, Fisheries and Forestry

Contact: Harry Abrahams, Director Qld Section  
Address: GPO Box 858  
Canberra ACT 2601  
Phone: (02) 6272 5250  
Facsimile: (02) 6272 3626

**the State's Details:**

Department of Natural Resources, Mines and Energy

Contact: Allan Dale, General Manager, Regional NRM Taskforce  
Address: GPO Box 2454  
Brisbane Qld 4001  
Phone: (07) 3227 6587  
Facsimile: (07) 3224 2245

### FINANCIAL AGREEMENT (PRO FORMA)

This Agreement is made on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

(f) **Bilateral Agreement** SIGNED for and on behalf of the COMMONWEALTH of AUSTRALIA:

between

The Commonwealth of Australia ('the Commonwealth'), represented by the Department of Agriculture, Fisheries and Forestry – Australia, and the Department of the Environment and Heritage.

(Full Name)

(Signature)

In the Presence of:

and

The State of Queensland ('the State'), represented by the Department of Natural Resources, Mines and Energy.

(Full Name)

(Signature)

pursuant to the Bilateral Agreement between the Parties dated [date] for the purpose of providing funding under section 19 of the *Natural Heritage Trust of Australia Act 1997* and/ or section 5 of the *Natural Resources Management (Financial Assistance) Act 1992*

SIGNED for and on behalf of the State of QUEENSLAND:

(Full Name)

(Signature)

This Agreement comprises the entire terms and conditions for carrying out the Activities described herein, and includes:

In the Presence of:

(a) Commonwealth and State Contributions – **Schedule 1;**

(Full Name)

(b) Description of Activities and any special terms and conditions – **Schedule 2;**

(Signature)

(c) Milestones, Outputs, Expected Outcomes and Payment Schedule for Activities – **Schedule 3.**

(d) Devolved Grant Protocol: **Attachment B**

(e) Standard Terms and Conditions at Attachment J of the Bilateral Agreement

**SCHEDULE 1: PAYMENT SCHEDULE**

The Commonwealth will contribute a total of \$X Commonwealth NHT Funds at the time and in the amounts specified in Table 1 below. The distribution of the Commonwealth's NHT Funds and the State's NHT Contribution is set out at Table 2.

**Table 1 - Commonwealth Payments**

NHT Payments	Amount to be paid (\$)	Payment date
First	\$	Within 30 days of signing this Agreement.
Final	\$0	
<b>TOTAL NHT Payments</b>	<b>\$X</b>	

**Table 2: Commonwealth and State contributions to Activities**

Number of Activities	
Commonwealth NHT Contribution	\$X
State NHT Contribution (cash & in-kind)	\$Y
Total Investment Strategy Cost **	\$X

\*\* This total excludes the State's NHT Contribution.

**SCHEDULE 2: ACTIVITIES**

State ID	Activity Title and Description	NHT Funds
Total		\$X

RTI RELEASE

**SCHEDULE 3: MILESTONES, OUTPUTS AND PAYMENT SCHEDULE**

RTI RELEASE

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## ATTACHMENT B: Devolved Grants Protocol

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### **Justification for Devolved Grant**

The application shall clearly demonstrate the financial or other benefits that justify use of a devolved grant compared with other funding mechanisms. It should state why the activities should not be carried out under the Australian Government Envirofund.

The devolved grant must clearly demonstrate a strategic focus on resource condition and management action targets based on agreed national standards for an integrated NRM plan and investment strategy/proposal developed by the region. The project must be focused on delivering specific quantified outcomes. The project application shall clearly and explicitly state the criteria that will be used to select projects for funding. The process for allocating funds shall provide for equity, transparent selection criteria and consistency with the NAP/NHT guidelines. This shall include an assessment of how the projects to be selected for funding will meet the overall objectives of the devolved grant. The application should clearly demonstrate that the selection criteria meet those of the NAP/NHT programs for both the devolved grant as a whole, and for each of the sub-projects that are to be funded.

The application shall clearly demonstrate the relative contribution of various funding sources to the overall funds for the devolved grant and how the various source components are to be used.

### **Management**

A management strategy for the individual projects shall be provided that clearly shows how the individual projects selected for funding will be tracked and managed in terms of milestone reports, accountability and monitoring towards clearly identified outcomes against specified resource condition targets. The devolved grant must clearly demonstrate a strategic focus on resource condition and management action targets based on agreed national standards for an integrated NRM plan and investment strategy/proposal developed by the region. The project must be focused on delivering specific quantified outcomes where the location and proponent is clearly identified. While location and proponent details may not be available initially, the project must focus on providing these details after applications are assessed and projects approved for funding. The details of the location and who is to do the work, and who is accountable for the project must be specified in lists that are kept up to date and in milestone reports for the project. The project application shall clearly and explicitly state the criteria that will be used to select projects for funding. All projects must maintain a list of grant recipients with details of funding and on-ground activities. This needs to be kept up-to-date and be available on request as well as being included in progress reports.

Administration of the devolved grants is to be covered by the body applying, except where a case is made in the application process to justify a small administrative component.

## **Communication**

The parties agree that in all circumstances where programs or projects receive Commonwealth funds through the NAP or Natural Heritage Trust, or where programs or projects receive State funds, that appropriate acknowledgment will be given to the Natural Heritage Trust, the State and any other party as a source of those funds.

In addition to recognising its own contribution, each party will give recognition to the other party's contributions to projects and ensure that:

- All correspondence, forms, pamphlets, and agreements sent to grant recipients must include prominent acknowledgment that all or part of the funding is from the NHT or NAP.
- Any publications, articles, newsletters or other literary works prepared as part of a project acknowledge that it is being conducted under the Natural Heritage Trust or the NAP and has received Commonwealth and State financial support. A copy of any such publication is to be provided to the other party.
- Signs, posters or other appropriate means are used to acknowledge the NAP and Natural Heritage Trust programs and the Commonwealth and State financial support.
- Each party's role and the relevant Natural Heritage Trust program is acknowledged at relevant forums, conferences and at project openings.
- Opportunities are provided for the relevant Minister and local Federal Government Members to attend NHT launches/awards and that requests for such attendance be directed to their offices either via program coordinators or from the Proponent with notification to the Project Officer [?]. The relevant style guide for press releases and information releases should be applied and used.

## **Monitoring, Evaluation and Reporting**

Progress reports will be required, in accordance with the requirements of the relevant bilateral agreement, summarising the details of the devolved grant and each individual project that is funded including:

Progress towards the stated outcomes for the devolved grant, including how the suite of projects funded are delivering or will deliver the stated outcomes and meet the stated objectives for the devolved grant.

Progress reports for each of the sub-projects funded through the devolved grant relating to the specific targets and outcomes for the sub-project.

Financial reports providing details for each project funded and for the overall devolved grant.

The devolved grant and the individual projects that are funded must be consistent with the monitoring and reporting strategy for delivery of the Trust, which will:

- a) be consistent with the National NRM Monitoring and Evaluation Framework and the National Framework for NRM Standards and Targets,
- b) be consistent with the requirements of the funding Parties, and
- c) take account of and not duplicate other natural resource management policy initiatives at State and Commonwealth level.

## ATTACHMENT K

## NATIONAL NATURAL RESOURCE MANAGEMENT MONITORING AND EVALUATION FRAMEWORK

### PURPOSE AND SCOPE

1. The Natural Resource Management Ministerial Council has established the National Natural Resource Management Monitoring and Evaluation Framework (National Framework) to assess progress towards improved natural resource condition through the development of accurate, cost-effective and timely information on the:

- health of the nation's land, water, vegetation and biological resources; and
- performance of programs, strategies and policies which provide national approaches to the conservation, sustainable use and management of these resources.

The National Framework is based on a set of principles (see below) for the monitoring, evaluation and reporting on natural resource condition. It also provides a set of indicators for assessing change in resource condition and program performance. The roles and responsibilities for meeting national, state/territory and regional level reporting requirements are outlined.

### PRINCIPLES

The National Framework is based on principles, which ensure that processes within the framework are useable, cost-effective, accurate, comprehensive and transparent. The framework is structured so that it:

- (a) is **useful for all partners** in natural resource management – Commonwealth, States and Territories, and regions, communities and industries.
- (b) is simple, cost-effective, affordable and practical. To suit these ends the data infrastructure required to support the framework:
  - avoids duplication of effort, and maximises the benefits of earlier investment in data collection, by building on existing State, Territory and Commonwealth initiatives for developing and sharing of data such as the NLWRA and State of the Environment reporting;
  - uses data for multiple purposes, where ever possible. In particular, data are collected so that they can be used for both monitoring resource condition and assessing program outcomes. This requires data to be collected in such a way as to permit their use at a range of scales and levels (national, state, regional and local);
  - ensures that users can obtain the data. Data are easily accessible to all sectors of the community in format, location, cost and under conditions that do not inhibit their use; and
  - ensures that users can easily find out whether suitable data already exist.* All data are documented in the Australian Spatial Data Directory with sufficient information for users to determine whether the data are suitable for their intended purpose.
- (c) recognises that **NRM interventions encompass a range of time-scales**. While interventions undertaken by Government are usually structured as programs conducted over periods of between five and seven years, significant changes in the resource condition will not be measurable for periods ranging from five to fifty years. Processes to measure and report resource condition change and the performance of NRM interventions must encompass this range of time-scales. This relationship is represented in a diagram included as **Attachment A**.
- (d) supports **meaningful interpretation of data over time** by establishing standard national indicators, protocols for their sampling, measurement and interpretation, and data quality and management requirements. Protocols specify the quality of the data to be produced and ensure

the data can be used for their intended purposes. To maximise their use and comparability, where required, data are developed and maintained to meet agreed international or national guidelines or standards for the management of spatial information as endorsed by ANZLIC or national coordination arrangements. Quality assurance and control requirements will ensure the consistency of the monitoring process over time and across jurisdictions and may necessitate the accreditation of complying monitoring programs.

- (e) specifies the assumptions on which monitoring and evaluation activities are undertaken in a consistent manner which is open to all stakeholders.

## STRUCTURE

The National Framework structures monitoring and evaluation processes at the national level and also provides a blueprint for monitoring and evaluation frameworks for programs, strategies and policies within the scope of the Council. The framework is represented diagrammatically in the following table:

	Natural Resource Condition	Program, Strategy and Policy Performance
Monitoring	<ul style="list-style-type: none"> <li>• Natural resource condition monitoring at local, regional, State/Territory and national levels</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring of resource condition against Standards and Targets Framework)</li> <li>• Management action monitoring</li> </ul>
Evaluation	<ul style="list-style-type: none"> <li>• Evaluating progress towards improved natural resource condition at the national level</li> </ul>	Performance evaluation of programs and strategies

Evaluating models & assumptions

The following discussion describes the elements of the above diagram.

### NATURAL RESOURCE CONDITION

2. The health of the nation's natural resource is being assessed to provide a continuing reference point against which the appropriateness and effectiveness of national policies, strategies and programs may be judged. This assessment assists the Ministerial Council to identify areas of concern and to better target the use of resources.

### MONITORING THE NATURAL RESOURCE CONDITION

3. The National Framework utilises nationally agreed outcomes and measures to report on the conservation, sustainable use and management of Australia's land, water, vegetation and biological resources. A core set of resource condition indicators measure progress towards the agreed national outcomes on a medium and long-term basis. Reports on resource condition trends and associated measures are provided at least every five years.
4. In addition to the primary set of resource condition indicators providing information on resource condition trends, this monitoring will encompass measures of community and social processes relevant to or affected by NRM programs as well as measures of the adoption of sustainable development and production techniques.
5. Since changes in resource condition can result from a range of interventions, as well as from extrinsic factors, interpretation of this assessment will be supplemented with additional contextual information

pertinent to the indicator being considered. These contextual data will also be required to permit examination of the scientific and program assumptions that underlie specific interventions.

6. Evaluating Progress towards improved natural resource condition  
While most evaluation will focus on specific programs; there will be a need from time to time to commission evaluations of policies, strategies or activities pertinent to one or more programs. The appropriate evaluation focus will be defined on a case-by-case basis.

## PROGRAM, STRATEGY AND POLICY PERFORMANCE

7. The performance of programs, strategies and policies is assessed to determine the achievements of these interventions towards improved natural resource condition. Monitoring and evaluation is used for both program improvement and accountability purposes and supports better targeting of resources.
8. It is recognised that factors beyond the scope of government and community interventions may affect natural resource condition. Participants will be accountable for the implementation and delivery of programs, strategies and policies for which funding has been provided, in accordance with contemporary best practice. It is not appropriate for participants to be held directly accountable for changes in resource condition where there is a lack of major scientific certainty or there are significant external factors over which the participants have little or no control.
9. Prior to the commencement of an activity (such as a major new program like the National Action Plan on Salinity and Water Quality), all stakeholders will agree to a monitoring and evaluation framework which will include:
  - Performance information, including all performance indicators and associated data protocols, data collection processes to meet the reporting, performance management and review requirements at local, regional, State/Territory and national levels;
  - Roles and responsibilities for collection, storage, analysis and reporting of monitoring data. This may include cooperative data-sharing arrangements where possible to minimise duplication and maximise efficient use of data;
  - A schedule of planned evaluations at all levels including roles and responsibilities for the identification, direction and conduct of evaluations, processes for the implementation of recommendations, and arrangements for review of the schedule;
  - Timelines, linked to the program implementation schedule, for reporting achievement of milestones, monitoring information, and production of planned evaluation reports; and
  - An appropriate allocation of resources to implement the strategy, including cost-sharing arrangements for major stakeholders.

This Framework will be available for the Council to use in assessing progress against expected outcomes for that particular activity.
10. The design of each NRM program, strategy or policy is based on assumptions that particular interventions will bring about change in resource condition. These linkages and assumptions will be documented to provide an explanation of the logical structure of each program, strategy or policy and its intended impact on the resource condition and could include a high level goal, and one or more achievable and measurable outcomes. The model also provides the basis for testing the assumptions

and models adopted as part of the program design and assists in determining appropriate performance information to monitor and evaluate progress towards achieving the desired outcomes. A draft example of such a structure is included at **Attachment B**.

#### **Monitoring of Resource Condition against Standards and Targets Framework**

11. The National Framework utilises the national natural resource outcomes identified by the National Natural Resource Management Standards and Targets Framework. The national outcomes provide direction for catchment/regional communities to identify specific timebound and measurable targets for each region, which will move natural resource condition towards the achievement of the national outcomes. Relevant national outcomes and associated measures from the Standards and Targets Framework will be used to monitor changes in resource condition associated with each program, strategy or policy. Further detail on key aspects of the development and characteristics of these indicators are included at Attachment C.
12. Additional national outcomes and associated measures of interest to the Ministerial Council will be included in the National Framework as they are identified and developed.

#### **Management Action Monitoring**

13. Each national program, strategy and policy will require specific performance information to meet its accountability and management needs. This performance information will refer to the particular management actions established as part of the rationale. Performance of these management actions will be reported at investment, output and intermediate outcomes levels.

#### **Performance Evaluation of Programs and Strategies**

14. Performance evaluation will assess the appropriateness, effectiveness and efficiency of the program, strategy or policy in the achievement of its objectives and intended outcomes at all levels. The assumptions, logical structure and performance indicators will be used to focus specific performance evaluations.
15. To improve program design and delivery, reorient investment during the life of the program, and fulfil accountability requirements, evaluations should be planned to inform key decision points throughout the life of the activity. Planning for evaluations must remain responsive to management needs with the flexibility to undertake evaluations as the program unfolds and as evaluation questions emerge.
16. Planned evaluations will be detailed in the Monitoring and Evaluation Framework for each program, strategy or policy. A register of evaluations will be maintained and reports from these evaluations will be available for the Ministerial Council and other stakeholders to use in considering achievement of expected outcomes for that particular activity.

#### **CAPACITY BUILDING**

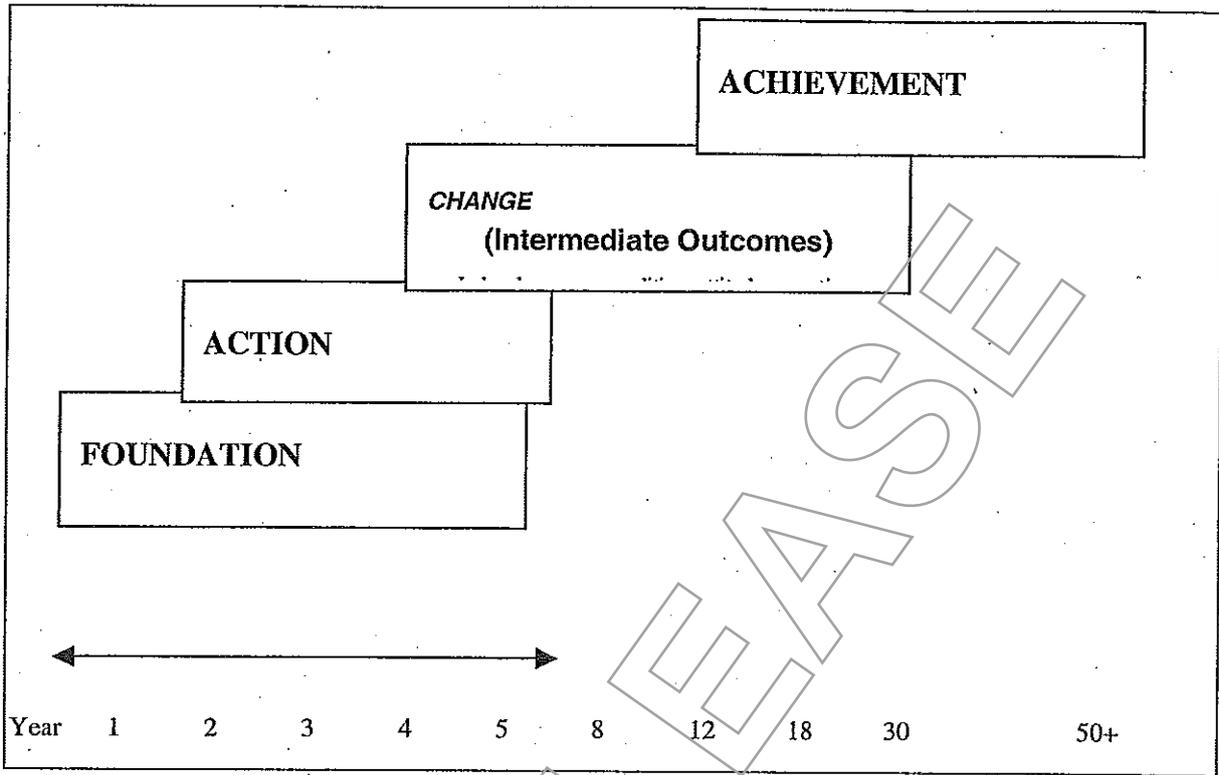
17. Because the Commonwealth, States/Territories and Regions all benefit from effective monitoring and evaluation, all three levels share responsibility to provide the support required to ensure the effectiveness of these processes, including training/accrediting people to use the national protocols.

18. Where any element of monitoring and evaluation capacity needs to be developed to support the implementation of the National Framework, linkages to the capacity building strategy of the relevant program, strategy or policy will be established to ensure appropriate support.
19. It is intended that activities will be fully costed prior to the commencement of each program, strategy or policy. Costs will be shared on an agreed basis established prior to the commencement of activities.

#### REPORTING

20. All stakeholders' reporting requirements are incorporated within the framework. Reporting products will be specified to meet the needs of stakeholders at all levels.
21. Each program, strategy or policy will establish a comprehensive reporting structure for monitoring and evaluation activities at all levels tailored to the needs of the stakeholder groups. The structure should support the transmission of complete and accurate information in the agreed format to the required stakeholders in time for it to be used in the processes for which it was collected. The reporting structure should include all statutory and accountability requirements including:
  - Agency annual reporting;
  - Budget document reporting;
  - Performance reporting within financial agreements at predetermined intervals; and
  - Evaluation reports.

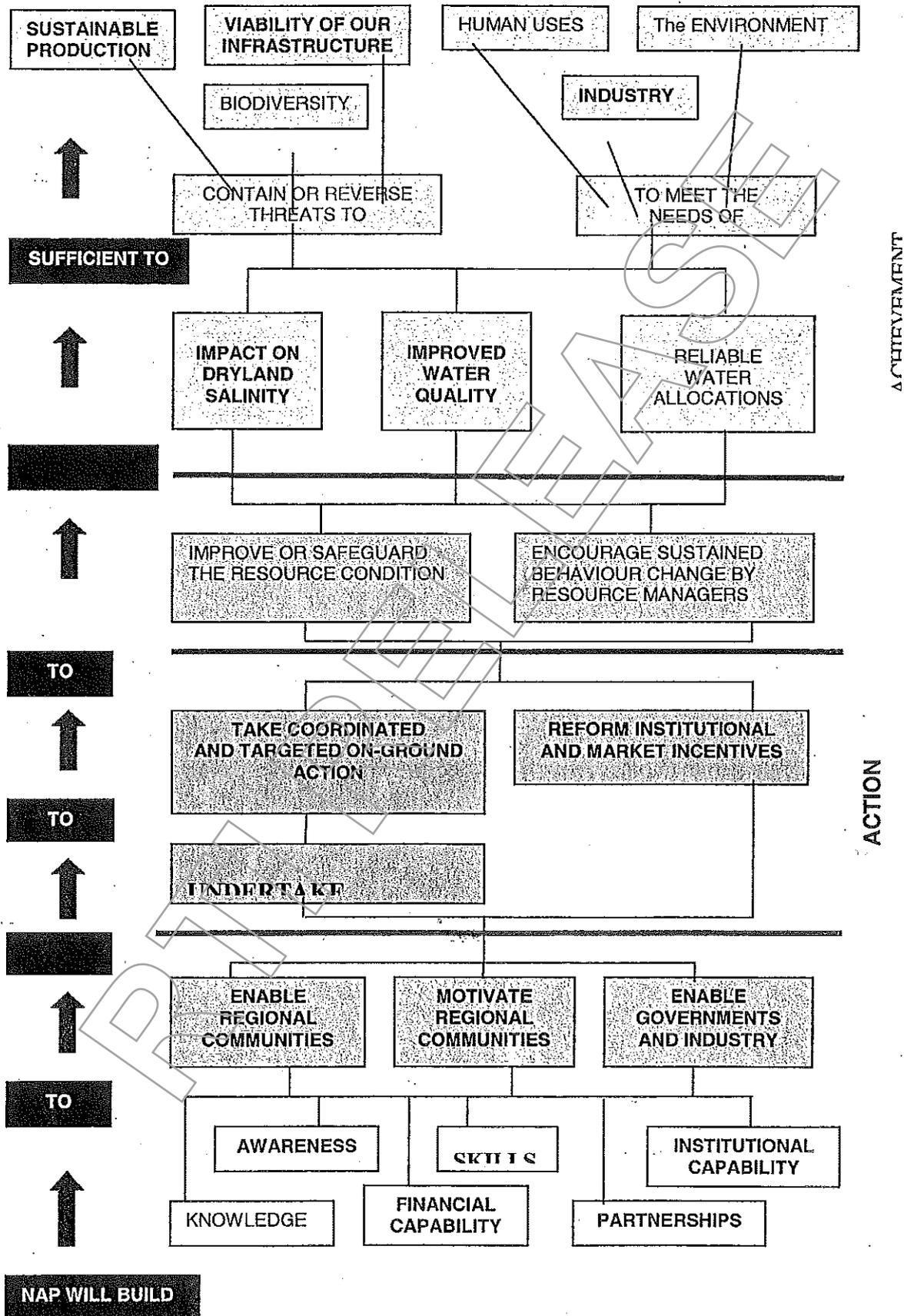
ATTACHMENT A



RTI RELEASE

ATTACHMENT B

CORE NAP LOGIC DIAGRAM



## DEVELOPING A SET OF INDICATORS FOR THE NATIONAL FRAMEWORK FOR MONITORING AND EVALUATION

### INTRODUCTION

The National Natural Resource Management Monitoring and Evaluation Framework (National Framework) will support the NRM Ministerial Council in assessing progress towards improved natural resource condition through the development of accurate, cost-effective and timely information on the:

- health of the nation's natural resources; and
- performance of programs, strategies and policies which provide national approaches to the conservation, sustainable use and management of Australia's land, water, vegetation and biological resources.

The National Framework provides information on the health of the nation's resources and on the conservation, sustainable use and management of Australia's land, water, vegetation and biological resources. The health of the nation's natural resource will be monitored on an intermediate and long-term basis through a coordinated, comprehensive and independent resource condition assessment process. This periodic assessment of resource condition will be used to judge the appropriateness and effectiveness of national policies, strategies and programs may be judged. This will assist in better targeting of natural resource management strategies.

The national framework establishes nationally agreed outcomes and measures to report on resource condition changes and associated institutional, social and economic matters. This process requires a primary set of resource condition indicators to provide information on resource condition trends, measures of community and social processes relevant to or affected by NRM programs and measures of the adoption of sustainable development and production techniques.

A core set of these indicators is required to measure progress towards the agreed outcomes on a medium and long-term basis.

### ISSUES FOR WHICH INDICATORS ARE REQUIRED

Identifying indicators will be assisted by the work already undertaken in developing the National Standards and Targets Framework. The framework identifies natural resource management outcomes and the minimum set of matters for which targets are set in integrated natural resource regional plans. The natural resource issues covered in the framework are of interest to the NRM Ministerial Council and reflect the current program, strategy and policy needs. The immediate priority is to define the indicators and measurement and reporting protocols for the salinity and water quality matters so far identified for the National Action Plan. The next priority will be to define the indicators and measurement protocols for the in-stream and terrestrial biodiversity matters, as required by the National Action Plan, when the national outcomes and minimum set of matters have been identified. Adopting the outcomes and the minimum set of matters developed through the National Standards and Targets Framework as core elements of the National Monitoring Framework should be the basis of a practical and cost effective process for the development of the monitoring framework. Other processes will need to be developed for matters of interest to the Ministerial Council, which fall outside of the Standards and Targets framework.

At the highest level the national framework will support the achievement of the NRMMC's objective: "to promote the conservation and sustainable use of Australia's natural resources". In addition, information at

smaller scales, possibly down to the local catchment, will also be required to support on-ground management actions.

At the broad scale the main requirement is that indicators be able to monitor changes in resource condition and management practice. This will require indicators of resource condition, management and relevant socio-economic conditions. These indicators are selected according to the principles of cost, simplicity, consistency and practicality along with their ability to deliver information from the local through to the national scale.

A set of indicators that can operate through a range of spatial and temporal scales is needed. The ideal set of indicators would encompass long term outcomes, such as changes to the natural resource base, intermediate outcomes, such as changes in land management practices, and short term outcomes, such as increased awareness of NRM related programs.

Significant changes in the resource condition will not be measurable for periods ranging from five to fifty years. However, NRM interventions undertaken by Government are usually structured as programs conducted for periods of between five and seven years. Processes to measure and report resource condition change and the performance of NRM interventions therefore need to encompass a range of time-scales.

### **Characteristics of indicators**

Indicators in the national framework should be:

- simple (easily interpreted and monitored);
- measurable (statistically verifiable, reproducible and show trends);
- accessible (regularly monitored, cost effective and consistent);
- relevant (directly address the objectives of the NRMCC); and
- timely (provide early warning of potential problems).

### **RELEVANT INDICES FOR INTEGRATING INDIVIDUAL INDICATORS**

To assist in understanding the information provided by indicators it is possible to aggregate sets of indicators to support indices such as Index of Catchment Condition developed by the NLWRA or the Index of Stream Condition developed in Victoria. While indices provide a summative profile of a particular condition, specific measures are also needed to provide key statements of individual critical elements. Indices are of limited value in accurately reflecting the condition of some aspects of the resource.

### **NEED FOR CONSISTENT APPROACH TO MONITORING, MEASURING AND REPORTING**

To be cost effective and practical, information needs to be used at a number of levels. This will require data to be aggregated from regional to national levels. This can be done in two ways by:

1. aggregating data;
2. determining performance at a local scale and aggregating performance measures.

Both methods of aggregation will need to be used. The choice will depend on the nature of the objective being considered.

The first approach requires the use of consistent methodologies. The NLWRA reports on dryland salinity and water resources provide evidence of the inconsistencies in methodologies used and data collected between jurisdictions. Where possible, the adoption of agreed national standards, such as the National Water Quality Management Strategy Water Quality and Monitoring Guidelines, would greatly facilitate the use of indicators. The MWG could review the existence of agreed national standards and provide support for their use. For example, the recently released Evaluation Framework for Dryland Salinity from the NLWRA could be adopted nationally.

The second approach is less exacting in its requirements for consistency and different types of monitoring may be used to suit different local conditions. For example, different catchments might use different methods to monitor performance with respect to their own water quality objectives and the high level indicator might be the number of catchments meeting their water quality objectives.

## **DATA SOURCES**

Relevant data for indicators are available from a range of State and Commonwealth sources. For example, the National Land and Water Resources Audit (NLWRA) and SoE have recently collated large amounts of information on resource condition.

## **NEED FOR CONSISTENT APPROACH TO DATA HANDLING AND MANAGEMENT**

To ensure that data can be aggregated to regional or national scales requires the use of consistent methodologies and protocols for data exchange and management. Considerable effort has already been put into developing consistent methodologies for data management by the Australian and New Zealand Land Information Council (ANZLIC) and the National Land and Water Resources Audit (NLWRA). Adoption of these methodologies would be a major step forward. The development of agreed national custodianship arrangements for core data sets will be very important for developing an information base for natural resource management, which will assist in the implementation of core indicators. Work on achieving this is underway through initiatives such as the development of the proposed Executive Steering Committee on Land Use that will identify the fundamental land use datasets for natural resource management.

## **DATA QUALITY**

The data quality requirements of the framework must be established to support meaningful interpretation over time. Where comparison or aggregation of data is required, common data specifications should be established to ensure that the data collection processes support the purposes of each aspect of the framework. To maximise their use and comparability, data should be developed and maintained to meet agreed international or national guidelines or standards for the management of spatial information as endorsed by ANZLIC or through national coordination arrangements.

## **COST AND EFFICIENCY**

Establishing and maintaining monitoring programs are costly processes. To minimise the costs of developing the data infrastructure required to support the framework:

- Data should be collected once with the aim of using it to support many activities. For example, use a common set of data to support the many regional, national and international reporting obligations.
- Existing State, Territory and Commonwealth initiatives for developing and sharing of data. Should be built on to avoid duplication of effort, and to maximise the benefits from earlier investment in data collection.
- To ensure that users can obtain the data, data must be easily accessible to all sectors of the community in format, location, cost and under conditions that do not inhibit their use.
- To ensure that users can easily find out whether suitable data already exist, all data must be documented in the Australian Spatial Data Directory. The documentation must be current and provide enough information for users to determine whether the data are suitable for their purpose.

## **NATIONAL S&T FRAMEWORK**

The National Framework for Natural Resource Management Standards and Targets (National S&T Framework) sets out consistent national directions and approaches to natural resource planning, target setting, monitoring and reporting. The statements of desired national natural resource outcomes are aspirational statements about desired national natural resource outcomes. They are expressed in a manner that allows an assessment of progress towards these outcomes to be made. While these outcomes are largely focussed on resource condition, they also include objectives related to changing land and water management systems and practices.

The Framework also identifies a minimum set of matters for which catchment and regional communities will need to identify specific timebound and measurable targets for each region, which will move the natural resource condition towards the achievement of the national outcomes. These targets are characterised as achievable resource condition targets (10-20 years) and are required for each matter in the minimum set, and management action targets (1-5 years) which would be implemented to achieve the resource condition outcomes and would vary across regions.

National protocols for monitoring and reporting of progress against targets will be identified to:

- promote consistency in setting and measuring progress towards targets within and across regions;
- allow aggregation and reporting on progress nationally;
- allow comparison of program achievements with national assessments of condition or trends in resource condition (eg NLWRA, SoE reporting); and
- enable feedback to regions on how they are contributing to achieving national outcomes.

For the National Action Plan on Salinity and Water Quality (NAPSWQ), the National S&T Framework has initially identified national outcomes and a minimum set of matters for salinity and water quality/flows, and is currently developing national outcomes and matters for targets for in stream and terrestrial biodiversity. Additional work is also being undertaken to identify national outcomes and related measures for the extension of the Natural Heritage Trust.

### **BENEFITS AND ISSUES**

Adoption of the Standards and Targets Framework approach will most likely utilise indicators that are common to both the national resource condition monitoring and related performance monitoring of programs, strategies and policies. These common measures may support higher level analysis of the impact made by particular programs, strategies and policies on specific aspects of the national resource.

Further consideration will need to be given to the process for identifying outcomes and measures related to issues not related to the National S&T Framework, particularly the community and social processes relevant to or affected by NRM programs, and the adoption of sustainable development and production techniques.

### **PROCESS FOR IDENTIFYING INDICATORS**

The development of these indicators has built on an existing process by using the National S&T Framework to identify natural resource outcomes and associated matters suitable for monitoring the trend on the condition of the nation's natural resource and the performance of programs, strategies and policies. A draft preliminary list of indicators is shown overleaf.

**LIST OF DRAFT, PRELIMINARY RESOURCE CONDITION INDICATORS DEVELOPED TO DATE**

<b>Matters for Targets (currently identified)</b>	<b>Indicators</b>
Area of land threatened by shallow or rising saline water tables	<ul style="list-style-type: none"> <li>• Ground water levels</li> <li>• Groundwater salinity levels</li> </ul>
Extent of native vegetation	<ul style="list-style-type: none"> <li>• The workshop acknowledged the importance of vegetation in relation to salinity and water quality issues. However, it was decided that the selection of appropriate indicators would be best done in conjunction with the process to develop Biodiversity Standards and Targets</li> </ul>
Surface water salinity	<ul style="list-style-type: none"> <li>• In stream salinity measured by EC plus some measure of flow</li> </ul>
Sediment / suspended solids	<ul style="list-style-type: none"> <li>• Stream turbidity (or total suspended solids where preferred for estimating sediment load)</li> </ul>
Nutrients	<ul style="list-style-type: none"> <li>• Total Phosphorus and total Nitrogen plus some measure of flow</li> </ul>
River health	<ul style="list-style-type: none"> <li>• 1 Note that a small subgroup has been formed to identify the minimum set of measure to be included</li> </ul>

**List of draft, preliminary management action indicators developed to date**

<b>Matters for Targets (currently identified)</b>	<b>Indicators</b>
Water allocation plan	<ul style="list-style-type: none"> <li>• Number of water allocation plans in place</li> </ul>
Extent of critical assets identified and protected from salinity and degrading water quality	<ul style="list-style-type: none"> <li>• Number of asset registers developed</li> <li>• Proportion of assets protected</li> </ul>

To ensure the quality of the data produced and ensure that data can be used for their intended purposes, data protocols for the sampling, measurement and interpretation of these indicators will be developed. The proposed structure of these protocols is as follows:

## Proposed Structure of Data Protocol

**Indicator name** eg Depth to Groundwater

### **DEFINITION**

depth to groundwater in metres from the ground surface.

### **RATIONALE**

- 2.1.1 Monitoring location selection (scale)
- 2.1.2 Why do we want to know it? ie. rationale for measuring it
- 2.1.3 Context in which it's been measured with regard to national, state and regional resource management programs.

### **MONITORING METHODOLOGY**

- 3.1 Monitoring location selection (scale)
- 3.2 Monitoring frequency required
- 3.3 Data measurement method
- 3.4 Data collation/calculation method
- 3.5 Data analysis and interpretation
- 3.6 Robustness or quality assurance

### **REPORTING PRODUCTS**

#### **CURRENT MONITORING AND REPORTING PRODUCTS**

- 5.1 Monitoring location selection (scale)
- 5.2 Monitoring frequency required
- 5.3 Data measurement method
- 5.4 Data collation/calculation method
- 5.5 Data analysis and interpretation
- 5.6 Robustness or quality assurance

#### **PROPOSED RESPONSIBILITIES**

- 6.1 Data collection (ie 3.1-3.3)
- 6.2 Data collation (ie 3.4)

## **SELECTION OF FURTHER INDICATORS**

This will occur in conjunction with development of the National Standards and Targets Framework as further matters for standards and targets are identified.

## GLOSSARY

### Monitoring and Evaluation Framework

A monitoring and evaluation framework structures monitoring and evaluation activities to provide accurate, cost-effective and timely performance information for management decision making. Monitoring and evaluation activities use many of the same data sources, and complement one another in covering the full range of issues affecting the performance of an activity. Because of the differences between the two activities, each requires different management structures and processes.

**Performance Information** can be quantitative or qualitative. Quantitative performance information provides measures in respect of specific indicators of performance towards achieving a target or goal. Qualitative performance information is descriptive, and can include stories and case studies. Qualitative and quantitative performance information should generally be employed together, as quantitative measures usually require some interpretation and explanation to ensure they are properly understood.

**Monitoring activities** provide *indicative* information to track and review the performance of policies, strategies and programs at regular intervals to inform management decision-making. This indicative information must directly relate to the expected outcomes and outputs of the policy, strategy or program.

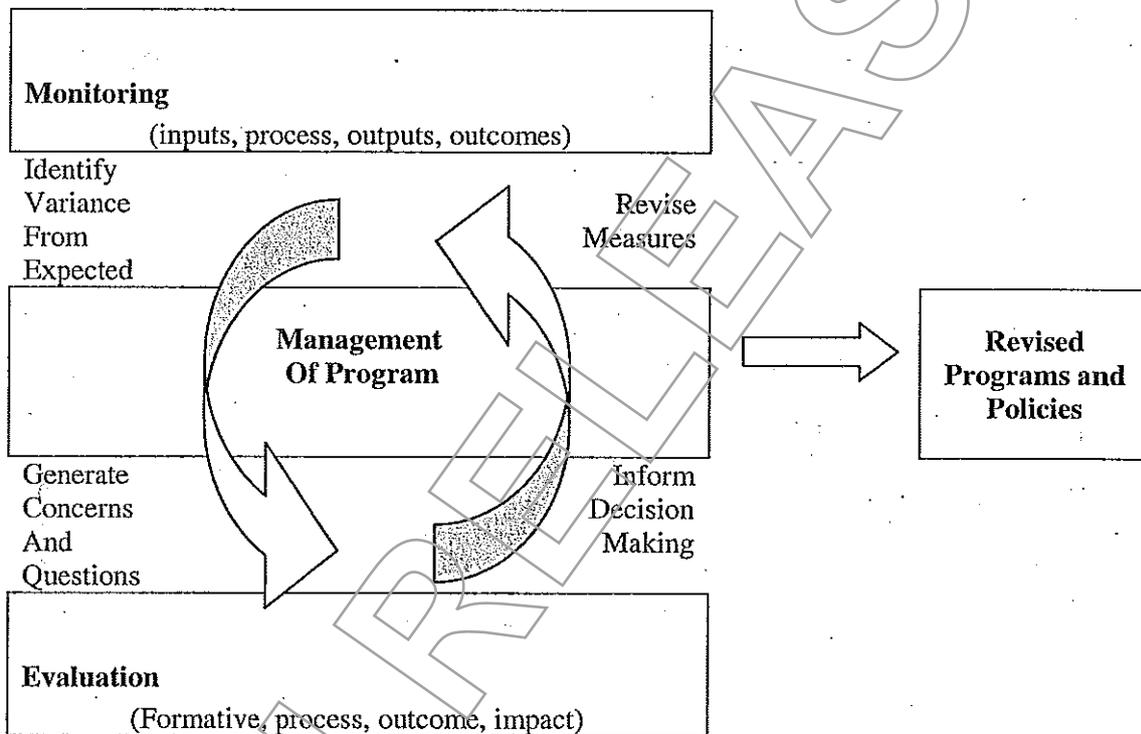
**Monitoring** is defined as the regular gathering and preliminary analysis of information needed for day-to-day management or evaluation. Monitoring activities provide indicative information to track and review the performance of policies, strategies and programs at regular intervals to inform management decision-making. This indicative information must directly relate to the expected outcomes and outputs of the policy, strategy or program. Monitoring provides information on what is occurring and what the program, policy or strategy is achieving.

**Evaluation activities** provide comprehensive *analysis* to determine how well, and in what ways the policies, strategies and programs are working. They include an assessment of efficiency (determining whether existing delivery arrangements can be improved) and effectiveness (determining whether or not the program strategies are having the desired effect) and are used to support management decision making at appropriate points in the life of the policy, strategy or program. The information used in these activities may be both directly and indirectly related to the expected outcomes and outputs of the policy, strategy or program. Evaluations may need to consider:

- unforeseen consequences, particularly social and economic impacts;
- external factors impacting on program delivery and likely achievement of outcomes (including social and economic factors)
- attribution - the extent that program strategies contribute to, or are responsible for, achievement of desired outcomes.

**Accountability** - the Parliament and the public need to be confident that program funds are being spent on actions that will make positive changes to Australia's environment.

**Adaptive management** enables lessons learned to be realised during the life of the program and to make necessary adjustments in response. Adaptive management utilises monitoring and evaluation activities to form a feedback loop in order to make necessary adjustments to the program. Monitoring and evaluation activities will use many of the same data sources, and complement one another in covering the full range of issues affecting program performance for consideration in management decision making. Regular collection of performance information provides a basis for identifying needs and opportunities for evaluation and policy review. For instance, information from monitoring data could be a trigger for further action or investigation, and agreements on the trigger mechanisms should be included within the program monitoring strategy. Evaluation serves as a powerful tool for reviewing the appropriateness of performance indicators and identifying gaps in the performance information structure. Evaluations will rely on, and therefore should be responsive to, monitoring information. For example, unexpected or undesired results from monitoring data might allow triggering of unscheduled evaluations. These linkages are represented in the following diagram.



Adapted from De Boer M. *Monitoring: the slow cousin of evaluation or an equal partner* Proceedings from the Australasian Evaluation Society Conference 2001

RTI RELEASE

ATTACHMENT L

**IN-KIND REPORTING ARRANGEMENTS.**

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**1.0 PURPOSE OF PAPER:**

To propose a model and future arrangements for accountability and reporting for Natural Heritage Trust Extension in-kind contributions for adoption by the Joint Steering Committee.

**2.0 BACKGROUND:**

In-kind is not a new issue for the Queensland Government. In-kind has been previously used in partnership with Research and Development Corporations, Cooperative Research Centres and the Natural Heritage Trust 1.

Specified 'givens' by the Commonwealth Government, and agreed to by the Queensland Government are:

- Acquittal information is provided at the same level of detail as the information originally provided to support the eligibility of the funding as a matching in-kind contribution;
- Queensland provides to the JSC, at least six-monthly, with unaudited statements identifying the agreed matching funding investments that have been delivered to each region;
- The Commonwealth is to be advised of revised in-kind resource contributions when further milestone payments from the Commonwealth are being sought;
- An annual audited statement is prepared which should give an opinion on whether the agreed matching in-kind contribution has been delivered in each region;
- Each regional body, through the Chair, must endorse the annual audited statement regarding whether the agreed matching in-kind activities have been undertaken and the in-kind contribution has been invested in the region;
- Auditors would require evidence that the person and/or position has worked on the project.

Advice has been sought from the Queensland Audit Office. Queensland Audit Office confirmed the responsibility for the audit lies with the Regional NRM Body (not individual State Agencies), and that in them signing that they have received the agreed in-kind arrangements is generally sufficient. In-kind would then only be audited as part of the general audit process undertaken by Regional NRM Bodies. Queensland Government State Contact Officers and Managers will be required to seek regional body agreement that the services agreed are delivered. In the event of the need to audit a specific in-kind activity, whether through the usual audit process or due to a dispute over the provision of the in-kind activity, the Queensland Audit Office would independently audit that activity and provide an audit statement to the Regional Body's auditor. A single audit proposed under this system would be cost and time efficient.

**3.0 SUGGESTED PRINCIPLES FOR ACCOUNTING FOR IN-KIND**

Suggested principles for accounting for in-kind are:

- Ease of processes to account for in-kind contributions and limitations on micro-accountability and transition costs.
-

- GST is considered.
- Use of existing systems within departments to generate quantitative data.
- Systems utilised for NHT1 are considered.
- Qualitative data is also used for reporting purposes.
- The audit should give an opinion on whether the agreed in-kind contributions have been delivered and that value has been calculated in accordance with the agreed rules.

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#### 4.0 ESTABLISHMENT OF A REPORTING SYSTEM

Suggested requirements for development of reporting systems:

Timeframes	Negotiations	Contracts	Operational	Notes
September/ October 2003	Board output levels for in-kind contributions are agreed between agencies and individual Regional NRM Bodies.	Correspondence is signed between agencies and individual Regional NRM Bodies.	OoS JSC agenda item to seek JSC to advise Ministers to approve foundation-funding bids.	
October November 2003	Based on negotiations to agreed in-kind board activities, negotiate agreed milestones (deliverables) between agencies and individual Regional NRM Bodies.	Agreed milestones and performance indicators between agencies and individual Regional NRM Bodies.	Milestones are provided against timeframes and WBS and Account Codes. Officers providing in-kind contributions in offers are identified as apportionments to SAP HR system.	
October November 2003			Milestones are entered into an Excel database that is then linked to Financial Reporter.	
October November 2003			Amendments are made to Financial Reporter to generate a report that outlines staff costs against milestones (with multiplier) identified.	
Six monthly – January 2004 June 2004			Unaudited report is generated by Excel database – to track progress. Reported generated by internal systems.	Signed by nominated officer from each agency.
August 2004		<ul style="list-style-type: none"> <li>• Acquittals of inputs expenditure and revenue is annual.</li> <li>• Inputs are signed by the State Contact Officers with each Regional NRM Body.</li> </ul>	A systems and process audit (not a transaction audit) is undertaken by Regional Body's auditor.	

**5.0 PROPOSED INFORMATION REQUIRED TO SUPPORT THE REPORTING FRAMEWORK - EXAMPLE**

DNR&M example only: The degree of detail for each milestone would be determined by negotiation between the Regional Body and the respective State agency on a case-by-case basis.

Activity	Action	Milestones	Costs	Timeframes	Officer	WBS Alignment
Water Planning & Monitoring	Undertaking water planning (WRP) for Pioneer Basin to ensure balanced and sustainable use of water between humans, and aquatic ecosystems. Provide technically robust water resource data, information and advice to assist Regional Body to develop priorities, determine targets and investments. (\$144,000)	Hydrological modelling and analysis of water flow undertaken and completed and data provided to regional body. Provide integration support to Regional Body to ensure water planning and monitoring issues are successfully incorporated into Regional NRM Plan.	94,000	12 Feb 2004	0.80 FTE J. Walker	PCBAGCCCD40
			50,000	30 May 2004	0.45 FTE J. Smith	PCBAGCCCD40
<b>TOTAL</b>			<b>\$144,000</b>		<b>1.25 FTE</b>	

**6.0 PROPOSED ACQUITAL REPORTING – EXAMPLE OF FORM TO USE**

Activity	Action	Milestones	Costs \$	Delivered (Yes/No)	Exception Reporting
Water Planning & Monitoring	Undertaking water planning (WRP) for Pioneer Basin to ensure balanced and sustainable use of water between humans, and aquatic ecosystems. Provide technically robust water resource data, information and advice to assist Regional Body to develop priorities, determine targets and investments. (\$144,000)	Hydrological modelling and analysis of water flow undertaken and completed and data provided to regional body.	94,000		
		Provide integration support to Regional Body to ensure water planning and monitoring issues are successfully incorporated into Regional NRM Plan.	50,000		
<b>TOTAL</b>			<b>\$144,000</b>		

**Declaration:**

We certify that:

- The particulars contained above are true and correct.
- All expenditure recorded above has been for the purposes of the project and is within the Terms and Conditions of the Funding as set out in the Activity Agreement.

<b>Signature</b> <i>(Departmental Nominated Officer)</i>	<b>Signature</b> <i>(Chair Regional NRM Body)</i>
<b>Name</b>	<b>Name</b>
<b>Address</b>	<b>Address</b>
<b>Contact No.</b>	<b>Contact No.</b>