



Australian Government
Department of Agriculture,
Water and the Environment

**National
Landcare
Program**



National Landcare Program Phase Two

Review Report
February 2022

Acknowledgement of Country

In the spirit of reconciliation, the Department of Agriculture, Water and the Environment (the department) acknowledges the Traditional Custodians of Country throughout Australia and their connections to land, sea and community. The department pays respect to Elders past and present.

Document purpose

The Department of Agriculture, Water and the Environment conducted this review of the National Landcare Program phase two, assisted by independent consultants *Thinkplace*. This document:

- Provides an overview of the purpose, scope and methods of the review
- Presents the findings from stakeholder engagement and desktop analysis in response to the terms of reference of the review
- Identifies opportunities for improvement for the National Landcare Program moving forward.

The findings from the review will be used to inform consideration of the next phase for the National Landcare Program.

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Executive summary

The National Landcare Program (NLP) is part of the Australian Government's long-standing commitment to environmental protection, sustainable agriculture and natural resource management. Through NLP phase two, the Australian Government is investing \$1.1 billion from 2018–19 to 2022–23, comprising a number of sub-programs and investments including:

- Regional Land Partnerships, including Bushfire Wildlife and Habitat Recovery
- Smart Farms
- Environmental Small Grants
- Indigenous Protected Areas
- 20 Million Trees
- Bush Blitz
- Implementation of the Reef 2050 plan
- Centre for Invasive Species Solutions
- Threatened Species Recovery Fund.

Funding delivered through phase two of the NLP comes from the Natural Heritage Trust special account (NHT). The NHT is an ongoing funding appropriation for environmental protection, sustainable agriculture and natural resource management, and is delivered through phased multi-year programs that allow for a review point ahead of the next phase of funding.

The Australian Government is committed to improving the delivery of the NLP to ensure the health of our natural resources, to improve sustainable agriculture practices and ensure a continued focus on protecting Australia's unique biodiversity and environment.

The Department of Agriculture, Water and the Environment (the department), in consultation with stakeholders, has conducted this review to examine the effectiveness of the NLP phase two and identify opportunities to improve the next phase of the program.

Stakeholder engagement revealed the NLP phase two is a valuable program and essential investment into environmental protection, sustainable agriculture and natural resource management. Through its sub-programs, the NLP phase two has achieved positive impact at a local, and often regional, scale. Key strengths of the program that have been identified include: its broad focus; the variety of delivery mechanisms and the ability of these mechanisms to get funding on the ground; the long-term nature of its projects; and the observed shift of its monitoring and evaluation systems to include the measurement of outcomes.

Stakeholders identified many opportunities to improve the delivery of the NLP that should be considered in future funding arrangements. These include:

- greater focus on achieving impact and outcomes at larger scales
- increasing the efficiency of delivery mechanisms
- improving the systems and processes for monitoring and evaluation
- greater engagement and mobilisation of stakeholders
- greater focus on co-designing projects
- leveraging Indigenous knowledge and expertise
- more effective links with private industry and philanthropy.

A key gap identified by the review is the presence of an overarching framework for the program that clearly articulates the outcomes and objectives of the NLP phase two and its sub-programs. The operating environment of the NLP is a complex system with many stakeholders working towards improved outcomes for environmental protection, sustainable agriculture and natural resource management. Other complicating factors include pressure from changes in the physical environment and changes in market expectations regarding how we produce our food and fibre. A clearer framework, including a clearer purpose and overarching objectives for the program, can be used to:

- direct investment to the areas of greatest need and where the investment can leverage complementary initiatives
- highlight capability and capacity strengths and deficits across the different components that make up the NRM ecosystem
- provide a framework to monitor and evaluate effectiveness of the investment
- provide a framework to align the objectives of sub-programs with the overarching objectives.

In summary, an overarching framework for the NLP can help the NLP and other investments in environmental protection, sustainable agriculture and natural resource management achieve impact at a larger scale.

The review of NLP phase two was undertaken through stakeholder engagement, including workshops, interviews, a public survey and targeted submissions. The review also drew on sub-program reviews (where available), reporting data, the 2016 review of NLP phase one and other relevant sources and literature.

1.1.1 List of review findings and opportunities

3.1.1 The NLP phase two is perceived by program participants to be contributing to improved sustainable agriculture, environmental and biodiversity outcomes, and broader community benefits.

- ▶ The NLP phase two has many strengths that enable it to be effective at the local and to some extent regional level. This includes the broad focus of the program and variety of mechanisms that enable funding to be delivered on-ground quickly; the long-term nature of projects that allow continuity and a more strategic approach to project design and delivery; and the increased focus on monitoring and evaluation of outcomes from the investment.
- ▶ There is room to leverage these strengths in future iterations of the NLP to further increase its effectiveness.

3.1.2 The operating environment for the NLP is one of increasing pressure on Australia's natural resources.

- ▶ There is an opportunity to achieve impact at a larger scale by better coordinating the multiple programs, activities and investments being made in Australia's environmental protection, sustainable agriculture and natural resource management system.

3.2.1 The 3 focus areas of the *Natural Heritage Trust of Australia Act 1997* – environmental protection, sustainable agriculture and natural resource management – are broad, which provides flexibility for the Australian Government to fund a wide range of sub-programs and activities under the NLP based on national priorities.

- ▶ While the broad nature of the focus areas provide flexibility for the NLP to distribute funds towards national priorities, the lack of clearly defined objectives can make it difficult to determine the NLP's impact and communicate national priorities for the program to stakeholders.

3.2.2 The NLP's changing operating environment may require a shift in the focus for investment.

- ▶ In setting future objectives or focus areas for the NLP, it would be beneficial to consider how the effects of current trends, such as climate change, extreme events and market expectations are influencing how we manage natural resources.

3.2.3 Local community and Indigenous priorities do not always connect with national priorities for Australian Government investment.

- ▶ National priority setting should encourage others to act at a local level.

3.2.4 There is ambiguity surrounding the overarching objectives NLP and how sub-programs are working together to achieve those overarching objectives.

- ▶ Having a clear set of overarching objectives for the NLP would provide a framework to stakeholders to link on-ground delivery back to the broader national priorities, facilitate opportunities for co-design of projects and improve coordination of effort. It would also help stakeholders distinguish between the NLP and other Landcare initiatives such as Landcare Australia and the National Landcare Network.

3.3.1 One of the NLP's key strengths is its mix of different funding delivery mechanisms.

- ▶ This aspect of the NLP delivery arrangements should be continued to be utilised in line with a strategic purpose.

3.3.2 Funding delivery that allows for longer, more flexible project timeframes is highly regarded.

- ▶ Future iterations of the NLP should keep mechanisms that allow for 3–4 year project duration and flexibility in project delivery. Continued monitoring after projects are completed, and opportunities for longer-term projects (5–7 years) would be welcomed by stakeholders.

3.3.3 The procurement model of funding delivery for some components of the NLP and a centrepiece of the Regional Land Partnerships sub-program, is effective and well-received by the community.

- ▶ There are opportunities to streamline processes and reduce inefficiencies, but overall the procurement model does not require significant adjustment.

3.3.4 The most effective projects are co-designed between all relevant stakeholders.

- ▶ There is an opportunity to explore how funding may be delivered in a way that enables greater co-design of projects with all relevant stakeholders.

3.3.5 Small grants are highly appreciated by local community groups and can be made more streamlined and accessible.

- ▶ There is potential to improve engagement of local community groups and volunteerism in the NLP through increased opportunities for streamlined small grants aimed at grassroots volunteer groups.

3.4.1 Funding directed at local priorities engages the community and encourages volunteerism.

- ▶ Involving the community more in the co-design of projects and priorities could help direct funding to projects that community volunteers care about most.

3.4.2 When sufficiently resourced, Regional Agriculture Landcare Facilitators (RALFs) are effective at building relationships and connecting communities to opportunities.

- ▶ There is potential for the RALF network to be invested in further to enable continued and increased impact.

3.4.3 Engagement with Indigenous communities is working best where Indigenous people lead, or are engaged early and participate in design and decision making.

- ▶ There is an opportunity to invest in Indigenous capacity building, participation and organisational leadership. Greater impact could be achieved through co-design of engagement standards and principles with Indigenous communities, and by facilitating Indigenous leadership in projects.

3.4.4 The agriculture sector's engagement in the NLP phase two is leading to increases in sustainable land management practices.

- ▶ There is an opportunity for the NLP to engage farmers more effectively by better communicating the goals of sustainable agriculture as a key focus area for the NLP.

3.4.5 Industries outside of the agriculture sector are increasingly looking to be more involved in certified sustainability programs and environmental markets.

- ▶ There is an opportunity for investment in programs that link industry interest in environmental markets to the NLP. There is also an opportunity to build capacity of natural resource management practitioners, land managers, including farmers and Indigenous land managers, to participate in environmental markets.

3.4.6 Collaboration between the NLP sub-programs and research institutions could be improved through increased information sharing and co-design of research priorities and projects.

- ▶ There is opportunity to connect and leverage organisations undertaking research, development and extension to better coordinate research efforts and disseminate findings to drive uptake of new tools, technologies and practices.

3.5.1 There is inconsistent outcome reporting and evaluation with each sub-program having its own requirements.

- ▶ Establishing a clearer framework and objectives for the NLP, including a monitoring and evaluation framework, would improve the visibility of each sub-program's contributions to the intended outcomes.

3.5.2 The Monitoring, Evaluation, Reporting and Improvement Tool (MERIT) is used by programs outside of the NLP, yet not all the NLP sub-programs use MERIT.

- ▶ There is opportunity to continue investments into improving MERIT's functionality and usability and to consolidate and measure outcomes across not only the NLP's activities, but the Australian Government's environmental protection, sustainable agriculture, and natural resource management efforts as a whole.

3.5.3 Procurement reporting requirements for assurance purposes are perceived as too onerous.

- ▶ Moving to a risk-based compliance model, with more trust in service providers, would improve efficiencies for both the department and service providers.

3.5.4 There are limited opportunities to share learnings, coordinate and collaborate across sub-programs and projects.

- ▶ There is opportunity to better standardise how learnings and outcomes are shared more broadly across all the NLP sub-programs.

These review findings will be used to inform consideration of the next phase for the NLP.

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Section 1

Introduction to the review

This section provides an overview of the purpose and scope of the review and the methods in which it was undertaken.

1. Introduction to the review

1.1 Purpose and terms of reference of the review

The Australian Government is committed to improving the delivery of the National Landcare Program (NLP) to ensure the health of our natural resources, sustainable agriculture and protection of Australia's unique biodiversity and environment. The NLP is the Australian Government's primary commitment to natural resource management and is funded through the *Natural Heritage Trust of Australia Act 1997* (NHT Act). The NHT Act provides an ongoing funding stream for activities under 3 broad focus areas – environmental protection, sustainable agriculture and natural resource management – with reviews between each budgeted period.

The Department of Agriculture, Water and the Environment (the department), in consultation with regional natural resource management (NRM) organisations, grassroots volunteer organisations, private land conservationists, Indigenous organisations, farmer groups, industry peak bodies, research providers, non-government organisations, Australian Government and state and territory agencies, has conducted this review to examine the effectiveness of the NLP phase two and identify opportunities to improve the next phase of the program to advance the Australian Government's long-term strategic priorities.

The review considered the NLP as a whole, including the contribution of its individual sub-programs to the overall outcomes. The review sought to understand and highlight the key elements that contributed to the successful delivery of the NLP. The review follows a comprehensive review of NLP phase one conducted in 2016 which marked significant changes in the transition to NLP phase two. Notable of these were changes to the way the regional NRM service providers are funded under the Regional Land Partnerships (RLP) sub-program, from a grants model to the current tender procurement model, improvements in monitoring and reporting to target outcomes and increasing the clarity to sustainable agriculture outcomes. Consequently, this review is intended to be a health check of the NLP phase two rather than another comprehensive review, exploring how those changes have been received by stakeholders and identifying opportunities for improvements moving forward.

The terms of references of the review were to examine:

1. The effectiveness of the NLP phase two in delivering sustainable agriculture, environmental and biodiversity outcomes, and broader community benefits
2. The appropriateness of the NLP phase two objectives, and the alignment of sub-programs, and projects with national natural resource management priorities
3. The effectiveness and efficiency of delivery arrangements including procurements, grants, and payments to states in delivering the NLP phase two intended outcomes
4. The effectiveness of Landcare organisations and regional NRM organisations (including RLP delivery service providers) in engaging the participation of regional communities, Indigenous communities, industry, and research institutions in delivering the NLP phase two intended outcomes
5. The effectiveness of monitoring, reporting and evaluation in measuring progress towards, or demonstrating achievements of the NLP phase two intended outcomes.

1.2 Review inputs

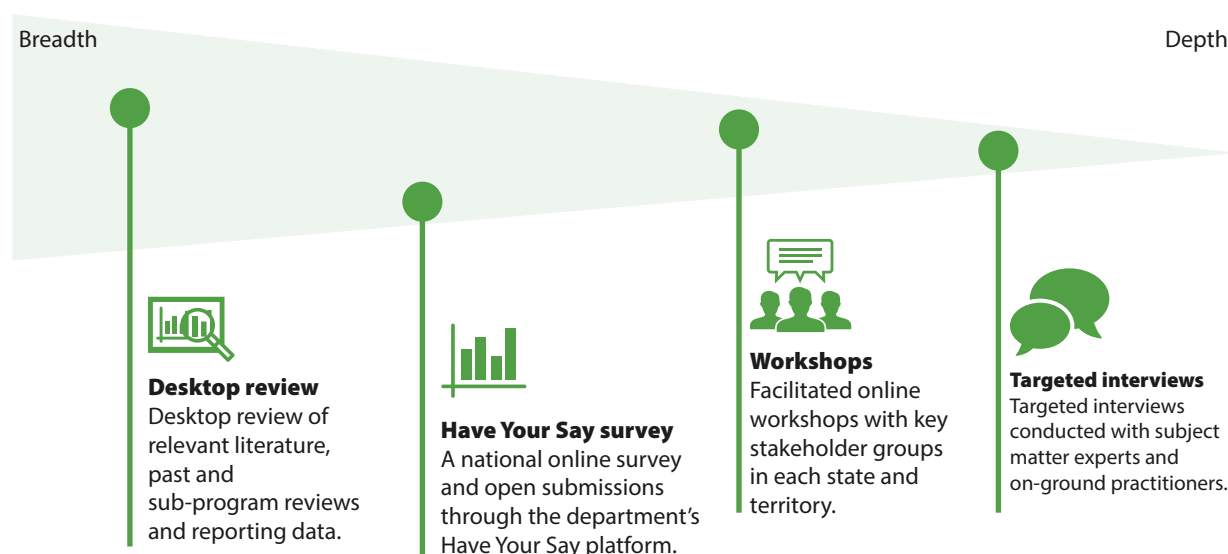
The review considered information from the following sources:

- The NLP phase two sub-program reviews being undertaken in 2021
- A public Have Your Say survey and written submissions
- A set of targeted one-on-one stakeholder interviews with key organisations and individuals
- A series of targeted national and regional stakeholder virtual workshops, which included regional NRM organisations, grassroots volunteer organisations, private land conservationists, Indigenous organisations, farmer groups, industry peak bodies, research providers, non-government organisations, the Australian Government and state and territory agencies
- Available reporting data under the NLP phase two and its sub-programs
- The objectives of other government initiatives directed to environmental protection, sustainable agriculture and natural resource management
- The report on the 2016 review of the NLP phase one
- Other relevant sources and literature discoverable during the term of the review.

1.3 Review process

The review was conducted between September and December 2021. During this time, extensive stakeholder engagement and desktop analysis was conducted to inform the findings against the terms of reference. Figure 1 describes the mixed methods research approach used for the review.

Figure 1. The mixed methods research approach used for the review.



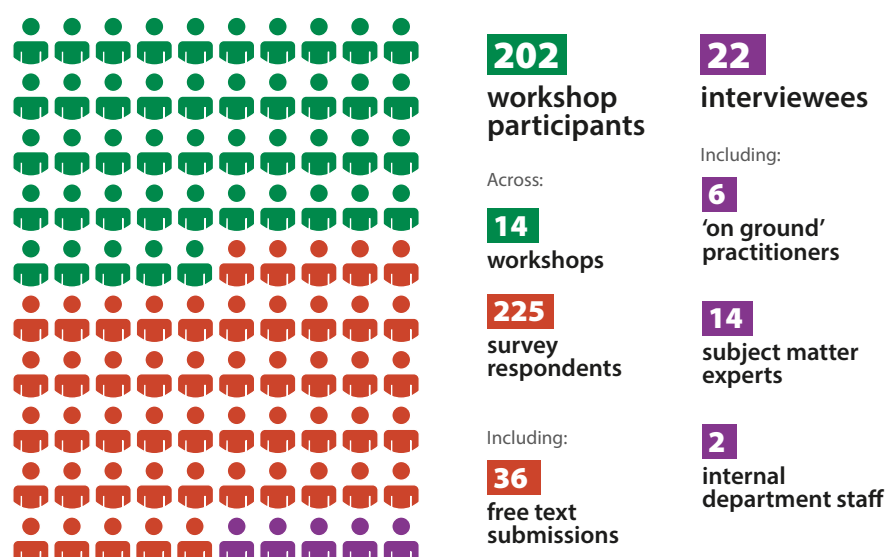
1.3.1 Stakeholder engagement

The review considered contributions from a broad cross-section of the community through 14 workshops conducted virtually with stakeholders across the country, 225 responses to an online Have Your Say survey (including 36 free-text submissions) and 22 targeted interviews with key organisations and individuals. Participants came from all states and territories and represented regional NRM organisations, environment groups, farmer groups, industry peak bodies, research providers, Indigenous organisations, grassroots volunteer organisations, private land conservationists, non-government organisations, and Australian Government and state and territory agencies.

The department gratefully acknowledges the time and resources committed by organisations and individuals to the review. The review is intended to reflect views on the performance of the NLP and suggestions for consideration of future improvements to the program. A snapshot of the points of engagement throughout the review are provided in Figure 2.

Figure 2. Stakeholder engagement snapshot.

449 points of engagement



1.3.2 Expert Reference Panel

The review was supported by an Expert Reference Panel (ERP) with representation from the following organisations:

- Australian National University Fenner School of Environment & Society
- NRM Regions Australia
- Australian Land Conservation Alliance
- Landcare Australia
- National Farmers' Federation
- Queensland University of Technology School of Biology and Environmental Science
- National Landcare Network
- Curtin University School of Molecular and Life Sciences
- North Australian Indigenous Land and Sea Management Alliance
- Western Australia Grower Group Alliance.

The ERP provided the department's review team with independent expert advice and guidance on stakeholder consultation activities and the report drafting process of the review. The department reserved the final authority on the review document submitted to the Natural Heritage Ministerial Board for consideration.

The support of the ERP has been invaluable for the development of the review. The department gratefully acknowledges their contribution.

1.4 Focus of the review

The review delivers against its terms of reference and intent to reflect the views of a broad section of stakeholders on the performance, challenges, and options for the future of the NLP. The review is not intended to make any quantitative, financial, or academic conclusions, and is instead a qualitative reflection of views across a broad section of the NLP's stakeholders. Furthermore, the review is not intended to make recommendations to the Australian Government, but to identify opportunities for improvement for the next phase of the NLP that are consistent with long-term strategic investment priorities.





Section 2

Overview of the National Landcare Program

This section introduces the purpose, history and current design of the NLP. The section also provides an overview of the NLP's operating environment and how this may influence NLP moving forward.

2. Overview of the National Landcare Program

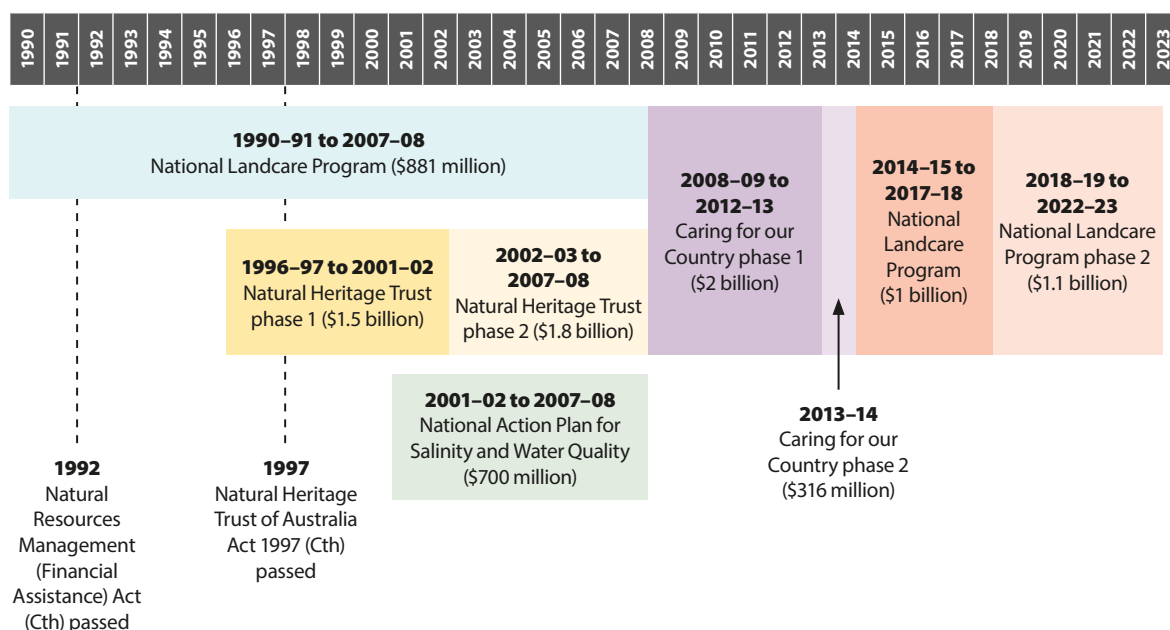
2.1 What is the NLP?

The NLP is a key part of the Australian Government's long-standing commitment to environmental protection, sustainable agriculture and natural resource management. While it is complemented by concurrent national initiatives with similar objectives, it is a flagship funding mechanism for Australian Government investment in environmental conservation and sustainable land management.

The concept of the NLP has been continuously evolving since its inception in 1990. Its first iteration was developed following an agreement between the Australian Government, state and territory governments, and local representatives that national leadership was required to address environmental protection, sustainable agriculture, and natural resource management issues. From 2008, the NLP was replaced by a multi-year funding initiative called Caring for our Country. This initiative was re-titled the NLP in 2014. Figure 3 gives an overview of how the NLP concept has evolved between 1990 and 2021.

Funding for the NLP (and predecessor programs) is largely drawn from the Natural Heritage Trust special account (NHT), established by section 4 of the NHT Act. The NHT is an ongoing funding appropriation for environmental protection, sustainable agriculture and natural resource management, and is delivered through phased multi-year programs that allow for a review point ahead of the next phase of funding.

Figure 3. History of Australian Government investment in the NLP.¹



¹ Department of the Environment and Energy (DEE) and Department of Agriculture and Water Resources (DAWR), *Report on the Review of the National Landcare Program*, 2017, Australian Government.

2.2 Where is the NLP now?

Phase two of the NLP began in 2018 with a \$1.1 billion commitment from the Australian Government over 5 years to 2022–23. Phase two incorporates changes recommended by the first phase of the NLP review published in 2017. The NLP phase two consists of sub-programs and other investments that contribute to complementary initiatives. A selection of key sub-programs and initiatives are outlined below.

NLP phase two sub-programs and key other investments	Regional Land Partnerships, (including Bushfire Wildlife and Habitat Recovery)	The Regional Land Partnerships Program is the largest component of the NLP phase two to support a range of projects that deliver national priorities at a regional and local level. Projects address the recovery of species identified under the Threatened Species Strategy, protecting threatened ecological communities, reducing threats to our globally-important wetlands and world heritage sites, and increasing the capacity of our farms to adapt to climate change and evolving market demands.
	Smart Farms	Projects to support farmers, fishers, foresters, land managers and regional communities to develop and adopt best practice tools and technologies to improve the protection, resilience and productive capacity of soils, water and vegetation.
	Indigenous Protected Areas	Indigenous Protected Areas (IPAs) are areas of land and/or sea country managed by Indigenous groups as protected areas for biodiversity conservation through voluntary agreements with the Australian Government.
	20 Million Trees	Projects to re-establish green corridors, urban forests and threatened ecological communities. The program focused on four strategic priorities: establish 20 million trees by 2020; support local environmental outcomes by improving the extent connectivity and condition of native vegetation that supports native species; work cooperatively with the community; reduce Australia's greenhouse gas emissions.
	Environmental Small Grants	Small grants for local community projects that protect and conserve Australia's water, plants and animals and the ecosystems in which communities live and interact.
	Threatened Species Recovery Fund	Support for communities to actively protect threatened species, leverage additional investment and assist with delivering on the targets and actions areas in the 2015 Threatened Species Strategy.
	Implementation of Reef 2050	The Reef 2050 Long-Term Sustainability Plan is the Australian and Queensland Government's overarching framework for protecting and managing the Great Barrier Reef to 2050. The Plan aims to improve the Reef's health and resilience by delivering coordinated local, national and global action across areas such as limiting the impacts of climate change; reducing impacts from land-based and water-based activities and protecting, rehabilitating and restoring reef habitat, species and heritage sites.
	Bush Blitz	Bush Blitz is a partnership between the Australian Government, BHP Billiton and Earthwatch Australia to survey and document the native plants and animals in Australia's reserves.
	Centre for Invasive Species Solutions	The Centre for Invasive Species Solutions works to address the impact of invasive plants and animals across Australia through innovative research, the development of new tools, products and practices, and by engaging the community to support the management of invasive species.

The most significant sub-program of the NLP phase two is the \$450 million investment in RLP to support the activities of 50 regional NRM service providers covering 54 NRM management units, with additional support for the marine environment through Oceanwatch and an Indigenous natural resource management body – the Torres Strait Regional Authority.

Funding delivered through phase two of the NLP comes from the NHT, although funding for some components under the umbrella of the NLP phase two has been transferred out of the NHT. For example, IPAs are funded through both the NLP phase two (\$15 million, administered by the Department of Agriculture, Water and the Environment and the National Indigenous Australians Agency) and the Indigenous Advancement Strategy (\$93.5 million, administered by the National Indigenous Australians Agency).

The NLP phase two distributes funding across its sub-programs through 3 delivery methods: procurement, competitive grants and non-competitive grants. Table 1 shows the different delivery mechanisms of the sub-programs.

Table 1. The NLP phase two sub-programs and delivery mechanisms.

		Funding delivery method		
		Procurement	Competitive Grants	Non-competitive Grants
The NLP phase two sub-programs	20 Million Trees	✓	✓	✓
	Bush Blitz	✓		
	Centre for Invasive Species Solutions	✓		
	Environmental Small Grants		✓	
	Indigenous Protected Areas*		✓	✓
	Implementation of Reef 2050	✓	✓	✓
	Regional Land Partnerships, (including Bushfire Wildlife and Habitat Recovery**)	✓		
	Smart Farms		✓	✓
	Threatened Species Recovery Fund		✓	✓

**Excludes the funding for existing Indigenous Protected Areas projects, which comes from the Indigenous Advancement Strategy. **Excludes funding for Bushfire Wildlife and Habitat Recovery that comes from the Environmental Restoration Fund and the Department of the Treasury.*

2.3 Operating environment of the NLP

The NLP operates within a complex and dynamic landscape, and this should be taken into consideration when reviewing the NLP phase two. It is not possible to isolate the NLP's outcomes from the environment in which those outcomes take place.

One of the biggest influences on the NLP is the changing physical environment and climate, and the resulting shift in global, national and regional priorities. Key reports, most notably the 2016 State of the Environment Report, show overall trends of environmental decline that are exacerbated by climate change. Furthermore, the Threatened Species Strategy Year Five report indicates the population trajectories of most priority species failed to improve between 2015 and mid-2020, with the effects of climate change one of the key threats to native flora and fauna. This has been a recurring theme in the engagements conducted as part of the review, as stakeholders become increasingly concerned about the decline of the environment.

As a result of the continuing decline in the state of the environment, and the risks this poses to the Australian economy more broadly, the interest and role of non-agriculture industries in Australia's environmental protection, natural resource management and sustainable agriculture is increasing. For example, there is growing demand to assess and quantify ecosystem services and biodiversity outcomes from government, industry, and the community in order to establish environmental markets, including the development of environmental economic accounting, measurement and data frameworks. Events such as the 2019–2020 Black Summer Bushfires have highlighted the imperative to build adaptive capacity and climate resilience, as well as the value of community solidarity and volunteerism. These trends will be especially important to consider in the design and execution of the NLP going forward.

It is important to consider the NLP in the context of the broad range of other initiatives funded by state and territory governments, the private sector and philanthropy, and the Australian Government. Discussion on the different types of complementary initiatives can be found in Section 3.1.2. Many of the initiatives discussed in Section 3.1.2 have emerged during the delivery of NLP phase two and can be built on for future phases of the NLP. The specific intended outcomes of other non-NLP initiatives vary widely, but in broad terms aim to improve environmental protection, sustainable agriculture and natural resource management.

What is common among these initiatives funded by the Australian Government is they all interact heavily with and rely on the participation of a complex web of stakeholders who are part of Australia's environmental protection, sustainable agriculture and natural resource management system. The diversity and scale of the Australian Government's initiatives and the different ways in which stakeholders can get involved with them can become challenging to navigate; however as outlined in Section 4, there is an opportunity for future iterations of the NLP to increase the impact of its investment by leveraging complementary initiatives.





Section 3

Review of the National Landcare Program Phase Two

This section articulated the findings of the review against each of the terms of reference.

3. Review of the National Landcare Program Phase Two

3.1 The effectiveness of the NLP phase two in delivering its intended outcomes

This section reviews the effectiveness of the NLP phase two in delivering sustainable agriculture, environmental and biodiversity outcomes, and broader community benefits.

3.1.1 The NLP phase two is perceived by program participants to be contributing to improved sustainable agriculture, environmental and biodiversity outcomes, and broader community benefits.

The intended outcomes of the NLP are broadly understood to be synonymous with how the funding can be used under the NHT Act. Therefore, the review sought stakeholder views of the effectiveness of the NLP sub-programs in delivering outcomes against environmental protection, sustainable agriculture and natural resource management. Further discussion of how the outcomes of the NLP are understood can be found in Section 3.2.

Participants and stakeholders of the NLP phase two expressed that the sub-program activities contribute to improved sustainable agriculture, environmental and biodiversity outcomes, and broader community benefits in local areas.

"Workshops and information shared in the community are increasing awareness and slowly changing practices." – Survey respondent

"Our investment does make a difference... if we hadn't made this investment what would our environment look like?" – Workshop participant

"Community members have greater skill sets and training due to NLP phase two investment and there have also been new groups formed due to investment, building foundations for future community roles in NRM." – Survey respondent

Of the on-ground practitioners and program coordinators who responded to the Have Your Say survey, 70% indicated the NLP phase two had a positive or significantly positive effect on sustainable agriculture and aquaculture in their region over the past 4 years. The survey showed 76% of respondents indicated the program had a positive or significantly positive effect on their region's biodiversity and environment over the same period. Improved skills, employment opportunities, and positive social and mental health outcomes were some of the broader community benefits described by stakeholders.

The strengths of the program that enable this include: its broad focus; the variety of its delivery mechanisms and the ability of these mechanisms to get funding on the ground; the long-term nature of its projects; and the observed shift of its monitoring and evaluation systems to include the measurement of outcomes. Stakeholders valued where sub-programs invest in relationship and capability building at a community level, for example through the RLP sub-program's Regional Agriculture Landcare Facilitators (RALFs) role.

The NLP phase two has many strengths that enable it to be effective at the local level. An example of outcomes achieved at a regional scale is given in Case study 1 – *Achieving environmental protection outcomes for the Gondwana Rainforests*.

Case study 1: Achieving environmental protection outcomes for the Gondwana Rainforests

Bell Miners are native honeyeater birds with aggressive and gregarious traits that negatively impact on eucalypt forests. The Bell Miner birds work to exclude other birds which prey on psyllids, a tiny sap-sucking insect. The Bell Miners feed on the sugary coating of the psyllid, but rather than kill the insect, they farm them into larger numbers that stress and kill eucalyptus trees. This process is known as Bell Miner Associated Dieback (BMAD) and is identified as a threatening process under the NSW *Threatened Species Conservation Act 1995*.

Using funding from the NLP and the NSW Saving Our Species program, North Coast Local Land Services and Northern Rivers Fire and Biodiversity Consortium are midway through a 5-year BMAD intervention project. They are supporting local volunteers and Indigenous groups to map, diagnose and intervene in BMAD using a variety of weed and fire management techniques.

The project is restoring hundreds of hectares of BMAD affected forest in the Gondwana Rainforests. Over time, data will be collected which will improve advice to landholders and public land managers on how to manage BMAD affected forest, enabling the success of the project to be scaled beyond the local area.



Image source: North Coast Local Land Services

3.1.2 The operating environment for the NLP is one of increasing pressures on Australia's natural resources.

Outside of the NLP, there are a variety of other public and private initiatives contributing to environmental protection, sustainable agriculture and natural resource management outcomes. In addition to the NLP, key complementary Australian Government investments include:

- Agricultural Biodiversity Stewardship Package
- Bushfire Recovery for Wildlife and their Habitat
- Reef Trust
- Environment Restoration Fund
- Indigenous Ranger Programs
- National Soil Package
- Bushfire Recovery for Species and Landscapes
- Future Drought Fund
- National Environmental Science Program
- Communities Environment Program.

There is also a myriad of other private investments into environmental protection, sustainable agriculture and natural resource management, including:

- Qantas Airlines, who have recently introduced a "Green Tier" frequent flyer reward system to encourage customers to complete sustainable activities in exchange for points²
- NRMA Insurance, who, through their Koala Home Insurance program, are committed to planting homes for koalas, partnering with Conservation Volunteers Australia and tackling climate change³
- Banrock Station, who have contributed to over 130 projects across 13 countries, from maintaining wetlands in the Riverland to protecting the turtles in the Great Barrier Reef⁴.

The states and territories also make investments in environmental protection, sustainable agriculture and natural resource management. For example, the Queensland Government has invested \$61 million between 2018 and 2022 to ensure the state's natural land and water resources are sustainably managed.⁵

Despite the scale and scope of investment into addressing environmental challenges, reports such as the 2016 State of the Environment Report describe an overall trend of decline in Australia's natural environment.⁶ The recent review of Australia's *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) states "Australia's natural environment and iconic places are in an overall state of decline and are under increasing threat."⁷ The 2020 State of the Climate report released by the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the Sixth Assessment Report from the Intergovernmental Panel on Climate Change indicate that climate trends and associated hazards are going to increase in severity and frequency. These include an increase in global temperatures and heatwaves, marine heatwaves, sea level rise, variable and intense rainfall, and longer and more dangerous fire weather. Cool season rainfall decline in southern and eastern Australia will also continue. These pressures on the physical environment will exacerbate trends of environmental decline and compromise the effectiveness of interventions.

2 Energy Matters, *New Qantas "Green Tier" Rewards Sustainable Frequent Flyers*, 2021, accessed 6 December 2021.

3 NRMA Insurance, *Koala Home Insurance: Our Commitment*, n.d., accessed 6 December 2021.

4 Banrock Station, *Our Purpose: We're genuinely committed to our environment*, 2021, accessed 6 December 2021.

5 Queensland Government, *Natural resources investment program*, 2021, accessed 29 November 2021.

6 United Nations, *Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) 7th Session Report*, 2019.

7 S Graeme AC, *Independent review of the Environment Protection and Biodiversity Conservation Act 1999*, 2020.

Stakeholders were quick to point out the condition of Australia's natural resources would be much worse if the NLP did not exist. The review concluded that while the NLP was effective at the local and, to a lesser extent the regional level, where government funding hits the ground, this on-ground impact was not at a scale required to translate into national outcomes.

The review notes there is an opportunity to achieve impact at a larger scale by better coordinating the complementary programs, activities and investments being made in Australia's environmental protection, sustainable agriculture and natural resource management system. The NLP can help to coordinate action by ensuring a clear overarching framework and objectives for investment. Section 4 examines future opportunities for the NLP based on the review findings, enabling the NLP and other investments in environmental protection, sustainable agriculture and natural resource management to achieve impact at a larger scale.

3.2 The appropriateness of the NLP phase two objectives

This section looks at the appropriateness of the NLP phase two objectives and considers the strategic role of these objectives in achieving national environmental, sustainable agriculture and natural resource management priorities.

3.2.1 The 3 focus areas of the NHT Act – environmental protection, sustainable agriculture and natural resource management – are broad, which provides flexibility for the Australian Government to fund a wide range of sub-programs and activities under the NLP based on national priorities.

The review found that in lieu of distinct objectives, the NLP phase two investments are guided by 3 broad focus areas, including environmental protection, sustainable agriculture and natural resource management, as defined by the NHT Act. Each of the NLP phase two sub-programs contributes to one or more of these focus areas, as described in Table 2. While the broad nature of the focus areas provide flexibility for the NLP to distribute funds towards national priorities, the lack of clearly defined objectives can make it difficult to determine the NLP's impact and communicate national priorities for the program to stakeholders.

Table 2. Focus areas of the NLP phase two sub-programs.

Focus area Sub-program	Environmental protection	Sustainable agriculture	Natural resource management
20 Million Trees	✓		✓
Bush Blitz	✓		✓
Centre for Invasive Species Solutions	✓		✓
Environment Small Grants	✓		✓
Indigenous Protected Areas	✓		✓
Implementation of Reef 2050	✓		✓
Regional Land Partnerships, (including Bushfire Wildlife and Habitat Recovery	✓	✓	✓
Smart Farms		✓	✓
Threatened Species Recovery Fund	✓		✓

While no whole-of-program objectives exist at the NLP level, objectives are more clearly defined at the sub-program level. The result is that stakeholders understand the individual aims of the sub-programs, but often do not identify with the NLP or cannot distinguish between the NLP and other Landcare brands. Moving forward, each of the NLP sub-programs should have a framework of objectives that clearly maps out an overarching path to the NLP's intended outcomes. The framework used in the RLP sub-program is a good example which could be adapted to a whole-of-program framework so that the NLP can be better understood and evaluated as a whole.

"A key strength of RLP is the program logic which provides a solid foundation in delivering biodiversity priorities from national strategies, recovery plans and conservation advice at the regional level. This ensures that activities are targeted and effective at achieving conservation outcomes." – Submission

"The program logic model is good. This is working well to connect what we are doing to the on-ground actions." - Workshop participant

"Strongly embedded in the RLP...the program logic approach has been very successful. This provides a robust logic for articulating expected outputs and outcomes over time." – Submission

3.2.2 The NLP's changing operating environment may require a shift in the focus for investment.

In setting future objectives for the NLP, there may be options to consider how the effects of external influences are exacerbating pressures on the operating environment for natural resource management and what this may mean for the efforts of sub-programs pursuing environmental and sustainable agriculture outcomes.

For example, a warming climate is expected to introduce new challenges such as a geographic shift of ecological communities from their current locations. In some cases, this shift may be limited by geographical or human made barriers and competition from species already there or existing agriculture and human settlement.

Other related changes to the operating context, such as increased risk of extreme events such as bushfires, heatwaves and flooding, and the movement of people away from regional areas may negatively impact the ability of the NLP projects to be delivered at a local or regional level due to reduced capacity.

The sixth long-term outcome of the RLP sub-program, “agriculture systems have adapted to significant changes in climate and market demands”, is an example of how the NLP phase two is facilitating a response to increased pressure on the agriculture industry from the effects of climate change. Consideration of climate change adaptation and the role of natural capital markets is an example where an overarching NLP objective could be applied across all NLP sub-programs.

The broad consensus of stakeholders indicated careful consideration of an overarching set of strategic objectives and associated communications approach would support the NLP. These considerations of the design of objectives will likely ensure the NLP continues to fund a wide range of activities and remain responsive to changes in its operating environment.

3.2.3 Local community and Indigenous priorities do not always connect with national priorities for Australian Government investment.

The review revealed governments, industries, and communities are all trying to make positive impact in the 3 focus areas of the NHT Act – environmental protection, sustainable agriculture and natural resource management. While this is a broad scope that allows for a diverse range of activities, regional representatives, Indigenous communities and on-ground volunteers feel some of their priorities (specifically coastal management, marine care, capacity building, and threatened species) are not recognised by the NLP phase two. Stakeholders did not often view the national priorities as translating into local issues, potentially driving down volunteer engagement with the NLP sub-programs.

“As organisations we work quite a lot on our regional priorities. We’re finding that with the staged rollout of NLP, we need to do a lot of work to shoehorn those priorities into the NLP opportunities or outcomes.” – Workshop participant

Stakeholders spoke of a lack of focus across the NLP in identifying Indigenous priorities for on-ground action to improve management of environmental and cultural assets. The review heard there is a desire to have more Indigenous decision makers involved in determining the NLP’s objectives moving forward.

3.2.4 There is ambiguity surrounding the overarching objectives for the NLP and how sub-programs are working together to achieve those overarching objectives.

The NLP was strategically named to harness the success and influence of the Landcare movement, to further promote work towards natural resource management, and emphasise the importance of local action as one of its core principles. However, the review found the NLP does not reflect a particular purpose and structure and there is often confusion between the NLP and other initiatives such as Landcare Australia and the National Landcare Network.

“We don’t generally know which government and/or which program funds what in the region.” – Survey respondent

“Not sure people beyond the correct circles would know much about it. Utilising Landcare in the title bundles it all in the one basket of what people believe Landcare is and stands for.” – Survey respondent

In contrast to the 'brand confusion' surrounding the NLP, the Future Drought Fund — a \$5 billion Australian Government investment into community drought preparedness — has a clear recognisable brand and 5 overarching objectives linked to drought resilience:

- Harnessing innovation
- Better risk management
- Better climate information
- More resilient communities
- Better land management.

This helps to communicate the purpose and focus of the Future Drought Fund programs to stakeholders.

Having a clearly articulated set of overarching objectives for the NLP would provide a framework to stakeholders that links local priorities and on-ground delivery back to the broader national priorities, facilitate opportunities for co-design of projects and improve coordination of effort. This would also help demonstrate how all sub-programs are aligned with the overarching objectives of the NLP and enable the early identification of gaps and overlaps in investment.

3.3 The effectiveness and efficiency of delivery arrangements

This section looks at the effectiveness and efficiency of delivery arrangements including procurements, grants, and payments to states in delivering the intended outcomes for the NLP phase two.

3.3.1 One of the NLP's key strengths is its mix of different funding delivery mechanisms.

The NHT account is a standing special account that allows funding to be distributed in a relatively agile manner. In contrast, other environmental protection, sustainable agriculture, and natural resource management programs are funded by more rigid appropriations allowing less room to adapt to the changing needs of the environment. As outlined in Section 2, the NLP phase two distributes funding across its sub-programs using 3 delivery mechanisms, procurement, competitive grants and non-competitive grants. Having a mix of different mechanisms gives the Australian Government flexibility to quickly get funds to multiple groups in response to changing priorities.

"There are a range of different funding mechanisms and you have to pick the best one depending on what you're trying to do." – Interview participant

"The Service Provider contract allows for greater flexibility and short-term responsiveness. For example, the Australian Government was able to utilise the primary core services contract to add further projects and funding in response to identified mutually shared needs. This has enabled regional organisations to assist in responding to Bushfire Recovery, Drought Resilience and Threatened Species initiatives and deliver Australian Government priorities in a timely and efficient way." – Submission

Having a mix of delivery mechanisms is a key strength given the dynamic operating context in which the NLP operates. It was particularly valuable during the Australian Government's response to the Black Summer bushfires from 2019–2020. Existing service agreements allowed for additional funding to be channelled to service providers to assist in recovery. The localised understanding service providers have of their regions, in addition to their existing connections to the land, allowed for streamlined delivery of funds. This example is further explored in Case study 2 – *Using the NLP's flexible funding mechanisms to deliver funds to the ground in response to the 2019–2020 Black Summer bushfires.*

"Flexibility of delivery mechanism to events like bushfires, COVID-19, etcetera, are effective to achieving outcomes where there is a rapid change in the operating environment." – Workshop participant

Stakeholders also reported a high degree of satisfaction with the department's administrative delivery of the NLP and its interactions with funding recipients.

There are pros and cons to all funding delivery methods, but with the longevity of the current iteration of the NLP and the outcomes it has achieved so far, it can be seen as a best practice method for other initiatives to adopt over time. This aspect of the NLP delivery arrangements should be continued.

Case study 2: Using the NLP's flexible funding mechanisms to deliver funds to the ground in response to the 2019–2020 Black Summer bushfires

The 2019–2020 Black Summer bushfires took a tragic toll on human life, property and communities. The effects on wildlife and threatened species were also devastating. The flexible funding arrangements that characterise the NLP enabled funding to quickly mobilise recovery efforts. Bushfire Wildlife and Habitat Recovery funding was distributed through the RLP service providers to target priority areas and impacted species through a comprehensive program of work. Emergency response actions including feral animal control, weed management, and erosion mitigation were implemented quickly to start the recovery and rehabilitation of impacted areas. For example, endangered hanging swamps of the Greater Blue Mountains World Heritage Area took thousands of years to form and have face several threats following the Black Summer bushfires. Through the NLP's Regional Land Partnerships sub-program, a Bushfire A Bushfire Wildlife and Habitat Recovery project was funded to treat invasive weeds and install erosion control to help to save these ancient landscapes.

The fires left the ground hard and devoid of foliage and were followed by heavy rains and flooding which washed the delicate peat soils of the swamps away. This allowed invasive weeds like Gorse, Broom and Himalayan Honeysuckle to invade the swamps with further threats of erosion from the extreme environmental events. The project installed erosion control structures to help slow run-off so that water can seep into these ground-water-dependant ecosystems. Many native species depend on the hanging swamps of the Blue Mountains that serve as filters for water flowing into Lake Burrator. The project was part of considerable bushfire recovery work happening across south and eastern Australia to recover essential habitat for threatened species, including the Blue Mountains Water Skink and the Giant Dragonfly. According to the Greater Sydney Local Land Service who managed the project in partnership with the Blue Mountains City Council, the bushland has been regenerating itself well, so it was timely for professional bush regenerators to access the sites, treat the weeds and install the erosion control needed without disturbing the delicate new growth of native plants.



Image source: North East Catchment Management Authority

3.3.2 Funding delivery that allows for longer, more flexible project timeframes is highly regarded.

Stakeholders observed projects funded beyond 3-year periods are more impactful than those funded for shorter periods. Providers, grant recipients, delivery partners and practitioners all said longer timeframes for projects allow for more to be achieved compared to those projects funded for shorter periods. Longer timeframes are preferred because it allows for long-term effects to be observed. Flexible timeframes are appreciated as they allow for project delivery to continue despite complicating factors, such as seasonal weather and farming cycles.

"NLP phase two has led to significant improvements in land manager and community capacity to protect habitats and to embark on long-term projects, with 5 years enabling the time to firstly collect baselines and lay project foundations, then to proceed through initial stages to begin to see real and tangible responses to investment." – Survey response

"Having a 4-year program allows for time to get results and time to engage at scale." – Workshop participant

"Make timeframes more flexible to align funding cycles with farming cycles." – Workshop participant

Future iterations of the NLP should keep mechanisms that allow for 3–4-year project duration and flexibility in project delivery. Including continued monitoring after projects are completed, and opportunities for longer-term projects (5–7 years) would be welcomed by stakeholders.

3.3.3 The procurement model of funding delivery for some components of the NLP and a centrepiece of the Regional Land Partnerships (RLP) sub-program, is effective and well-received by the community.

A significant portion of the NLP phase two funding is channelled through existing long-term partnerships with service providers under the RLP sub-program. The RLP service providers prefer this procurement model compared to the previous grants model used in the NLP phase one. It allows for funding to be directed to regional issues quickly and flexibly, is more efficient, and providers have greater clarity on what services they will be required to provide.

This flexible procurement model has the additional benefit of less administrative burden on both service providers and the department, allowing more time and resources for on-ground impact. Service providers also report having strong, trusted relationships with the department through this long-term model, through regular meetings and open discussions. Furthermore, the flexibility of the procurement model has allowed for complementary investments, like the Agricultural Biodiversity Stewardship Package, to efficiently tap into the RLP program.

"The streamlined reporting and invoicing processes of the procurement model is preferred over the grants model under NLP1 overall." – Submission

"The procurement delivery method has proven more efficient and effective for the delivery of activities and is preferential to grants or other mechanisms. It has provided greater clarity around the services to be provided." – Submission

"The procurement model is better than the grants model as it is more flexible." – Workshop participant

The review found the procurement model does not require significant adjustment for the RLP sub-program. Opportunities to streamline processes and reduce inefficiencies are suggested in Section 4.

3.3.4 The most effective projects are co-designed between all relevant stakeholders.

Stakeholders reported achieving significant impact where projects were co-designed with all relevant parties. In the case of the initial tender process for the RLP sub-program, co-design was restricted by probity requirements. As the selection process was based on a combination of the service provider's capabilities and its proposed projects, probity prevented potential service providers from co-designing projects with the department, neighbouring service providers and community groups. It limited opportunities to combine resources across regions and establish partnerships.

"There were issues with probity during tendering that limited the ability to develop cross-regional projects that address landscape scale outcomes." – Workshop participant

"A model which better supports cross-regional partnerships, information sharing and learning at tender/design phase and throughout project delivery would improve the overall efficiency and effectiveness of the program, and support continual improvement in delivery approaches. This is a definite weakness of the procurement model, which prevents sharing of information on tenders, and does not actively encourage partner projects." – Submission

"It would be better to be working with the department during project design to avoid substantial changes later." – Workshop participant

There is an opportunity to explore how funding may be delivered in a way that enables greater co-design of projects with the department. Stakeholders of the RLP sub-program are interested in the potential to improve project design by embedding co-design principles in the design process. This could be done by separating provider selection from project selection. Firstly, a panel of providers could be selected based on an assessment of their capabilities. Then, the department could work with one (or multiple) providers to design high quality projects. Where relevant, other stakeholders could also be included. For example, if the project in question relies on volunteers for delivery, then local community groups could be involved in the project design process.

3.3.5 Small grants are highly appreciated by local community groups and can be made more streamlined and accessible.

The review found sub-programs that deliver funds through grants, such as 20 Million Trees, Environmental Small Grants, and Smart Farms Small Grants are the primary source of funding for community groups to deliver on their priorities.

"We were able to access Environmental Small Grants, 20 Million Trees, some funding through regional body, and Smart Farms." – Workshop participant

"Smart Farming grants are great value...We get the opportunity to deliver what's wanted in the community." – Workshop participant

"Access to small grants funding is essential to support Landcare groups in their priorities including for activities like training, demonstration sites and events...Small grants programs with easy application processes and low admin overheads are very effective." – Submission

Community groups also feel they are being crowded out of participating in the NLP phase two, due not only to limited supply of grant type funding, but also being unable to compete with larger, better resourced corporations. This is perceived by some as contradicting with the tradition of the Landcare movement, which grew from volunteerism and local community-led projects.

"Our small community group has had to compete with all the large corporate bodies for the same funding. We spent considerable time and funds applying for Smart Farms and Small Environmental Grants and got knocked back on all." – Survey respondent

"The delivery of funding is unreachable to people at grassroots level." – Survey respondent

"There are limited opportunities for Indigenous organisations to secure direct funding for larger projects as part of NLP." – Interview participant

The complexity of the grants process also points to potential efficiency gains in the way grant applications are administered. The NLP phase two uses Business Grants Hub and Community Grants Hub to deliver grants under its sub-programs. Stakeholders would like to see a more streamlined and user-friendly grant application systems for community groups.

"The NLP phase two grant application forms were not user friendly or flexible." – Survey respondent

"Funding processes and pathways need to be streamlined to be more friendly to community Landcare." – Survey respondent

Grants remain an important funding delivery mechanism for the NLP to provide local communities an opportunity to deliver against national priorities in a way that is meaningful at the local level. There is potential to improve engagement of local community groups and volunteerism in the NLP through increased opportunities for streamlined small grants aimed at grassroots volunteer groups. An example of how grants mobilise the community is provided in Case study 3 – *20 Million Trees – improving biodiversity through community engagement and volunteerism*.



Image source: Project team undertaking potting activities © Greening Australia

Case study 3: 20 Million Trees – improving biodiversity through community engagement and volunteerism

As part of the 20 Million Trees program, the volunteer driven One Tree Matters project identified unused degraded land to create and enhance habitat for local threatened native species and ecosystems. The project aimed to support the endangered southern cassowary and mahogany glider through the creation of habitat and rehabilitation of riverbanks and riparian zones. It targeted areas across the distribution of the broad-leaved tea-tree woodland in the coastal north Queensland threatened ecological community.

Local community volunteers and contract labourers collaborated to expand the efforts of local community groups. Public participation was facilitated through 6 community tree planting days, which increased the community's knowledge and skills in habitat restoration. The project also benefited from support from Indigenous community hubs, who provided advice about the site. This assisted with the identification of what species were appropriate for planting and contributed to the transfer of knowledge about the land's history and how land use had changed over time. The diverse range of tree stock was sourced from local community nurseries and suppliers, supplemented by the propagation of trees and seeds being collected by the project team. A seed bank was created and made available to the cassowary recovery team to promote population growth and enhancement of the species.

Thanks to volunteer efforts, the biodiversity and resilience of the ecological community was increased. Invasive pest species were reduced in numbers, allowing for an increase in insect and small reptile populations. Native grasses re-emerged, the riverbank stabilised and there was an increase in water filtration of silt runoff in rain events. This project increased engagement with the local community to build forests and increase social networks for the common goal of environmental preservation. In total, 12,025 trees were established.

The review of the 20 Million Trees program found it achieved its 4 objectives in establishing 20 million trees by 2020, improving native vegetation, supporting native species, working cooperatively with the community, and contributing to Australia's carbon sequestration, sequestering 1.47 to 2.95 million tonnes CO₂ on average over the decade from 2021 to 2030. The program established 29,508,062 trees and 4,061,837 understorey plants through 235 projects, planting over 2,500 species. This resulted in revegetation of more than 30,000 hectares, complemented by treating 17,958 hectares for weeds to ensure ecosystem health. The program also demonstrated strong social outcomes, by mobilising 96,654 volunteers and employed 141 Indigenous people in ranger and non-ranger positions.



Image source: Aerial view of a 20 Million Trees Program urban tree planting project © City of Greater Geelong

3.4 The effectiveness of engagement with regional communities, Indigenous communities, industry, and research institutions

This section looks at the effectiveness of the NLP phase two in engaging the participation of regional communities, Indigenous communities, industry, and research institutions in delivering the intended outcomes of the NLP phase two.

3.4.1 Funding directed at local priorities engages the community and encourages volunteerism.

Stakeholders expressed it has been difficult to see how local objectives connect with national priorities under the NLP phase two.

"It's difficult to match regional priorities with the national. This impacts our ability to plan and progress local projects." – Workshop participant

"It's difficult to address local community priorities due to the top-down approach of Australian Government priorities." – Workshop participant

As the NLP phase two sub-programs depend on the buy-in and labour of local people, they are most successful where local communities can see their priorities are being addressed. This increases their desire to engage with projects and improves delivery.

"Notable activities include those that align with community and landholder values, such as threatened species monitoring, revegetation, and invasive species control. It is highly evident that when these activities are aligned with the regional strategy, as developed by the community, that the outcomes are effective and sustained." – Submission

"People and community know what their priorities are. They know their local area and what needs addressing. Deliver at a regional priority so people are engaged and give political support." – Workshop participant

"Community won't engage with work that is not aligned with local priorities." – Workshop participant

Case study 4 – *Research project on the culturally and nationally important Greater Bilby* provides an example of how having shared priorities can mobilise different groups to collaborate to achieve impact. Using funding to mobilise community volunteers represents a large opportunity for impact. According to the National Landcare Network, there are over 500,000 grassroots landcarers in Australia.⁸ As discussed in Section 3.3, volunteers were engaged well in the NLP phase two through grants distributed to local community groups. For example, through the 20 Million Trees sub-program, which was delivered through a mix of competitive grants, service provider procurement, and non-competitive discretionary grants, over 96,000 volunteers were engaged.

"Volunteerism will always work well because it's driven by passion of people to make a response to local issues." – Workshop participant

As the volunteer base is large and highly motivated, they are a key asset in achieving scaled impact towards environmental protection, sustainable agriculture and natural resource management outcomes. Involving the community more in the co-design of projects and priorities could help direct funding to areas community volunteers care about most.

⁸ National Landcare Network, 2020 Annual Report, 2020, accessed 29 November 2021.

Case study 4: Protecting the culturally and nationally important Greater Bilby

The iconic Greater Bilby plays a significant role as an ecosystem engineer by digging and turning over several tonnes of soil each year. This helps water seep into the soil and cycles nutrients back into the ground. Greater Bilbies were once found across 70% of mainland Australia but are now found in only 20% of their former range due to threats including predation by feral cats and foxes, habitat damage by large herbivores, and changed fire regimes. Protection of the species is a priority at the national and local level. Bilbies are identified by the national Species Profile and Threats Database as requiring a recovery plan and are also culturally important to Indigenous communities.

This shared priority has mobilised several groups to work together to survey for the Greater Bilby and manage threats across its range in the Northern Territory's arid zone. Territory Natural Resource Management, Indigenous Ranger groups, Indigenous communities and a pastoral company have worked together to complete to date 2,500 kilometres of helicopter transects, 55.2 hectares of ground plot searches and scat collections to survey for Greater Bilbies, their predators, and feral herbivores. As a result, 85 active Greater Bilby burrows have been located and many diggings, tracks and scats recorded, which will help inform and direct management activities for the species. This work was funded by the NLP's Regional Land Partnerships sub-program.



Image source: (left) Territory Natural Resource Management, (right) Department of Agriculture, Water and the Environment

3.4.2 When sufficiently resourced, RALFs are effective at building relationships and connecting communities to opportunities.

Employment of RALFs to engage the community is working well. They are valued for their knowledge of local priorities and their ability to be an independent broker of relationships and knowledge.

"Regional Agriculture Landcare Facilitator roles – this is an essential and extremely valuable role for our region in providing linkages across stakeholders and community, supporting the development of collaborative projects and facilitating information and knowledge exchange." – Survey respondent

"[Our RALF] is really good... active in engaging communities to run projects." – Workshop participant

"RALFs are increasing awareness and adoption of Landcare practices for adapting to changes in climate and market demands. Working with not just Landcare groups but also farmer focused industry groups to pass information on to land holders." – Workshop participant

Stakeholders suggested more resources could be dedicated to supporting RALFs in large and diverse NRM management units. Other suggestions include improving the capabilities of RALFs to deliver extension activities and provide better support for relationship building.

"...the region is 32 times the size of Tasmania... whilst it does not have the population it is impacted by high labour costs and extraordinary travel costs ...one RALF in the region is insufficient to cover the sheer distance of travel." – Submission

"Currently, RALFs are often time-poor, especially those covering larger geographical areas, perform a number of roles beyond extension and do not necessarily have the skills, expertise nor resources to provide this support." – Submission

"RALF role is a strong connector. Relationships take years to build but can be lost quickly." – Workshop participant

Given the high value stakeholders place on the RALF role, there is potential for the RALF network to be invested in further to enable continued and increased impact, especially in the areas of community engagement and extension of knowledge.

3.4.3 Engagement with Indigenous communities is working best where Indigenous people lead, or are engaged early in design and decision making.

Desire from non-Indigenous organisations to engage with Indigenous communities in project delivery is high. Stakeholders in the RLP sub-program support the requirement that 4% of service providers' budgets be spent on Indigenous procurement, and some providers are aiming for higher. Indigenous engagement in project delivery is working well in regions where Indigenous communities have the capacity to engage early and participate in design and decision making.

"Ranger programs, Indigenous programs do great work and have potential to work with other programs." – Workshop participant

"Some of the programs have done it really well. Indigenous people are at the front of what happens, how it happens, and where the researchers can go." – Interview participant

"NLP projects provide a great opportunity for Traditional Owners to be engaged on Country and working on projects that also deliver to Country Plans. They have supported increased employment and provided skill development opportunities for Traditional Owners in our catchment." – Survey respondent

There is an opportunity to move past engaging with Indigenous communities and more significantly invest in Indigenous capacity building, participation and leadership.

"Engagement is something that we want to move past. It's the participation. In 10 years' time, we want it to be Indigenous led." – Interview participant

"Indigenous engagement and participation are core to stronger Indigenous ownership and needs to be not only on-the-ground but in leadership and decision making activities as well." – Interview participant

"Participation of Indigenous groups should be done the way that group wants to engage with the project, not force their participation on programs where deliverables are prescriptive and the group need to fit in with the program." – Survey respondent

The leadership and expertise of Indigenous communities in caring for country is recognised and is increasingly being sought. Case study 5 – *Indigenous Protected Areas – Indigenous communities making decisions about Country* describes the IPA program's success. National science initiatives, such as the National Environmental Science Program (NESP), state of the environment reports, the Indigenous Rangers Program, and CSIRO are also working with Indigenous communities to support the strengthening of Indigenous knowledge; sustainable land, water and sea Country-based enterprises; and career pathways for Indigenous people in the management of Country.

Some stakeholders suggested positive impact could be achieved by greater co-design of engagement standards and principles with Indigenous communities. Existing frameworks and methodologies, such as the NESP Indigenous Partnership Principles and Our Knowledge Our Way in Caring for Country, could be leveraged as starting points.

Case study 5: Indigenous Protected Areas – Indigenous communities making decisions about Country

There are currently 78 dedicated Indigenous Protected Areas (IPAs) covering over 74 million hectares of land, equivalent to 9.6% of terrestrial Australia or 46.5% of the National Reserve System (NRS). The IPA projects that are currently in consultation are expected to add over 30 million hectares to the NRS by 2023, placing well over half the NRS under Indigenous management. Over 4 million hectares of sea are also covered by IPAs.

The benefits of IPAs go well beyond the protection of natural and cultural values. A 2016 review of the IPA and Indigenous Ranger programs concluded that every dollar invested by the Australian Government generated \$2.74 worth of social, economic, cultural and environmental outcomes. Other reviews have found the programs contribute to a range of outcomes for Indigenous Australians including higher school attendance rates, better individual and family health and increased well-being and confidence. The programs provide Indigenous people with real economic and employment opportunities, employing around 3,000 Indigenous Australians.

Indigenous communities are making decisions about Country voluntarily dedicating their land or sea country as IPAs. Central to its success is that the IPA program restores and maintains connection to country and culture. The ability to incorporate a two-way management approach to the protection of natural and cultural values, along with the significant social and economic benefits, has ensured broad support for the program from Indigenous landowners and communities since its establishment.

A practical example which shows the IPAs at work can be seen through the night parrot surveys in the southern part of Ngururrpa IPA. Indigenous rangers uncovered a population of one of Australia's rarest birds, the night parrot. The Ngururrpa and Kiwirrkurra IPA Ranger teams jointly conducted night parrot surveys in the southern part of Ngururrpa IPA.

The Ngururrpa night parrot population is thought to be the largest, and probably most dense, population of night parrots. Indigenous rangers are increasing their feral animal and fire management activities to help protect these birds.

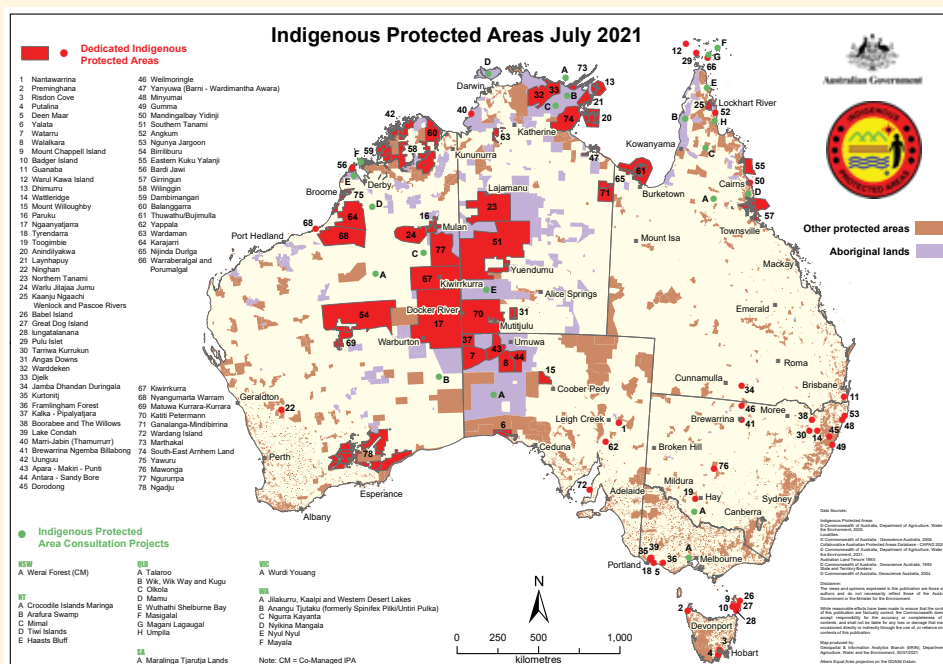


Image source: Department of Agriculture, Water and the Environment

3.4.4 The agriculture sector's engagement in the NLP phase two is leading to increases in sustainable land management practices.

Various parts of the agriculture industry have been engaged in the NLP phase two sub-programs successfully. According to survey research from ABARES, 79% of farmers are aware of the program with more than one-half of respondents having adopted a new land management practice as a consequence of engaging in the program.⁹ Of the on-ground practitioners and program coordinators who responded to the Have Your Say survey, 70% indicated the NLP phase two had a positive or significantly positive effect on sustainable agriculture and aquaculture in their region over the past 4 years. Stakeholders reported increasing awareness and uptake of sustainable agriculture was working well where projects had enough time for engagement and extension activities, information was recorded or demonstrated in a scientifically robust way, and connections to the community through farming systems groups or volunteer groups were leveraged.

"In regards to sustainable agriculture work, the positive outcomes come with the extension and engagement of farmers in demonstration work." – Survey respondent

"Participation in our programs has been beneficial particularly to farm gate producers or producers who sell directly to their customers. Linking their learning and practice change to their marketing and product story while hosting stalls at our Food and Fibre Showcase events has proven financially beneficial." – Survey respondent

"Demand for sustainable agriculture training programs is very high and always oversubscribed." – Survey respondent

Case study 6 – *Increasing the adoption of successful methods to grow Kangaroo Grass* provides an example of how the Smart Farms sub-program is supporting the research and promotion of new farming methods. The review noted in a few areas, farmers are not motivated to engage with the Landcare movement because they perceive sustainable agriculture as no longer being a priority for NRM groups. Similarity of branding between the NLP and Landcare Australia, the National Landcare Network and the Landcare movement is confusing for stakeholders and may cause disengagement for those who do not identify with Landcare.

"There is a lack of focus and clarity on what the Landcare program does...[farmers] don't think they fit with it." – Workshop participant

"When I use the term 'Landcare', farmers shrug their shoulders. When I say 'stewards', they listen." – Interview participant

There is an opportunity to scale the impact of the NLP by mobilising the agriculture sector. Australian farmers own and manage 51% of Australia's land mass and their interests are uniquely tied to the health of the environment.¹⁰ The review found, in most cases, the NLP phase two is engaging farmers effectively. There is an opportunity to engage farmers more effectively by better communicating the goals of sustainable agriculture as a key focus area for the NLP.

⁹ ABARES, *Natural Resource Management and Drought Resilience — survey of farm practices*, 2021.

¹⁰ National Farmers' Federation, *Farm facts*, n.d., accessed 29 November 2021.

Case study 6: Increasing the adoption of successful methods to grow Kangaroo Grass

Kangaroo Grass is a native Australian plant species highly resistant to extreme weather and, when harvested, can be an ingredient used similarly to wheat. Current methods used to grow Kangaroo Grass only achieve success rates between 2% and 5%. Dja Dja Wurrung, Traditional Owners in the Bendigo region of Victoria, are using a Smart Farms grant to explore ways to increase the success rate so successful methods can be adopted by the modern agricultural industry. They are working with La Trobe University to explore other methods to make farming Kangaroo Grass more economically viable. The goals of the project are to:

- Provide a farming system for Kangaroo Grass supported by Traditional Ecological Knowledge
- Create best practice approaches aligning with modern agriculture operations
- Develop and protect intellectual property regarding products supporting growth
- Provide ongoing workshops, site walk throughs and communication activities to encourage awareness and capability development.

The project has:

- Completed on-site field days and all project milestones on track
- Planted more than 80,000 plants from over 12 ecotypes
- 3 hectares of grass are established, 10 hectares were recently planted
- 100,000 new seedlings were grown for planting
- Tested close to 20 herbicides to identify what will be safe for Kangaroo Grass and effective at controlling weeds
- Tried different seed sowing times, harvesting times, and slashing heights
- Conducted multiple media activities including TV interviews, podcasts, national presentations and news articles.

The project has encouraged knowledge building through its field days and media promotions.

The project is ongoing and Smart Farm funding will enable the long-term monitoring and promotion of new methods to grow Kangaroo Grass.



Image source: Dja Dja Wurrung Clans Aboriginal Corporation

3.4.5 Industries outside of the agriculture sector are increasingly looking to be more involved in certified sustainability programs and environmental markets.

There is increasing interest from investors and industry in environmental accounting markets such as natural capital and carbon markets. Many institutional investors are investing in natural capital to boost the resilience of their assets, reduce risk and enhance their reputation with consumers.¹¹ For example, the 2019 report – *Investing in Nature: Private finance for nature-based resilience* – surveyed banks, investment firms, consultancies and NGOs about how growing concerns for the environment are influencing their business decisions. The report identified concerns over the effects of greenhouse gases but were increasingly considering the role of natural capital markets as avenues for investment in nature-based projects, including sustainable agriculture projects.¹²

The Australian Government is actively supporting the growth of markets to achieve biodiversity outcomes, improving the measurement of natural capital across the landscape, and helping embed natural capital considerations in commercial and financial decision making. Case study 7 – *The Agriculture Biodiversity Stewardship Package's Carbon + Biodiversity Pilot* provides an example of how the Australian Government is working with stakeholders to achieve this.

The review found a common theme among stakeholders was their observations of an increased interest from non-agriculture industries in environmental protection, sustainable agriculture and natural resource management as a way to boost environmental credentials through natural capital markets. Stakeholders saw this as an opportunity which could leverage additional funding by NLP projects in the future.

Stakeholders also observed a major barrier to understanding the potential and opportunity costs of natural capital markets was access to trustworthy and understandable sources of information. Information must be presented in ways that allows for risk-based business decision making by natural resource management practitioners and farmers.

"Natural capital accounting is a rapidly emerging area of interest – [we] need to understand how it works and identify the right approaches for our farm business." – Workshop participant

"[Speaking about reliability of carbon capture] People will say we have increased soil carbon by 'this amount'; but the carbon is not necessarily permanent." – Interview participant

"Projects that have tried to tackle natural capital accounting have faced confusion about how the market identifies and invests in natural capital projects." – Workshop participant

The Australian Government has recognised the potential of natural capital markets by committing \$4.7 million to facilitate the development of approaches and tools to measure and integrate natural capital in financial products and solutions. As part of this work, the Australian Government has joined the Taskforce on Nature-related Financial Disclosures (TNFD) as a strategic funding partner to support the development of a global framework that enables corporates and financial institutions to assess, value and manage their impacts and dependencies on nature. It is anticipated the TNFD will accelerate the recognition of the economic value of natural capital and increase investment in nature positive outcomes.

The Australian Government is working closely with the private sector to inform this work through a newly established Natural Capital Working Group (NCWG). The NCWG comprises key industry and government stakeholders and has been established to support cross-sectoral exchange and collaboration to progress the incorporation of natural capital considerations into commercial decision making, and the development of natural capital markets.

11 Environmental Finance, *Investors turn to natural capital for resilience and reputation*, 2019.

12 Environmental Finance and The Nature Conservancy, *Investing in nature: private finance for nature-based resilience*, 2019.

Another \$1.9 million has been committed to establish a Blue Finance Unit, which will work with leaders in marine restoration and coastal infrastructure to drive private sector investment in the restoration of coastal ecosystems.

In recognition of the growing interest in biodiversity markets, the Australian Government is consulting on a new legislative framework that would underpin a national voluntary biodiversity stewardship market, providing a new income stream for farmers who deliver biodiversity outcomes on their land.

There is an opportunity for the NLP to explore how its sub-programs could coordinate with other Australian Government initiatives, especially market-based approaches (such as the Agriculture Biodiversity Stewardship Package). There is also an opportunity to build capacity of natural resource management practitioners and farmers to participate environmental markets.

Case study 7: The Agriculture Biodiversity Stewardship Package: Carbon + Biodiversity Pilot

The Australian Government's Carbon + Biodiversity Pilot (the pilot) aims to develop markets for on-farm biodiversity outcomes, supplementing traditional farm income and leading to increased carbon sequestration. Using a framework of biodiversity planting protocols developed by the Australian National University; the pilot is trialing a market-based mechanism to reward farmers for increasing biodiversity. The pilot is designed to build on the Emissions Reduction Fund (ERF) and incentivise biodiversity outcomes in addition to carbon abatement initiatives.

The pilot centres around these core elements:

1. Plantings established under the pilot must be protected and maintained for a minimum of 25 years in accordance with ERF requirements. Once registered under the ERF, the projects will be subject to the ERF permanence requirements. Participants will be required to undertake new ERF environmental plantings projects involving reforestation through either planting or direct seeding of native tree and shrub species. Participants will also need to ensure they satisfy relevant ERF participant obligations, including in relation to measurement, reporting and auditing
2. Projects participating in the pilot will need to comply with the planting protocol and reporting requirements. The planting protocol sets out rules about the location, dimensions, configuration and composition of plantings to ensure projects also generate biodiversity benefits
3. Projects contracted under the pilot will receive biodiversity payments in the first years of the project. Funding offers are selected on a competitive basis and take into account the biodiversity outcomes from the project and the expected establishment and maintenance costs of the project
4. Projects that meet ERF requirements, as determined by the Clean Energy Regulator, will be able to receive Australian carbon credit units (ACCU) for the carbon sequestered in the planting project. Participants can sell, keep or cancel any ACCUs they receive for the projects.

The first round of the pilot commenced in 6 NRM regions: Burnett-Mary (Qld), Central West (NSW), North Central (Vic), North Tasmania (Tas), Eyre Peninsula (SA), South-West (WA). Funding offers were made to 65 projects and totaled over \$4 million and, if all projects proceed, could deliver over 2,400 ha of plantings and over 450,000 ACCUs.

A second round of the Carbon + Biodiversity Pilot opened for applications on 16 December 2021 to deliver biodiversity outcomes in six different NRM regions: Fitzroy Basin (QLD), Riverina (NSW), Goulburn Broken (Vic), Southern in Tasmania, Northern and Yorke (SA), South Coast in (WA). These regions provide a range of jurisdictions, farming systems, and vegetation types to measure the pilot's success against.

If the pilot is successful, it will be pivotal in establishing a biodiversity-based natural capital marketplace, which may be recognised both domestically and internationally. Legislation to underpin the market is under development.

3.4.6 Collaboration between the NLP sub-programs and research institutions could be improved through increased information sharing and co-design of research priorities and projects.

The review found opportunities to utilise latest research is often missed when projects are not delivered in partnership with research institutions. Some of the barriers for this, identified by stakeholders, are misalignment of project and research priorities, project delivery timeframes, publishing timeframes, and intellectual ownership requirements. More explicit consideration in the NLP's objectives to partner with research institutions in project delivery could facilitate better co-design with research institutions.

Once mechanisms for collaborative research are established, there are opportunities to spread results and findings through established extension networks. According to the 2021 ABARES survey of farm practices related to natural resource management and drought resilience and preparedness, the main sources of information accessed by farmers are peers and family (49%), the internet (32%), private consultants (24%), television and radio (18%), Landcare groups (14%), research and development organisations (14%), industry bodies (12%) and government extension officers (10%).¹³ The NLP is already making use of these information channels. Stakeholder feedback suggests an opportunity exists to increase support for government extension officers, and industry to carry out capability building.

"The NRM Sector is in a strong position to continue working with community to continue building the capacity, skills and knowledge of regional communities including working with industry such as grazing and agriculture to support change and upskilling technical knowledge and skills." – Survey respondent

"Industry groups often have a greater reach to farmers who may not traditionally engage with NRM Groups and there is a natural synergy between productivity and NRM outcomes." – Submission

"Retain and expand Facilitator network." – Survey respondent

There is an opportunity to connect and leverage organisations undertaking research, development and extension to better coordinate research efforts and disseminate findings and drive uptake of new tools, technologies and practices. Coordination and collaboration should be centred around the priority areas shared by governments, research organisations, Indigenous communities and industry.

3.5 The effectiveness of monitoring, reporting and evaluation

This section looks at the effectiveness of monitoring, reporting and evaluation in measuring progress towards, or demonstrating achievements of the NLP phase two intended outcomes.

There are two very different purposes for collecting information from projects. First, there is the requirement to demonstrate project effectiveness, that is, how well a project is delivering on its intended outcomes. Second, there is a requirement to ensure public monies are being properly expended. This is a compliance and assurance need, requiring different information.

¹³ Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), *Natural Resource Management and Drought Resilience — survey of farm practices*, 2021.

3.5.1 There is inconsistent outcome reporting and evaluation with each sub-program having its own requirements.

The sub-program monitoring, reporting and evaluation arrangements have improved from the NLP phase one. In particular, the RLP sub-program's shift towards measuring outcomes, as opposed to measuring activities, was well supported by stakeholders.

"There was acknowledgement at the initial design of the RLP sub-program that we needed to report on outcomes so building outcomes into RLP has been its strength." – Workshop participant

The success of RLP's ability to measure outcomes comes from the development of a robust program logic and design of its projects. A lesson learnt from the NLP phase two is that projects with a clearly defined set of outcomes experienced fewer issues when undergoing the first mid-term reporting. This suggests time taken upfront by providers to develop clearly defined outcomes can save resources and frustration later. This learning can be taken forward by other sub-programs.

The RLP framework is not consistently applied across the other sub-programs. Instead, each sub-program has their own monitoring, reporting and evaluation framework, as shown in Table 3. The lack of consistent frameworks makes it difficult to collectively measure progress towards the intended outcomes of the NLP phase two. For example, not all sub-programs use the department's Monitoring Evaluation Reporting and Improvement Tool (MERIT), which is designed to collect and store planning, monitoring and reporting data associated with natural resource management grant projects funded by the Australian Government. Establishing a clearer framework and objectives for the NLP, including a monitoring and evaluation framework, would improve the visibility of each sub-program's contributions to the intended outcomes.

"The effectiveness of these programs and the broader NLP phase two itself is difficult to assess given the apparent lack of an overarching monitoring and evaluation framework. Outcomes are more readily available at the state, regional and sub-program level, but less so at the Commonwealth level." – Submission

Table 3. List of the NLP phase two sub-programs and their monitoring, reporting and evaluation arrangements

The NLP phase two sub-program	Monitoring, reporting and evaluation arrangements
20 Million Trees	All streams reported through MERIT (service providers, open grants and discretionary grants).
Bush Blitz	Not reported through MERIT. The Bush Blitz website reports each expedition undertaken, to inform land managers and stakeholders about the species present on the properties surveyed.
Centre for Invasive Species Solutions	Long-term partnership funding model for research, not project-based outcomes reporting. Annual reports and other reporting available on their website.
Environment Small Grants	List of successful projects available on the NLP's website. Closure report from Business Grants Hub details the outcomes achieved through these grants. Not to be confused with Community Environment Grants (reported through MERIT).
Indigenous Protected Areas (IPAs)	Not reported through MERIT. Delivery is split across the department and the National Indigenous Australians Agency. Consolidated outcomes report published by the latter in 2016 ¹⁴ and an evaluation of the IPA program is underway.
Implementation of Reef 2050	Reported through MERIT, although under the program Reef 2050 Plan and not the NLP. Not to be confused with Reef Trust, which is also reported through MERIT as a separate program.
Regional Land Partnerships (including Bushfire Wildlife and Habitat Recovery)	All projects reported through MERIT. Activities and outcomes mapped to the RLP sub-program outcomes outlined in program logic. Bushfire Wildlife and Habitat Recovery funding that sits outside of the RLP sub-program is also reported through MERIT.
Smart Farms	Not reported through MERIT. Administered through Community Grants Hub, successful applicants listed on the department's website. Sub-program review primarily based on case studies and is in development at the time of writing.
Threatened Species Recovery Fund	Not reported through MERIT. Delivered under the NLP but complements the Threatened Species Strategy and Threatened Species Prospectus. List of approved open round projects available on the NLP website.

3.5.2 The MERIT is used by programs outside of the NLP, yet not all of the NLP sub-programs use MERIT.

While the take-up of MERIT across the NLP sub-programs varies, other initiatives now use MERIT including major environmental initiatives not funded through the NLP such as Future Drought Fund, Reef Trust and Biodiversity Fund. This highlights an opportunity to consolidate and measure outcomes across not only the NLP's activities, but the Australian Government's environmental protection, sustainable agriculture, and natural resource management. It also continues to serve as a database for historical data such as projects completed through Caring for Our Country and Green Army, allowing for a comprehensive trend analysis of projects and outcomes over time. The stakeholders of the RLP sub-program report the MERIT system has improved but support the department's commitment to ongoing upgrades to the functionality and useability of the system.

¹⁴ Department of the Prime Minister & Cabinet (PM&C), *Consolidates report on Indigenous Protected Areas following Social Return on Investment analyses*, 2016.

3.5.3 Procurement reporting requirements for assurance purposes are perceived as too onerous.

Stakeholders expressed frustration with the overly burdensome nature of monitoring and reporting requirements of their projects. Stakeholders understand the value and necessity of monitoring and reporting but increased administration burden takes valuable time and resources away from on-ground activity. An example of this is the requirement to provide a statutory declaration with each invoice to the department. It is also difficult to make small variations within projects.

"We also feel that there is a large overhead in collection of evidence required as proof of service delivery. In many cases, multiple lines of evidence are being requested (for example, photos, maps, invoices, landholder agreements), which is time consuming, and an unnecessary inefficiency. We also suggest that provision of one Statutory Declaration per quarter (covering the full breadth of the agreement) would be a helpful time saver." – Submission

"Quarterly invoicing and reporting is generally supported as it allows for regular revenue to be delivered to service providers, however timeframes for invoicing are too tight. Given requirements to collate evidence, report and generate invoices (including from partners and stakeholders delivering works) 7 days from end of quarter to deliver invoices and stat decs creates timing and review issues." – Submission

"Building in a level of trust to allow for small variations within projects without administrative burden would be an improvement." – Workshop participant

Stakeholders are eager to contribute when they understand why they are required to collect the information. If they do not understand the purpose of the reporting or believe it to be inefficient, they become suspicious that it could be a waste of time. They believe excessive reporting detracts from on-ground activity and indicates they are not trusted by the department to deliver. Stakeholders suggest service providers who have proven trustworthy in the past should be given some concessions for less stringent compliance reporting. Moving to a risk-based compliance model, with more trust in service providers, would improve efficiencies for both the department and service providers.

3.5.4 There are limited opportunities to share learnings, coordinate and collaborate across sub-programs and projects.

No formal whole-of-program coordination exists for the NLP and instead each sub-program is independently managed. Coordination, communication and information sharing between the sub-programs has improved since the combining of environment and agriculture portfolios which has moved most sub-program teams into the same department. Still, most of the coordination and collaboration happens organically and, as a result, opportunities to reduce duplication, better manage risks and report on shared outcomes are missed.

"Having Agriculture and Environment in the same building and portfolio has been better for collaboration and interacting with providers." – Workshop participant

Sharing the learnings and outcomes of the NLP phase two funded projects is done inconsistently and there is no single database to find this information. The RLP sub-program's information is the most consistent and can be found on MERIT. Other learnings and outcomes of the sub-programs are more organically shared through the department's website, the NLP Facebook page and other media channels used by funding recipients. Sometimes the ability to share this information is stifled by intellectual property rights, confidentiality agreements or when information is not captured or documented in a helpful way. There is an opportunity moving forward to better standardise how learnings and outcomes are shared more broadly across the NLP sub-programs.





Section 4

Future opportunities

This section examines future opportunities for the NLP based on the review's findings.

4. Future opportunities

This section of the review report identifies some opportunities for the next phase of the NLP based on the findings in the review. This section is not intended to set out specific recommendations for future program designs, but to draw out considerations for the Australian Government in the context of future NLP investments to maximise impact.

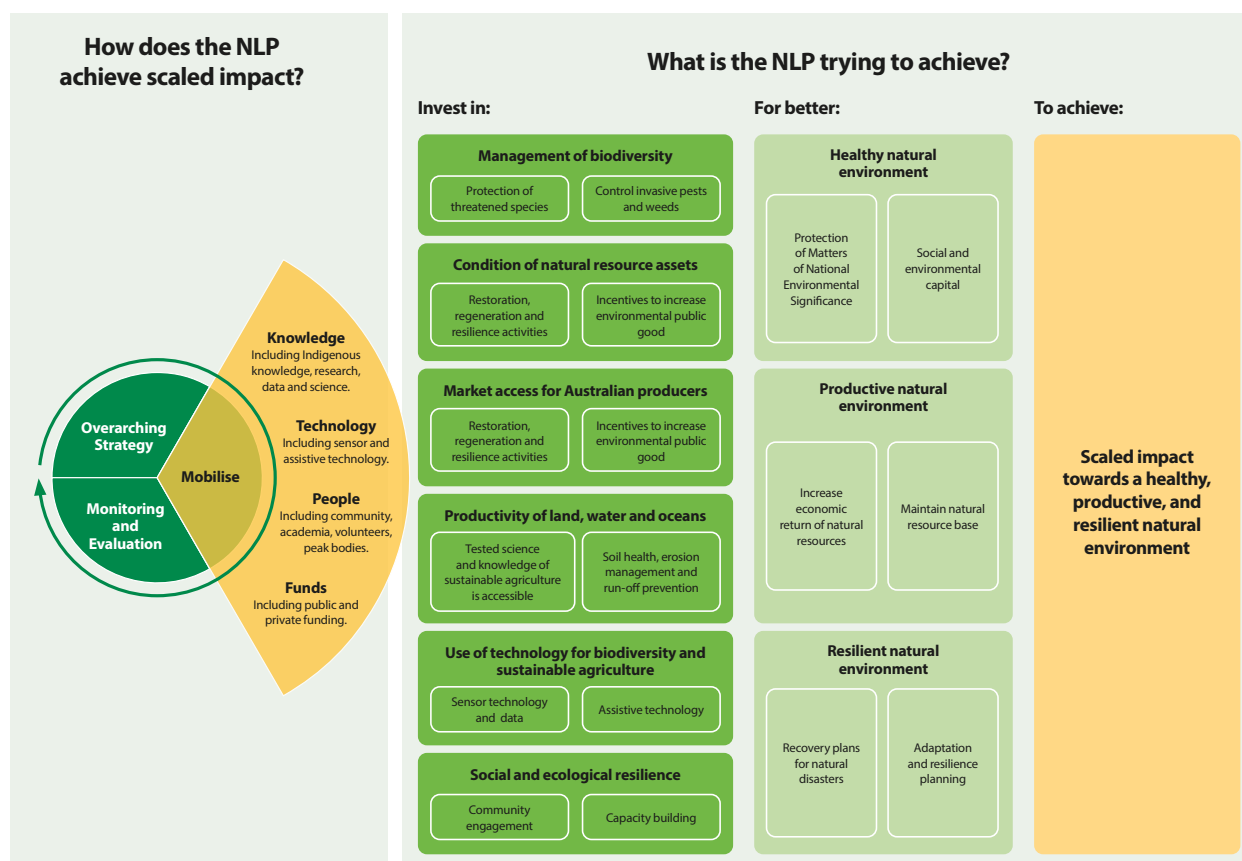
The review found the NLP phase two is delivering positive results in environmental protection, sustainable agriculture and natural resource management at the local and, at times, regional level. The NLP's strengths in this area were explored and evaluated in Section 3. However, despite the positive impacts of the NLP, the review found more could be done with existing resources for the program to achieve greater impact and contribute more to addressing the decline of Australia's natural resources. Stakeholders agree there is an opportunity for the NLP to operate at a much larger scale. Scaled impact can deliver a higher return from the investments the Australian Government makes towards environmental protection, sustainable agriculture and natural resource management. The NLP can achieve this scale by mobilising resources across the public, private and community sectors.

One way to guide practical action toward achieving impact at scale is to develop an overarching framework for the NLP that includes a clearer purpose and objectives for the program as a whole. Figure 4 provides a draft framework for how future phases of the NLP could achieve scaled impact towards a healthy, productive and resilient natural environment. It describes 3 categories of activities to consider for scaled impact:

- Develop an overarching strategy for the NLP
- Mobilise knowledge, technology people and funds to leverage NLP investment
- Monitor and evaluate outcomes to improve effectiveness of the NLP.

An overarching framework for the NLP will help the program and other investments in environmental protection, sustainable agriculture and natural resource management achieve impact at a larger scale.

Figure 4. A possible overarching framework for the National Landcare Program.



A clearer framework can be used to:

- direct investment to the areas of greatest need based on rigorous data sources and continue to build on the data and monitoring captured in the NLP phase two so investments are well targeted
- assist stakeholders including state and local governments, industry, private investors, private land conservationists, farmers, Indigenous communities, researchers and volunteers to identify where there are synergies to contribute to or gaps to fill
- highlight capability and capacity strengths and deficits across the different components that makes up the NRM ecosystem, such as gaps in research, field trials, quality and uptake of extension services, or data and analysis needs
- provide a framework against which to monitor and evaluate effectiveness of the investment
- provide a framework to align the objectives of sub-programs with the overarching NLP objectives.

4.1 A clear overarching strategy for the NLP

This stage involves developing a clear overarching strategy for action that will achieve environmental protection, sustainable agriculture and natural resource management. There is an opportunity to co-design the strategy with stakeholders to help direct the focus of the NLP to areas the community cares about, account for the effects of changes in climate, link natural resource management to market initiatives, and provide visibility on synergies between national and local priorities.

A clear overarching strategy for the NLP would also help guide stakeholder participation towards shared objectives and to distinctly position the program in the context of related government initiatives. The Australian Government is making significant investments in biodiversity, agricultural stewardship, soils, natural resource management, agricultural innovation and climate adaptation and resilience. Similarly, the private sector and investment funds are choosing to invest in these areas to boost the resilience of

their assets, reduce risk and enhance their reputation with consumers. A clear overarching strategy for the NLP could provide the basis for collaboration with other stakeholders to identify partnerships and areas for co-investment.

The NLP can be promoted as a single large investment into activities that address environmental protection, sustainable agriculture and natural resource management, but this does not prevent various sub-programs also promoting distinct brands. While the NLP phase two has focused on strong sub-brands such as Smart Farms, Indigenous Protected Areas and Regional Land Partnerships, it is likely a clearer overarching strategy and objective would unify the sub-programs and help to deliver more scaled impact through increased connection and collaboration.

4.2 Mobilise knowledge, technology, people and funds

After a strategy has been designed, the next step is to mobilise knowledge, technology, people and funds towards achieving the outcomes. This can be achieved through a number of mechanisms, including targeting NLP investment to leverage complementary programs and co-designing priorities and projects with volunteers, regional communities, Indigenous communities and leaders, research institutions, industries and private land conservationists.

4.2.1 Knowledge, including Indigenous, academia and other research

Knowledge sources include Indigenous knowledge of managing the unique Australian landscape and peer-reviewed knowledge from universities and other research institutions. There is an opportunity to generate greater impact by working with these sectors to trial Indigenous knowledge and share it more broadly. The review identified collaboration with academics from research and development institutions and Indigenous researchers would be improved by co-designing research priorities and projects.

Considerable value can be gained by mobilising knowledge in one part of the system, to be tested and then made available to those who can apply that knowledge. For example, there is potential for the RALF network to be invested in further to enable continued and increased impact on-ground, such as provision of impartial knowledge about innovative methods, technologies and markets. A strong return on investment can be achieved by building the skills of the large volunteer workforce who work with strong conviction towards increasing biodiversity and improving the condition of natural resource assets.

4.2.2 Technology

Australian farmers are renowned for their speed of technology adoption, and the Australian Government invests significantly in research and development through organisations such as the Rural Research Development Corporations, CSIRO and NESP research hubs. Technology for better land management and data management practices is developing quickly. There is an opportunity for the NLP to continue to support the adoption and scaling of proven technologies within the sustainable agriculture sector and the environmental conservation sector.

4.2.3 People, including the community, academia, volunteers, and peak bodies

Engagement with stakeholders for the review suggests if action was better coordinated, it would achieve much greater impact for the success of Australia's environment, agriculture industry and natural resources. The review found there is potential to improve engagement of local community groups and volunteerism in the NLP through co-design of priorities and projects, and increased opportunities for streamlined small grants aimed at grassroots volunteer groups pursuing local priorities. There is an imperative to move past simply engaging with Indigenous communities to investing in Indigenous capacity building, participation and organisational leadership. Greater impact could be achieved by co-designing engagement standards and principles with Indigenous communities, and by facilitating Indigenous leadership in projects.

4.2.4 Funds

There are many sources of funding directed towards improving our natural resources. These include:

- Australian Government NLP funds distributed through procurement, competitive grants and non-competitive grants
- Other Australian Government funding directed towards related activities such as soils, biodiversity protection, Indigenous land management and integration of natural capital with financial products
- State and territory government funding
- Investments in the sustainable agriculture sector
- Impact investment funds and philanthropists focussed on the environment
- Corporations actively making commitments to sustainability
- Investments of private land conservationists.

Optimising the delivery of funds to volunteer groups and professional NRM service providers would increase efficiency and funds available for achieving impact. There are opportunities to optimise the delivery model, including:

- Reducing administrative burden by ensuring reporting processes and tools are user friendly. This would increase time available for engagement and project delivery
- Differentiating between provider selection and project selection by separating the two processes from one another. For example, a panel of providers could be selected based on an assessment of their capabilities. Then, the department can work with one (or multiple) providers and their communities to design high quality projects
- Co-designing projects and engagement at a local and regional scale. This can include a range of stakeholders to design more effective and scaled programs. Co-design can also be used to develop engagement models, especially with Indigenous communities
- Funding long-term projects (at least 3–4 years) and aligning delivery timeframes with seasonal timeframes so projects can be delivered in a way that makes sense for environmental and agricultural cycles
- Funding for monitoring and evaluation post the project delivery stage and assisting providers to partner with non-government organisations to secure longer term funding. This would provide more trustworthy long-term data, identify effective methods and ensure worthwhile projects can continue
- Making it simple for small players to access small grants independent from regional service providers. Small grants are very cost effective at supporting and encouraging community groups to contribute towards natural resource efforts. There are large numbers of individuals involved in such activities today. Relatively small funding allocations can assist these groups to deliver even more impact. Today, the grant application process is resource intensive and beyond the means of most local grassroots community groups. There is significant opportunity to take a risk-based approach to small grants and remove unnecessary burden.

There are also opportunities to explore how NLP funding may be combined with the complementary investments of others. For example, programs that link industry interest in environmental accounting markets to the NLP's natural resource management and sustainable agriculture initiatives.

4.3 Monitoring and evaluation

A cycle of monitoring and evaluation will support continuous improvement towards scaling positive change in environmental protection, sustainable agriculture and natural resource management.

An overarching framework for the NLP can form the basis for the NLP's monitoring and evaluation framework. This addresses stakeholder feedback that it is difficult to understand the effectiveness of the NLP without a framework against which to evaluate it. The monitoring and evaluation framework could be used to aggregate the contributions of sub-programs and understand the overall effectiveness of the NLP. This would support future decision making about approaches that can be further scaled, and areas requiring additional attention.

Reporting through MERIT could be standardised across all the NLP sub-programs to allow for cross-program comparisons to be made as well as comparisons between programs. The functionality and useability of MERIT to record consistent data and share learnings through project pages could be leveraged and further developed. The review found there is an opportunity to consolidate and evaluate outcomes across not only the NLP's activities, but the Australian Government's environmental protection, sustainable agriculture, and natural resource management efforts as a whole.

There are existing investments and organisations the NLP can better integrate with to enhance innovation and technology for scaled impact. For example, the National Agricultural Innovation Agenda, the Future Drought Fund's Drought Resilience Adoption and Innovation Hubs and the Rural Research and Development Corporations. The NLP should fill gaps in national investment in, evaluation and adoption of innovations to capitalise on the opportunities new technologies offer. There is an opportunity to coordinate funding directed to developing and increasing the adoption of innovative technologies and methods.

The review found there is rapidly growing interest in standards and measurements allowing agricultural producers to substantiate environmental credentials to attract a better price in the market. This applies particularly to international trade but is also important in the domestic context. Agreeing on natural capital accounting standards for the Australian and international contexts will provide significant value for the agricultural sector and deliver direct environmental benefits.

While Australia already has well-developed standards for measuring carbon, it is important that international standards continue to be considered in an Australian context to ensure the agriculture sector can readily adopt international standards and access premium international markets. There is a need to improve the user-friendliness of standards and leveraging work already done in this space will be a valuable tool to help do so. Standards are a powerful mechanism to shape the system towards long-term sustainability benefits.

4.4 Concluding remarks

In broad terms, the review shows that the Australian Government's investment through the NLP is effective and achieving outcomes across environmental protection, sustainable agriculture and natural resource management. However, the review also shows that improvements can be made to the NLP to achieve greater impact at a greater scale.

The review findings outlined in this report will help inform the Australian Government's consideration of the next phase of funding for the NLP. Future funding decisions, including program design and timing for the next phase of funding, are a decision for the Australian Government.

Glossary of terms

Term	Description
The National Landcare Program phase two review	The review commissioned by the Australian Government to look at the design and performance of phase two of the NLP, conducted by the Department of Agriculture, Water and the Environment.
Landcare Australia	A community not-for-profit organisation that champions Landcare, the grassroots movement dedicated to managing environmental issues in local communities across Australia. Not to be confused with the National Landcare Program, which is a government-funded natural resource management initiative.
Natural resource management (NRM)	One of the 3 key purposes for which funding from the <i>Natural Heritage Trust of Australia Act 1997</i> (NHT Act) may be used, and one of the key focus areas of the NLP. Defined by the NHT Act as any activity relating to the management of the use, development or conservation of soil, water and/or vegetation. Natural resource management (NRM) as an acronym is often used to refer to service providers contracted through Regional Land Partnerships (NRM organisations).
Environmental protection	One of the 3 key purposes for which funding from the <i>Natural Heritage Trust of Australia Act 1997</i> (NHT Act) may be used, and one of the key focus areas of the NLP. Defined by the NHT Act as the conservation or restoration of Australia's natural resource environment and biodiversity, the development or promotion of waste minimisation and clean production, the prevention of pollution of the environment, and the research of Australia's environment and biodiversity.
Sustainable agriculture	One of the 3 key purposes for which funding from the <i>Natural Heritage Trust of Australia Act 1997</i> (NHT Act) may be used, and one of the key focus areas of the NLP. Defined by the NHT Act as the use of agricultural practices and systems that maintain or improve the economic viability of agricultural production, the social viability and well-being of rural communities, the ecologically sustainable use of Australia's biodiversity, the natural resource base, and ecosystems that are influenced by agricultural activities.
Natural Heritage Trust (NHT) account	A special account that funds the NLP and its subprograms. Administered by the Department of Agriculture, Water and the Environment, established by section 4 of the <i>Natural Heritage Trust of Australia Act 1997</i> .
Service providers	Organisations that have an ongoing service agreement with the Department of Agriculture, Water and the Environment under the Regional Land Partnerships sub-program. Delivers and supports on-ground projects for one or more management units within Australia.
Co-design	The early and strategic engagement and collaboration of all relevant parties in the project design/planning phase to ensure the project meets the needs of all end users.

