NSW GOVERNMENT

Draft Biodiversity Conservation Investment Strategy 2017-2037

A strategy to guide investment in private land conservation

Photos: cover, S Hartvigsen; page iii, NSW Department of Premier and Cabinet; page vii, S Hartvigsen; page xii, M Todd; page xiii, S Cohen/OEH; page 1, B Lynch; page 2, L Morrell/OEH; page 6, M Todd; page 7, P Robey/OEH; page 9, S Hartvigsen; page 10, J Spencer/OEH; page 15, A Collins; page 16, J Spencer/OEH; page 17, S. Cohen/OEH; page 19, S. Cohen/OEH; page 21, OEH; page 22, S Hartvigsen; page 23, M Todd; page 24, M Todd; page 25, page 26; L. Oliver/OEH; page 27, L Copeland; page 29, D Albertson/OEH; page 30, S Douglas; page 31, S Hartvigsen; page 32, W Smith/OEH; page 33, S Cohen/OEH; page 34, J Plaza/Botanic Gardens Trust.

Published by:
Office of Environment and Heritage
59 Goulburn Street, Sydney NSW 2000
PO Box A290, Sydney South NSW 1232
Phone: +61 2 9995 5000 (switchboard)
Phone: 131 555 (environment information and publications requests)
Phone: 1300 361 967 (national parks, general environmental enquiries, and publications requests)
Fax: +61 2 9995 5999
TTY users: phone 133 677, then ask for 131 555
Speak and listen users: phone 1300 555 727, then ask for 131 555
Email: **info@environment.nsw.gov.au**
Website: **www.environment.nsw.gov.au**

Report pollution and environmental incidents
Environment Line: 131 555 (NSW only) or
info@environment.nsw.gov.au

See also **www.environment.nsw.gov.au**

ISBN 978 1 76039 895 8
OEH 2017/0450
November 2017

Have your say

We want your feedback on this draft Biodiversity Conservation Investment Strategy. At the end of each chapter we have included consultation questions to help guide your feedback. There may be other comments or ideas you have and we are interested in hearing those.

Visit the **Have your say website** for further information on the consultation process and to make a submission.

Submissions close at 5pm on 15 December 2017.

Foreword

The Hon Gabrielle Upton, MP
Minister for the Environment

New South Wales has a beautiful and diverse array of native plants, animals and ecosystems, many of which are found only on privately owned and managed land. This biodiversity provides important linkages in our landscapes, complements our national parks and provides important habitat for our native animals. Despite our natural wealth, New South Wales has experienced major declines in biodiversity over the last 200 years. An increasing number of plants and animals are threatened with extinction and many of our ecosystems and habitat are facing similar declines, particularly in the context of climate change.

In 2016, the NSW Government developed a package of reforms to modernise and transform the way biodiversity is valued and protected in New South Wales. A central component of these reforms is record public investment in private land conservation – $240 million over five years and ongoing funding of $70 million each following year, subject to performance reviews. This investment recognises that, with over 70% of New South Wales land privately owned or managed, it is critical that we support landholders to protect and manage important conservation assets.

Our vision is to achieve healthy, functioning and connected landscapes across New South Wales, as well as vibrant and connected rural and regional communities.

It is my great pleasure to present the *Draft Biodiversity Conservation Investment Strategy 2017–2037*. This strategy will help guide the newly created Biodiversity Conservation Trust to deliver this unprecedented investment in private land conservation. It identifies the 'where' and 'how' for investment – providing a map of priority investment areas and setting out targets and investment principles to guide the Trust's efforts.

We are now looking for your feedback on this draft investment strategy. We will use this feedback to strengthen our approach to private land conservation and help New South Wales protect and enhance its exceptional biodiversity.

Gabrielle Upton MP
Minister for the Environment

Contents

Executive summary

Conservation efforts on private land play a vital role in protecting biodiversity, improving landscape connectivity and building resilience to climate change. Voluntary efforts by landholders can help to build a protected area system across public and private land which is representative of the ecological diversity that exists in our state.

To encourage and support conservation efforts on private land, the NSW Government has established the Biodiversity Conservation Trust to deliver a comprehensive private land conservation program. This program is underpinned by government investment of $240 million over five years, with $70 million in ongoing annual funding, subject to performance reviews. This investment will support sustainable farming enterprises and provide opportunities for landholders to diversify their income sources by receiving financial support to protect and manage areas of high environmental value on their properties.

This strategy will guide the Biodiversity Conservation Trust to deliver the government's investment in private land conservation to areas where it will have the greatest conservation benefits. Made under the *Biodiversity Conservation Act 2016*, it aims to optimise biodiversity outcomes at bioregional and state scales and sets the NSW Government's priorities in private land conservation over the next 20 years, from 2017 to 2037.

The strategy identifies priority investment areas that will be the primary focus of government investment in private land conservation. Priority investment areas have been identified on the basis of conservation values and threats to those values in parts of the state that have not met the national 'representativeness' target. Priority investment areas are identified on a subregional basis on a state-wide map in five orders of priority (see Figure 5).

Areas of outstanding biodiversity value, as declared by the Minister for the Environment under the *Biodiversity Conservation Act 2016*, will be automatically prioritised for investment under this strategy. These represent special areas containing irreplaceable biodiversity, such as sites critical for reducing the risk of species extinction.

Profiles of all priority investment areas will be published online as companion documents to the strategy. While the strategy will identify the types of conservation assets that should be targeted (e.g. threatened ecological communities, threatened species habitat), the profiles will identify what those assets are in each subregion (e.g. inland grey box woodland, alluvial plains grassland). An example of one of these profiles is available on the have your say website and the remaining profiles will be published alongside the final strategy.

All investment in private land conservation should be made in accordance with the investment principles set out in the strategy. These principles address environmental, social and economic issues that should be considered when making decisions about investment in private land conservation. Applied together, the investment principles will help the strategy achieve its objectives.

A set of 5- and 20-year targets has been developed to support strategic investment decisions and to enable progress to be measured. The Biodiversity Conservation Trust will consider these targets through its business planning and priority-setting processes.

While the strategy sets statewide priorities and investment principles, the Biodiversity Conservation Trust may undertake more refined conservation planning and mapping at both subregional and local scales. This will enable new information and changes in the landscape to be incorporated and considered by the Biodiversity Conservation Trust.

To ensure accountability and reaffirm the strategy's priorities, objectives and targets, the Minister for the Environment, supported by the NSW Office of Environment and Heritage, intends to review the strategy after three years, noting that the *Biodiversity Conservation Act 2016* requires a review after five years.

Key concepts of the strategy

Adequate/Adequacy	See *Comprehensive, Adequate and Representative (CAR) protected area system*
Aichi targets	The Australian Government has endorsed the *Convention on Biological Diversity Strategic Plan for Biodiversity 2011–2020*, known as the 'Aichi targets' after the prefecture in Japan that hosted the international meeting. *Aichi target 11* is relevant to this Strategy (see below).
Aichi target 11	By 2020, at least 17% of terrestrial and inland water areas and 10% of coastal and marine areas, especially areas of particular importance for biodiversity and ecosystem services, are conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area-based conservation measures, and integrated into the wider landscape and seascape (www.cbd.int/sp/targets/).
Areas of outstanding biodiversity value	Areas that contain irreplaceable biodiversity values that are important to the whole of New South Wales, Australia or globally. The NSW Minister for the Environment may declare areas of outstanding biodiversity value under Part 3 of the *Biodiversity Conservation Act 2016*.
Bioregion	See *IBRA bioregion*
Comprehensive, adequate and representative (CAR) protected area system	The objective of the scientific framework that underpins the *National Reserve System* is to develop a CAR system of protected areas: • **Comprehensiveness** – refers to the aim of including, within protected areas, samples of the full range of regional ecosystems recognisable at an appropriate scale within and across each IBRA bioregion (Natural Resource Management Ministerial Council 2009). • **Adequacy** – refers to how much of each ecosystem should be sampled to provide ecological viability and integrity of populations, species and ecological communities at a bioregional scale. The concept of adequacy incorporates ecological viability and resilience of ecosystems for individual protected areas and for the protected area system as a whole (National Resource Management Ministerial Council 2009). • **Representativeness** – comprehensiveness considered at a finer scale (IBRA subregion), and recognises that the regional variability within ecosystems is sampled within the reserve system. One way of achieving this is to aim to represent each regional ecosystem within each IBRA subregion (National Resource Management Ministerial Council 2009).
CAR targets	*Australia's Strategy for the National Reserve System 2009–2030*, guides the development of the National Reserve System. It establishes the following targets for comprehensiveness and representativeness: • **Comprehensiveness** – examples of at least 80% (by number) of all regional ecosystems in each *IBRA bioregion* will be represented in the *National Reserve System* by 2015. • **Representativeness** – examples of at least 80% (by number) of all *regional ecosystems* in each *IBRA subregion* will be represented in the National Reserve System by 2025.

Convention on Biological Diversity	A multilateral treaty that was presented at the Rio Earth Summit in 1992. The objectives of the Convention are the conservation of biological diversity, the sustainable use of its components and the fair and equitable sharing of the benefits arising out of the use of genetic resources. Australia ratified the Convention in June 1993.
IBRA (Interim Biogeographic Regionalisation for Australia)	The IBRA framework provides a broad level break-up of the Australian landmass into 85 biogeographic regions and 403 subregions. The IBRA bioregions were derived by compiling information on climate, lithology/geology, landform, vegetation and animals (Commonwealth of Australia, 2012; Thackway R & Cresswell I 1995).
IBRA bioregion	Large regions of relatively similar climate, geology, landform, native vegetation and plant and animal communities. Each bioregion supports a suite of native plants and animals, which is distinct from adjoining bioregions. There are 18 bioregions in New South Wales.
IBRA subregions	Are further divisions of IBRA bioregions, based on finer differences in geology, vegetation and other biophysical attributes. Subregions provide more detailed information about landscapes and can therefore be used for finer, regional-scale planning. There are 131 subregions in New South Wales.
National Reserve System (NRS)	Australia's network of parks, reserves and protected areas on public, private and Indigenous land, all of which meet the International Union for Conservation of Nature (IUCN) definition of what constitutes a 'protected area'. The NRS is underpinned by a scientific framework that has as its objective: to develop a 'comprehensive, adequate and representative' system of protected areas – commonly referred to as the 'CAR' protected area system.
NSW Landscapes	This data set is being used as a surrogate for *regional ecosystems* in this strategy. NSW Landscapes are identified with an emphasis on geologic, geomorphic and pedalogic parameters and with consideration of rainfall, temperature, topography, drainage patterns and vegetation. There are 571 NSW Landscapes in NSW (Mitchell 2002).
Priority investment area	The primary focus of investment in private land conservation under this strategy. The *Biodiversity Conservation Act 2016* states that priority investment areas are to include (without limitations): • core areas: being large remnant native vegetation areas whose management will contribute the greatest benefit to the conservation of biodiversity within a bioregion • state and regional biodiversity corridors: being linear areas that link core areas and play a crucial role in maintaining connections between animal and plant populations that would otherwise be isolated and at greater risk of local extinction • areas containing the least protected ecosystems of public and private land • areas required to increase the comprehensiveness, adequacy and representativeness of biodiversity in protected areas of public or private land.

Private land conservation	Landholders who enter into voluntary agreements to protect and manage their properties (or parts of properties) for biodiversity conservation outcomes. This may include land that is privately owned and managed as well as Crown Land, which is managed both publicly and privately, such as travelling stock reserves.
Private land conservation agreements	Three types of private land conservation agreements are established under Part 5 of the Biodiversity *Conservation Act 2016*: 1. Biodiversity stewardship agreements – permanent agreements that generate biodiversity credits that may be sold to provide a potential upfront financial return and annual payments to cover the cost of management actions. 2. Conservation agreements – permanent or time-bound agreements that will be eligible for stewardship payments. 3. Wildlife refuge agreements – an entry level option for landholders that are less restrictive and can be terminated at any time, or converted into higher forms of agreements.
Private land conservation program	A statewide program delivered by the Biodiversity Conservation Trust to protect and enhance biodiversity in New South Wales. Under the program, the Trust enters into voluntary agreements with landholders who commit to protect and manage high value biodiversity on their properties.
Protected area	A parcel of land that meets the Internaltional Union for Conservation of Nature (IUCN) definition of 'a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values'.
Protected area system	In this strategy, this term is used to describe New South Wales' network of parks, reserves and protected areas on public, private and indigenous land, all of which meet the International Union for Conservation of Nature (IUCN) definition of what constitutes a 'protected area'.
Regional ecosystems	Are the primary building block for the National Reserve System. The Australian Government uses the term to measure and report on progress towards comprehensiveness and representativeness. Each state and territory has its own approach to identifying and mapping regional ecosystems. In New South Wales, NSW Landscapes are used as the best available surrogate for regional ecosystems.
Representativeness	See *Comprehensive, Adequate and Representative (CAR) protected area system*
Subregion	See *IBRA subregion*

How to use this strategy

Part 1: Strategic context – understanding why we are doing this

This part establishes the purpose, objectives and targets for the strategy and provides an overview of how private land conservation operates in New South Wales. It outlines how the strategy will align with national and international commitments and how it complements the NSW national parks system.

Part 2: Priority investment areas – understanding where we want to invest

This part identifies priority investment areas, which will be the primary focus of government investment in private land conservation. It describes the approach taken to identify these areas, together with the principles and data sets used. It includes a map of priority investment areas identified in five orders of priority as well as a map of all areas protected or managed for conservation on public and private land in New South Wales. More refined priorities, including priority vegetation types, potential core areas and corridors, and areas important to climate change adaptation are provided within the profiles of IBRA subregions (see below).

Part 3: Making investment decisions – understanding investment choices

This part provides guidance to support decision making in private land conservation. It outlines five investment principles to guide decision making by the Biodiversity Conservation Trust and other investors. It also outlines the links and relationships to other strategic plans such as Department of Planning and Environment Regional Plans, Local Land Services Strategic Plans and Local Environmental Plans.

Part 4: Delivering the strategy – understanding who does what

This part describes the roles of key government agencies and stakeholders in delivering the strategy, such as the Minister for the Environment, the Biodiversity Conservation Trust and the Office of Environment and Heritage. It also outlines how the strategy will be reviewed, including when and how new information may be incorporated.

Profiles of IBRA subregions (to be published online as companion documents)

Profiles of IBRA subregions, including the priority investment areas, provide summaries of the key conservation assets and landscapes that should be targeted in each subregion, along with photographs and regional scale mapping of some of the key assets and landscapes. The profiles incorporate the latest data and information, including climate change modelling, to identify potential core areas and corridors. An example of one of these profiles is available online and the remaining profiles will be published alongside the final strategy.

Supplementary information (available online)

Identifying priority investment areas (supplementary to Part 2 of the strategy) – information about how statewide data sets have been applied to identify priority investment areas. Maps of each input layer are provided as well as information and mapping about New South Wales' progress to national 'comprehensiveness' and 'representativeness' targets. Lists and maps of the IBRA subregions in each order of priority are also provided.

Part 1 The strategic context

1.1 Introduction

This strategy establishes the NSW Government's priorities for investing in private land conservation over a 20-year period from 2017 to 2037. Around the world, private land conservation is playing an increasingly important role in promoting ecologically sustainable development and building resilience to climate change (Stolton S, Redford KH & Dudley N 2014). There is growing recognition that private land conservation is particularly well placed to complement publicly protected areas, respond to changing environmental circumstances and threats and provide benefits to landholders and regional communities through diversified income sources and improved ecosystem functions (Bingham H, Fitzsimons JA, Redford, KH, Mitchell BA, Bezaury-Creel J & Cumming TL 2017).

The NSW Government is committed to supporting landholders to protect and manage biodiversity on their land and has established the Biodiversity Conservation Trust to deliver record government investment in private land conservation. The Trust will deliver a total of $240 million over five years to private land conservation, with $70 million in ongoing annual funding, subject to performance reviews.

Made under the *Biodiversity Conservation Act 2016*, this strategy has been prepared to ensure that this unprecedented government investment is delivered strategically and that it complements other government priorities and investment, such as the national parks system, the *Saving our Species* program and the NSW Koala Strategy.

1.2 Purpose, objectives and targets

The strategy will guide investment in private land conservation to areas where it will have the greatest conservation benefits. It is designed to help the Biodiversity Conservation Trust and other decision makers understand and contribute to government priorities for conservation on private land and provide a basis for tracking progress over time.

The strategy does not attempt to identify all conservation action that is required in New South Wales. It has been designed to complement other programs operating to support biodiversity conservation (see section 3.2).

The strategy's purpose, objectives and targets are set out in Figure 1. Further information about the targets and evaluation framework is set out in Parts 3 and 4 respectively.

Purpose: To guide investment in biodiversity conservation in NSW, and guide the Biodiversity Conservation Trust's prioritisation of government investment in private land conservation

Objective: To optimise biodiversity outcomes at bioregional and state scales

- Improve protection and conservation of the least protected ecosystems
- Improve landscape connectivity and build resilience to climate change
- Work towards establishing a comprehensive, adequate and representative (CAR) protected area system across public and private land
- Generate regional socio-economic benefits from landholders managing their land for conservation outcomes
- Maximise benefits across other government programs, priorities and investments in biodiversity conservation

5-year targets:

- By 2022, private land conservation agreements will protect examples of 30 NSW Landscapes* that are either not represented within, or are inadequately protected in, the protected area system in 2017.
- By 2022, diversified incomes streams will improve the financial sustainability of participating landholders relative to similar local businesses.

20-year targets:

- By 2037, private land conservation agreements will protect examples of 90 NSW Landscapes* which are either not represented within, or are inadequately protected in, the protected area system in 2022.
- By 2037, diversified income and investment streams will improve the financial sustainability of regional and rural communities.

* In this strategy, NSW Landscapes are being used as a surrogate for 'regional ecosystems'. There are a total of 571 NSW Landscapes in New South Wales.

Figure 1 Purpose, objectives and targets

What is private land conservation?

In this strategy, private land conservation is defined as:

'Landholders who enter into voluntary agreements to protect and manage their properties (or parts of their properties) for biodiversity conservation outcomes. This may include land that is privately owned and managed as well as Crown Land, which is managed both publicly and privately, such as Travelling Stock Reserves'.

1.3 Private land conservation in New South Wales

1.3.1 The legal framework

Private land conservation has a long and proud history in New South Wales. The voluntary and dedicated efforts of landholders, farmers, Aboriginal communities, and local community groups have resulted in approximately three million hectares being protected or managed under some form of legal mechanism (see Table 1 for the complete list of legal mechanisms). These gains have been delivered through a diverse range of laws, policies and programs that have not always been well coordinated or guided by the same objectives (Byron N, Craik W, Keniry J & Possingham H 2014).

Under the *Biodiversity Conservation Act 2016*, the NSW Government established a more streamlined and strategic approach to private land conservation. The key features of this approach are:

- the creation of the Biodiversity Conservation Trust to deliver a state-wide private land conservation program (see section 1.3.2)
- the consolidation of seven different mechanisms for private land conservation into three types of agreements (see Box 1)
- this strategy, which will guide the government's record investment in private land conservation.

This framework is based on a recognition of the diverse benefits of private land conservation to the environment, landholders and regional communities, including Aboriginal landholders and communities (see Box 2).

New South Wales now has a comprehensive legal, institutional and financial framework to support private land conservation.

Box 1: Private land conservation agreements

Three types of private land conservation agreements are established under Part 5 of the *Biodiversity Conservation Act 2016*.

1. **Biodiversity stewardship agreements** – permanent agreements that generate biodiversity credits that may be sold to provide a potential upfront financial return and annual payments to cover the cost of management actions.
2. **Conservation agreements** – permanent or time-bound agreements that will be eligible for stewardship payments.
3. **Wildlife refuge agreements** – entry level agreements that provide a less restrictive option and can be terminated at any time, or converted into higher forms of agreements.

All existing private land conservation agreements that were entered into under previous legislation will remain in place and will continue to operate as if the previous legislation was still in place. There will be opportunities for landholders to convert existing agreements into one of the new types of agreement, however they are under no obligation to do so.

Box 2: Benefits of private land conservation

Investing in and protecting biodiversity on private land and creating healthy and diverse ecosystems provide a range of benefits to both the environment as well as landholders and their communities (Pannell 2016, Ansell et al 2016).

Environmental benefits of private land conservation:

- building resilience in landscapes
- buffering national parks
- protecting threatened species and their habitat
- creating stepping stones across the landscape
- establishing new wildlife corridors and climate refuges that can support species adaptation to a changing climate

Landholder benefits of private land conservation:

- reducing erosion and salinity
- improving water and soil quality
- supporting pollination and pest control
- providing shade and shelter for stock
- diversifying income sources
- engaging with other landholders undertaking similar activities

Regional socio-economic benefits of private land conservation:

- providing employment opportunities
- buffering economic shocks resulting from extreme weather events and changes in commodity prices
- improving the amenity of adjoining lands through scenic and environmental protection
- promoting integrated (cross-tenure) landscape management

1.3.2 The Biodiversity Conservation Trust

The Biodiversity Conservation Trust is responsible for delivering the government's investment in private land conservation in line with the priorities and principles identified in this strategy.

The Trust administers a statewide private land conservation program focused on supporting landholders who commit to protect and manage high value biodiversity on their properties under voluntary agreements. It may use the government's investment to accelerate participation in the program by offering financial support to landholders – especially in the parts of the state prioritised by this strategy. Further information about the private land conservation program is available on the Biodiversity Conservation Trust website (www.bct.nsw.gov.au)

The Biodiversity Conservation Trust also plays a key role in the delivery of the NSW Biodiversity Offsets Scheme. It is responsible for sourcing biodiversity offsets on behalf of development proponents when they choose to meet an offset obligation by paying into the Biodiversity Conservation Fund.

This will make it easier for proponents to comply with the Biodiversity Offsets Scheme and will enable a more strategic approach to securing offsets across New South Wales. Further information about the Biodiversity Offsets Scheme is available on the Office of Environment and Heritage website (www.environment.nsw.gov.au/biodiversity/offsetsschem.htm)

While the expenditure of funds generated through the Biodiversity Offsets Scheme will be principally governed by legislated offset trading rules, which specify the geographic location and types of any required offset (with some variations allowed), investment for private land conservation will be guided by the priorities set out in this strategy.

By managing public funding for private land conservation and private offsetting funds from developers, the Trust will be able to deliver strategic benefits, such as establishing larger and more viable protected areas.

1.4 Contributing to national and international commitments

Beyond the requirements of the *Biodiversity Conservation Act 2016*, this strategy has been developed to align with international and national agreements and targets. The strategy has used these targets as tools to help guide the identification of priority investment areas rather than adopting them as targets of the strategy itself.

1.4.1 The Convention on Biological Diversity

In 2010, the Australian Government endorsed the Convention on Biological Diversity *Strategic Plan for Biodiversity 2011–2020*, known as the 'Aichi targets' after the prefecture in Japan that hosted the international meeting. Of relevance to this strategy is Aichi Target 11:

> 'By 2020, at least 17% of terrestrial and inland water areas and 10% of coastal and marine areas, especially areas of particular importance for biodiversity and ecosystem services, are conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective area-based conservation measures, and integrated into the wider landscape and seascape'.

Aichi Target 11 has been adopted as a national goal for Australia and 19.63% of the country is now conserved within the National Reserve System (CAPAD 2016). The establishment of permanent private land conservation agreements will complement the national parks system and may contribute to the Australian Government's ongoing reporting against this international target.

This strategy has used Aichi Target 11 as a tool to help guide the identification of priority investment areas that would most benefit from private land conservation investment (see sections 2.3.2, 2.3.3 and supplementary information online).

1.4.2 National Reserve System

Australia's Strategy for the National Reserve System 2009–2030 guides the development of the National Reserve System.

The National Reserve System is Australia's network of reserves, parks and protected areas that permanently protect our natural landscapes and native plants and animals. It is founded on the goal of establishing a comprehensive, adequate and representative (CAR) system of protected areas for Australia (see Box 3). The application of the CAR principles is intended to progressively extend protection to include examples of all Australia's ecosystems in the protected area system.

To assist with a coordinated approach to expanding the National Reserve System, the national strategy includes the following targets:

- Comprehensiveness – examples of at least 80% of all regional ecosystems in each bioregion by 2015.
- Representativeness – examples of at least 80% of all regional ecosystems in each subregion by 2025.

It is acknowledged that these targets are challenging to achieve, and indeed, the date for achieving the 'comprehensiveness' target has passed. Building a CAR system of protected areas is considered to be a long-term objective and private land conservation is expected to play an increasingly important role in complementing the national parks system.

For the purposes of this strategy, subregions that have not yet met the 'representativeness' target have been identified as priority investment areas in five orders of priority (see sections 2.3.2, 2.3.4 and supplementary information online).

Box 3: The CAR framework

New South Wales is working to progressively build a protected area system that is comprehensive, adequate and representative (CAR). The key concepts of the CAR framework are:

- **Comprehensive:** refers to the aim to conserve samples of each element of biodiversity (represented by ecosystems) in the protected area system.
- **Adequate:** refers to how much of each ecosystem should be sampled to provide ecological viability and integrity of populations, species and communities.
- **Representative:** gives more depth to the measure of comprehensiveness. A representative protected area system will sample the full range of biological variation within each ecosystem by sampling the range of environmental variation typical of the ecosystem's geographic range.

Together, these three factors set the parameters for a protected area system that includes all elements of biodiversity, provides for resilience against threats, and is able to sustain itself over the long term.

Consultation questions

We want your views on the draft strategy and your feedback will inform the final strategy that will be released in early 2018.

- Do you have any comments on the proposed purpose, objectives and targets for the strategy (section 1.2)?
- Are there other international or national commitments that you think the strategy should acknowledge (sections 1.4 and 1.5)?

Details on how to provide your feedback are provided inside the cover of this draft strategy.

1.5 Complementing the national parks system

The NSW national parks system is established and guided by the *National Parks and Wildlife Act 1974*. Over seven million hectares of New South Wales are now managed and protected for conservation by the National Parks and Wildlife Service. This network of approximately 870 parks covers close to 9% of the state.

The public reserve establishment program continues to build on the existing network of public land over large areas to form consolidated, resilient and viable ecosystems. This program also reserves land for other purposes, including for example Aboriginal cultural heritage values, and takes into account factors such as public access, efficiency of park management and land tenures of adjoining land.

In regions where remnant vegetation is scarce, opportunities for further additions to the national parks system are limited. Private land conservation is critical to the prevention of further biodiversity loss and to improve connectivity in the landscape. Private land conservation can expand the range of natural values that are protected and provide buffers and corridors to enhance the reserve system. It is important for the Biodiversity Conservation Trust to work closely with the National Parks and Wildlife Service to build and manage a protected area system across public and private land that improves biodiversity as well as socio-economic outcomes.

This strategy will work in tandem with the National Parks System Directions Statement, which sets the proposed directions for the NSW national parks system, to establish a CAR protected area system across public and private land. The Draft Directions Statement is currently being publicly exhibited and is available for comment on the Office of Environment and Heritage website (engage.environment.nsw.gov.au/consult):

Part 2 Priority investment areas

2.1 Introduction

This chapter identifies the strategy's priority investment areas, which will be the primary focus of government investment in private land conservation. Priority investment areas have been identified on the basis of conservation value and threats to those values in parts of the state that have not yet met the national 'representativeness' target. They are identified on a subregional basis in five orders of priority on a statewide map.

To identify priority investment areas, the strategy has followed a four-step process, as outlined in this chapter. A more detailed explanation of this process, including the data used, is provided in supplementary information online.

Profiles of all subregions in New South Wales, including those that have been identified as priority investment areas, will be published as companion documents to this strategy and updated over time as new information becomes available.

2.2 What is a priority investment area?

The *Biodiversity Conservation Act 2016* establishes that priority investment areas are to include (without limitation):

- core areas: being large remnant native vegetation areas whose management will contribute the greatest benefit to the conservation of biodiversity within a bioregion
- state and regional biodiversity corridors: being linear areas that link core areas and play a crucial role in maintaining connections between animal and plant populations that would otherwise be isolated and at greater risk of local extinction
- areas containing the least protected ecosystems of public and private land
- areas required to increase the comprehensiveness, adequacy and representativeness of biodiversity in protected areas of public or private land.

While priority investment areas will be the focus of government investment in private land conservation, some investment will be made available to landholders in subregions that have met the national 'representativeness' target (see section 3.2). This recognises that important conservation assets and complementary programs are located across New South Wales and the resilience (or 'adequacy') of the protected area system may be enhanced through such investment.

2.3 Identifying priority investment areas

2.3.1 Step one: Identifying areas protected or managed for conservation

What land do we already protect?

Approximately 12% (10,084,137 hectares) of New South Wales is protected or managed for conservation under NSW or Commonwealth laws as at 30 June 2017.

The map at Figure 2 illustrates the extent of these commitments. It identifies the location and extent of land that is already protected or managed for conservation and represents a starting point for both how we measure our progress towards a CAR protected area system and how we identify priority investment areas. It also provides an important way of measuring progress towards building a network of areas protected or managed for conservation over the life of this strategy. The map will be maintained by the Office of Environment and Heritage with the aim of making it available online.

The areas illustrated on the map fall into three broad categories as described in Figure 3. The legal mechanisms used to secure these areas are listed in Table 1.

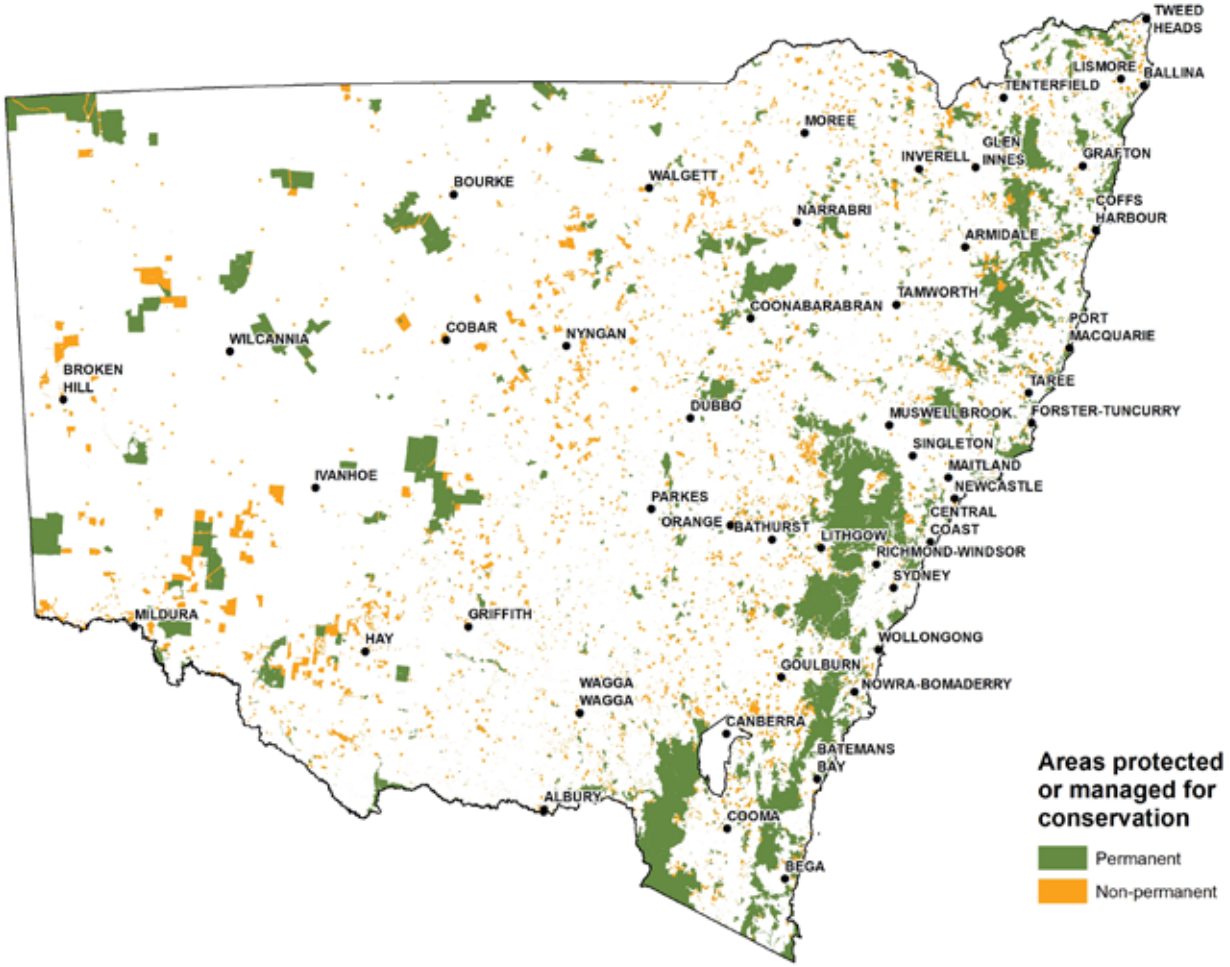


Figure 2 Areas protected or managed for conservation under NSW and Commonwealth legislation (as at 30 June 2017)

Land that meets the International Union for Conservation of Nature (IUCN) definition of 'protected area'

These areas will be used to measure progress towards CAR and to identify priorities for investment:

1. **Privately protected areas** – includes all protected areas on private land that meet the IUCN's definition.

This includes, but is not limited to, voluntary conservation agreements under the *National Parks and Wildlife Act 1974*, registered property agreements under the (repealed) *Native Vegetation Conservation Act 1997*, trust agreements under the (repealed) *Nature Conservation Trust Act 2000*, and Indigenous Protected Areas. It will also include biodiversity stewardship agreements and permanent conservation agreements under the *Biodiversity Conservation Act 2016*.

A total of 336,350 hectares, or 0.4% of NSW, is protected under this category of land.

2. **Public protected areas** – these include all protected areas on public land that meet the IUCN's definition.

This includes national parks, nature reserves, state conservation areas, regional parks, karst conservation areas, some Aboriginal areas and historic sites (all part of the national parks system), and flora reserves (on State forest).

A total of 7,201,518 hectares, or approximately 9% of NSW is protected under this category of land.

Land that does not meet the IUCN definition of 'protected area'

These areas cannot be used to measure progress towards CAR and will not be used to identify priorities for investment:

3. **Other conservation areas** – these include all types of land (whether public or private) that are currently under some form of protection but are either not in perpetuity or do not have sufficient legal security to meet the IUCN's definition.

This includes, but is not limited to Conservation and Incentive Property Vegetation Plans under the (repealed) *Native Vegetation Act 2003*, and will include time-bound conservation agreements and wildlife refuge agreements under the *Biodiversity Conservation Act 2016*.

A total of 2,546,279 hectares, or 3% of NSW, is captured under this category of land.

Figure 3 Categories of land that are protected or managed for conservation (see Table 1 for complete list)

Table 1 Areas protected or managed for conservation outcomes in New South Wales

Legislation	Type	Permanent Meets IUCN definition of 'protected area'	Non-permanent Does not meet IUCN definition of 'protected area'
1 *Biodiversity Conservation Act 2016*	Biodiversity stewardship agreements	●	
	Conservation agreements	●	●
	Wildlife refuges		●
	Areas of outstanding biodiversity value (including critical habitat)	●	
	Land subject to approved conservation measures for biocertiifcation	●	●
2 *National Parks and Wildlife Act 1974*	NPWS estate: • a national park • a historic site • a state conservation area • a regional park • a karst conservation reserve • a nature reserve • an Aboriginal area	●	
	NPWS lands: acquired not gazetted (Part 11 Lands)		●
	NPWS lands: vested in the Minister for the Environment (Part 4 Lands)		●
	NPWS managed Crown Land (Part 5 Lands)		●
	Conservation agreements	●	
	Wildlife refuges (note – these might not be necessary if they are deemed to be land to which a wildlife refuge agreement applies)		●
3 *Threatened Species Conservation Act 1995*	Biobanking agreements (these might not be necessary if they are deemed to be biodiversity stewardship sites)	●	
	Land subject to an approved conservation measure for biocertification, and any other legally binding agreements relating to conservation/offsetting for biocertification (e.g. deeds)	●	●
4 *Nature Conservation Trust Act 2001*	Nature Conservation Trust Agreements (Conservation Land Covenants)	●	
5 *Forestry Act 2012*	Flora reserves	●	

Legislation	Type	Permanent Meets IUCN definition of 'protected area'	Non-permanent Does not meet IUCN definition of 'protected area'
6 *Local Land Services Act 2013*	Set asides		●
7 *Native Vegetation Act 2003*	Property vegetation plans (PVPs) – conservation, incentive and offset	●	●
8 *Native Vegetation Conservation Act 1997* (repealed)	Registered property agreements	●	●
9 *Western Lands Act 1901/Native Vegetation Conservation Act 1997* (repealed)	Conservation Areas pursuant to Southern Mallee Land Use Agreements	●	
10 *Crown Lands Act 1989/Environmental Planning and Assessment Act 1979*	Perpetual Lease Conservation Lands		●
11 *Plantation and Re-afforestation Act 1999*	Native Vegetation Retained as Condition of Approval for Plantation Establishment		●
12 *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*	Indigenous Protected Areas	●	
13	Wildlife Land Trust Sanctuaries		●

2.3.2 Step two: Develop principles for the identification of priority investment areas

Principles to guide the identification of priority investment areas have been developed by taking into account the strategy's objectives, requirements of the *Biodiversity Conservation Act 2016* and international and national commitments and targets.

The principles for identifying priority investment areas are described below.

Principle 1: Areas of high environmental value should be prioritised

This principle ensures that priority investment areas focus on areas of high environmental value, including core areas of remnant vegetation and good samples of the least protected ecosystems.

Areas of high environmental value include areas that contain a high proportion of:

- threatened ecological communities, listed under NSW and Commonwealth legislation, comprising critically endangered ecological communities, endangered ecological communities, or vulnerable ecological communities
- over-cleared vegetation types, defined as being a vegetation type that has been cleared to an extent 70% or greater from its pre-European extent, and listed on the NSW Vegetation Types Database (www.environment.nsw.gov.au/biobanking/vegtypedatabase.htm)
- threatened species and habitats for threatened species
- important wetlands, shown on the Directory of Important Wetlands in Australia, including Ramsar wetlands identified by the Convention on Wetlands of International Importance (Ramsar Convention 1971)
- littoral rainforests identified under State Environmental Planning Policy 26 – Littoral Rainforests, and coastal wetlands identified under State Environmental Planning Policy 14 – Coastal Wetlands
- core koala habitat identified under State Environmental Planning Policies.

This principle also ensures that areas already recognised as being of high environmental value through other laws and regulations, such as environmental planning instruments and land management code exclusion zones, are prioritised for investment.

Principle 2: Areas that improve ecological connectivity and resilience to climate change should be prioritised

This principle prioritises areas that form corridors connecting core areas of remnant vegetation. It ensures that priority investment areas include those that improve ecological connectivity, which is essential to supporting our native plants and animals and building resilience to climate change.

Building connectivity is particularly important in over-cleared landscapes where ecosystems may be under significant pressure due to a history of clearing and fragmentation.

Priority is given to over-cleared landscapes that have the best opportunities to protect remaining core areas of remnant vegetation or to establish viable corridors.

Improving connectivity will help in building the resilience of the protected area system under climate change. As the climate changes, many species and entire ecosystems are adapting by following suitable habitat conditions into new areas. This includes moving southward or to higher altitude to stay within thermal limits, or to move to higher-rainfall environments to escape drought.

Habitat connectivity strongly complements and reinforces the principle of 'adequacy' within the context of building a CAR protected area system. It provides access to habitat for mobile species generally, and it allows species to migrate in response to climate change without the need of human assistance.

Principle 3: Areas that contribute most towards achieving a comprehensive, adequate and representative (CAR) protected area system should be prioritised

This principle ensures that priority investment areas include the least protected ecosystems and areas that will contribute to building a CAR protected area system.

IBRA bioregions and subregions that have not met national targets for 'comprehensiveness' and 'representativeness' will be prioritised, with the highest priority given to the most under-represented subregions.

The concept of 'adequacy' is recognised as being more difficult to measure and translate into targets because 'adequacy' is concerned with both how much of each ecosystem should be protected to provide ecological viability at a bioregional scale, and what the shape and configuration of those protected areas should be. This can vary significantly over a landscape and over time and can be difficult to quantify and measure. It is often best determined on a case by case basis when the surrounding landscape can be taken into account.

For the purposes of this strategy, Aichi target 11 is used as a surrogate for the concept of 'adequacy'. It is used as a tool to prioritise NSW Landscapes in conjunction with the other three prioritisation principles.

Principle 4: Areas where high environmental value assets are under the greatest pressure should be prioritised

This principle prioritises areas in New South Wales where conservation assets are likely to be subject to significant pressure from agricultural clearing or incremental loss and may therefore benefit most immediately from protection and investment.

A variety of pressures exist across the landscape, and areas where conservation assets are most likely to be cleared or modified for agriculture are included in priority investment areas. This principle provides landholders in these areas with options: to determine whether to proceed with agricultural development, biodiversity stewardship or a combination of both.

Areas under pressure from clearing for urban and other forms of development will not be prioritised through this process as these areas are expected to have a biodiversity offsets market operating. Indeed, private land conservation investment should generally avoid areas where an active offsets market is in place so as not to impact the efficient operation of these markets.

2.3.3 Step three: Apply the prioritisation principles

This step involves applying the principles described in section 2.3.2 using the best available science and data to generate a statewide map showing the relative priority of all NSW Landscapes (see Figure 4).

The following four data sets have been applied statewide (with equal weighting):

- **Principle 1: Areas of high environmental value**

  Data set: High environmental value land

  The highest priority is given to NSW Landscapes with the highest proportion of such values.

- **Principle 2: Areas that improve ecological connectivity and resilience to climate change**

  Data set: Extent of native vegetation

  The highest priority is given to NSW Landscapes that are 70%–90% cleared.

- **Principle 3: Areas that contribute towards a CAR protected area system**

  Data set: Proportion of NSW Landscapes permanently protected in the protected area system

  The highest priority is given to those NSW Landscapes that are furthest from achieving 17% protection (in line with the Aichi target) – this data set is used as a surrogate for 'adequacy'.

- **Principle 4: Areas where high environmental value assets are under the greatest pressure**

  Data set: Statewide land and soil capability data

  This is used as an indicator of agricultural clearing pressure.

Only statewide data is used so that equitable comparisons can be made between subregions and NSW Landscapes. Supplementary information online provides further detail about the data and approach used to generate this map, including individual statewide maps for each data set used.

Principle 1: High environmental value

Principle 2: Connectivity and resilience to climate change

Principle 3: Comprehensive, adequate and representative

Principle 4: Threats and pressures

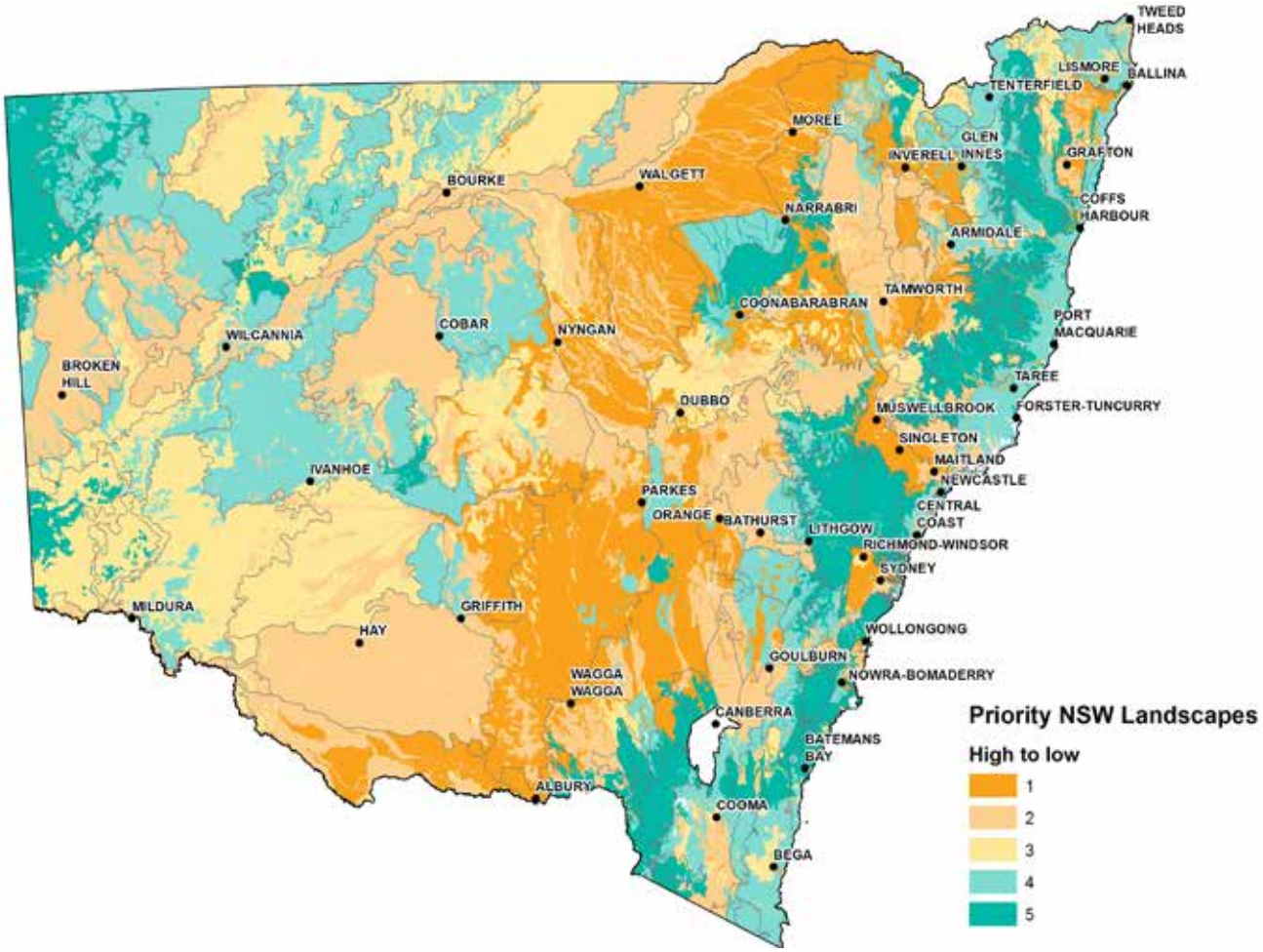


Figure 4 Map of highest priority NSW Landscapes

2.3.4 Step four: Statewide map of priority investment areas

This step involves building a map that draws together the principles and data in steps two and three to identify priority investment areas as the under-represented IBRA subregions with the highest concentration of high priority NSW Landscapes.

Of the 131 subregions in New South Wales, 59 have 80% or more of their NSW Landscapes sampled in the protected area system as of 30 June 2017. The remaining 72 subregions that do not meet the 80% target have been identified as priority investment areas, in five orders of priority, on a state-wide map (Figure 5).

Most of the Priority 1 subregions are located in the NSW sheep-wheat belt, which stretches across the entire length of the state from the Queensland border to the Victorian border. These subregions are agricultural heartland and support most of the cereal-growing areas and much of the irrigated farmlands of New South Wales. The areas have been extensively cleared for grazing and cropping and there is a relatively low proportion of land in the protected area system.

Given important conservation assets and complementary government programs operate in subregions that have met the national 'representativeness' target, some government investment will also be made available to those areas, consistent with the investment principles set out in section 3.2. This may include areas that are identified as high priorities in Figure 4 (e.g. around Grafton and Western Sydney), however, are within subregions that have met the 'representativeness' target and therefore are not identified as priority investment areas in Figure 5.

A complete list of all the prioritised subregions, by order of priority, is available online.

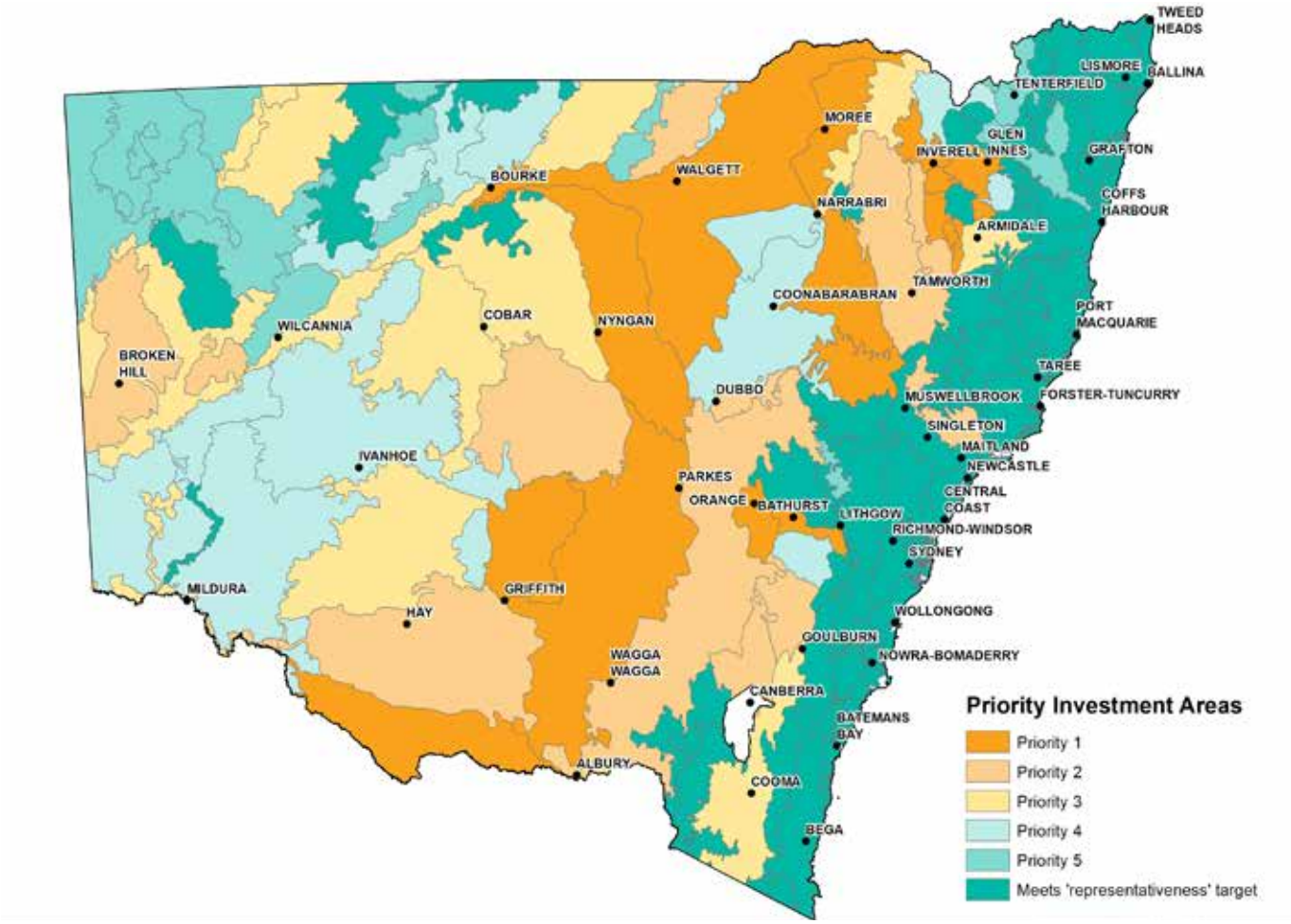


Figure 5 Map of priority investment areas

2.4 Profiles of subregions

Profiles of IBRA subregions, including those that have been identified as priority investment areas, will support decision making by the Biodiversity Conservation Trust, other investors and landholders. The profiles provide a snapshot of each subregion, including a brief overview, a summary of the land use and clearing history, and a list of priority conservation assets in each subregion. They also include photographs of prioritised vegetation (high environmental value) and the best available regional scale mapping depicting:

- the least protected ecosystems
- under-represented and inadequately protected NSW Landscapes
- potential core areas and corridors.

The profiles are developed using rapidly evolving spatial modelling that aims to address complex issues of adaptation and resilience, threats and responses to management. All profiles will be updated from time to time, to ensure they are responsive to emerging knowledge and data.

The regional scale mapping is provided as a guide only and investment decisions should always be made on the basis of site assessments.

2.5 Areas of outstanding biodiversity value

There are some areas in New South Wales that are important for biodiversity at a state, national or global scale and that contribute significantly to the persistence of biodiversity. These are known as 'areas of outstanding biodiversity value' (AOBVs) and may be declared by the Minister for the Environment under the *Biodiversity Conservation Act 2016*.

The *Biodiversity Conservation Act 2016* requires the Minister for the Environment to take reasonable steps to enter into a private land conservation agreement with any landholder whose land is within a proposed AOBV.

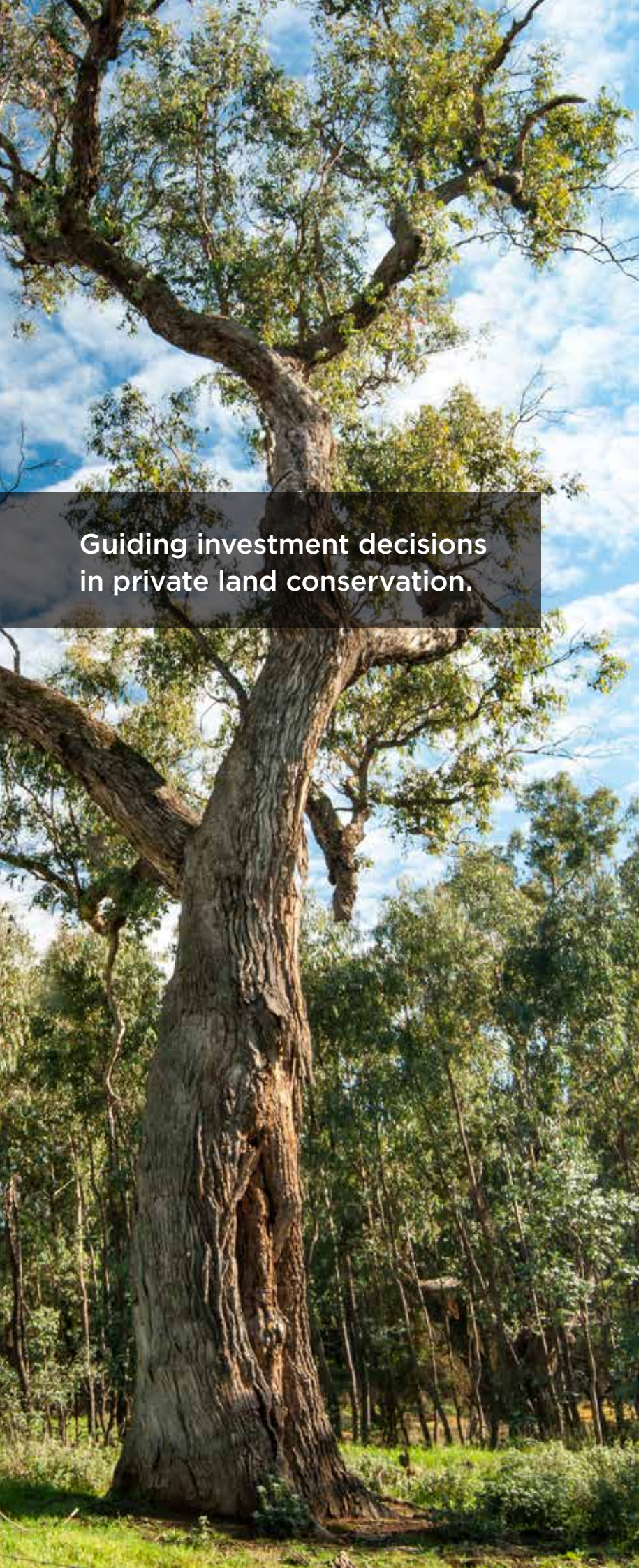
AOBVs are therefore considered to be an 'automatic priority' under this strategy. The Biodiversity Conservation Trust is required to take reasonable steps to encourage a landholder whose property includes an AOBV, or proposed AOBV, to enter into a private land conservation agreement that includes financial support.

Consultation questions

We want your views on the draft strategy and your feedback will inform the final strategy that will be released in early 2018.

- Do you have any comments on the proposed approach for identifying priority investment areas (section 2.3 and supplementary information online)?
- Is there any other data that we should consider using to identify priority investment areas (section 2.3)?
- Do you have any comments on the proposed profiles of IBRA subregions (section 2.4)?

Details on how to provide your feedback are provided inside the cover of this draft strategy.



Part 3
Making investment decisions

3.1 Introduction

This chapter provides guidance about the environmental, social and economic issues that should be considered when investing in private land conservation. A set of five investment principles is outlined which, when applied together, will contribute to the strategy meeting its objectives. A set of five-year and 20-year targets has been developed to support strategic investment decisions and to enable progress to be measured.

It may take some time for the Biodiversity Conservation Trust to become established in rural and regional communities, and for its programs and activities to mature. The strategy provides the Trust with flexibility to adapt its programs as it gains an understanding of the private land conservation market, including landholder motivations, and the preferences and willingness of landholders to participate in private land conservation.

To achieve the best results for both landholders and the environment, investment should be directed to the priority investment areas identified in this strategy. The Biodiversity Conservation Trust is expected to align its activities with the priorities in this strategy, moving through the order of priorities to achieve strategic and cost effective outcomes. Some government investment should also be made available in subregions that have met the national 'representativeness' target to support conservation assets and complementary government programs.

3.2 Investment principles

All private land conservation investment should be made in accordance with the following principles.

Principle 1: Investment in private land conservation should seek to maximise conservation benefits

Investment in private land conservation should protect good samples of the least protected ecosystems, improve landscape connectivity and contribute to a CAR protected area system. Investment in private land conservation should conserve areas of particular importance for biodiversity and ecosystem services. Investment should also target areas that will improve connectivity across landscapes and subregions.

To maximise conservation benefits, investment should target the following conservation assets, where they are subject to the most significant pressure or threat:

- the least protected ecosystems:
  - threatened ecological communities, listed under either NSW or Commonwealth legislation, comprising critically endangered ecological communities, endangered ecological communities, or vulnerable ecological communities
  - over-cleared vegetation types, defined as being a vegetation type that has been cleared to an extent 70% or greater from its pre-European extent, and listed on the NSW Vegetation Types Database
  - threatened species, or endangered populations, and their habitats as well as *Saving our Species* priority sites
  - important wetlands, shown on the Directory of Important Wetlands, including Ramsar wetlands identified by the Convention on Wetlands of International Importance (Ramsar Convention 1971)
  - littoral rainforests, identified under State Environmental Planning Policy 26 – Littoral Rainforests, and coastal wetlands identified under State Environmental Planning Policy 14 – Coastal Wetlands
  - koala habitats identified under State Environmental Planning Policies or the NSW Koala Strategy.
- NSW Landscapes contributing to a CAR protected area system:
  - NSW Landscapes that are not sampled by the protected area system across public or private land
  - NSW Landscapes that are inadequately protected by the protected area system (across public or private land)

- core areas, corridors and climate refugia:
  - core areas being large areas of remnant native vegetation, whose management will contribute the greatest benefit to the conservation of biodiversity within a bioregion
  - biodiversity corridors being linear areas that link core areas and play a crucial role in maintaining connections between animal and plant populations that would otherwise be at greater risk of local extinction.
  - climate refugia being areas that are relatively buffered from contemporary climate change, where over time biodiversity can retreat to, persist in, and can potentially expand from, as the climate changes.

Investment should strive to maintain, build and strengthen landscape function by targeting such areas. Investment decisions should also balance the need to restore modified land and preserve more intact land. Where possible, consideration should be given to whether traditional ecological knowledge may inform investment decisions.

The profiles of IBRA subregions, with priority investment areas, include examples of the conservation assets that should be prioritised in each subregion. While the profiles provide an indication of where priority sites, core areas and corridors may be located, local engagement and planning is important. The ecological value of a site should always be verified before investment decisions are made.

Principle 2: Investment in private land conservation should seek to promote long-term outcomes – both for landholders and the environment

Permanent private land conservation agreements should generally be prioritised over time-bound agreements, including biodiversity stewardship agreements and permanent conservation agreements under the *Biodiversity Conservation Act 2016*.

This will help to meet Targets 1 and 2 in this strategy as well as CAR targets under the National Reserve System. It will also provide enduring benefits to landholders. Funding levels attached to agreements should be in proportion to the duration of the protection secured – permanent agreements should attract higher payments than time-bound agreements.

In subregions that have met the national 'representativeness' target, investment should be directed at permanent agreements because this ensures that an enduring conservation outcome is achieved in an area that already meets the national target. While there may be cases where investment in time-bound agreements is appropriate in these subregions, such cases would need to demonstrate that they strongly contribute to the strategy's objectives and are consistent with the other investment principles.

The Biodiversity Conservation Trust may consider prioritising landholders who are willing to enter into permanent agreements in subregions that have met the national 'representativeness' target, over time-bound agreements within priority investment areas. This would be appropriate where sites are consistent with other investment principles, for example, priority sites under *Saving our Species* or koala habitat identified under the NSW Koala Strategy.

Principle 3: Investment in private land conservation should complement other government and non-government programs

This principle acknowledges that numerous important programs and policies are in place that contribute to the broad objective of improving biodiversity conservation outcomes in New South Wales. These include, but are not limited to, the national parks system, environmental planning instruments, *Saving our Species*, the NSW Koala Strategy, Environmental Trust grants, environmental watering programs and Catchment Action (delivered by Local Land Services).

The Biodiversity Conservation Trust should work with other conservation programs to encourage collaboration and maximise benefits across programs.

Specific guidance is provided below for interactions with programs established under the *Biodiversity Conservation Act 2016*.

Saving our Species

The *Saving our Species* program prioritises investment in threatened species conservation and has identified priority sites for threatened species and threatened ecological communities. In many cases, these locations are within priority investment areas identified in this strategy. However, over 200 species and threatened ecological communities are found only in subregions that have met the national 'representativeness' target.

Under this strategy, private land conservation funds may be invested in permanent private land conservation agreements even when landholders have received funding for threatened species conservation at priority sites under the *Saving our Species* program. This may occur anywhere in the state. The Biodiversity Conservation Trust should work with the *Saving our Species* program to identify landholders who may be interested in entering into a permanent agreement on *Saving our Species* priority sites.

NSW Biodiversity Offsets Scheme

Investment in private land conservation should generally not be made in areas where an offsets market is operating or is likely to operate. Despite this, there may be cases where there are strategic benefits to using private land conservation funds on neighbouring lands, to supplement the conservation protections achieved through payments generated by the NSW Biodiversity Offsets Scheme. These opportunities should be pursued where they achieve improved conservation outcomes, for example where larger areas can be protected or corridors can be established.

Principle 4: Investment in private land conservation should support sustainable farming enterprises and promote regional economic benefits and avoid land use conflicts

This principle acknowledges that investment in private land conservation aims to facilitate and support sustainable agricultural practices that have mutual benefits for landholders and the environment. Investment should enable landholders to manage parts of their properties for conservation outcomes and draw an income to support this use of land. Protecting part of a property and improving its condition may deliver benefits to the remainder of the property, for example, through improved water table management, better in-stream water quality, shade and shelter benefits and provision of pollination and other ecosystem services.

Investment decisions should also consider the potential for broader regional economic benefits. This includes both the diversification of income sources for landholders entering into agreements and the potential outsourcing to local businesses of services such as site management. This will contribute to meeting Targets 3 and 4 in this strategy that are focused on the socio-economic benefits of investment in private land conservation.

Investment in private land conservation should consider, and where possible avoid, areas that are likely to be future development sites for urban growth and mineral and energy resource industries. Ongoing consultation across government and with key stakeholders will help achieve balanced land use outcomes by avoiding investment in areas targeted for urban growth and highly prospective mineral and energy resource areas, as well as supporting co-existence, where appropriate..

Principle 5: Investment in private land conservation should be cost-effective, transparent, efficient and make the best use of available mechanisms to deliver investment

This principle supports expenditure under the private land conservation program achieving the best conservation outcomes as well as socio-economic returns on investment. Where possible, the Biodiversity Conservation Trust should seek to use competitive processes that will test the market for the delivery of conservation services. This may take the form of reverse auctions, competitive grants programs or expressions of interest.

Where sufficient market data is available, direct approaches may be the most efficient way of securing agreements. Methods for calculating payments should be transparent and subject to public scrutiny, where this will not undermine competitive processes.

Efficiency also needs to underpin the administration of the program. This includes supporting the Biodiversity Conservation Trust, its Board, managing staff costs while delivering stewardship services and monitoring and auditing agreements.

The efficiency and effectiveness of the program should be measured in accordance with the monitoring and evaluation framework set out in Part 4.

3.3 Local scale planning and decision making

The delivery of this strategy's objectives will require local conservation planning and action by the Biodiversity Conservation Trust, in partnership with local organisations, Aboriginal landholders and the broader local community. The profiles of the IBRA subregions, including those that have been identified as priority investment areas, can be used as a starting point to guide local priorities and actions. More detailed planning and engagement at a local scale can guide the Biodiversity Conservation Trust's implementation of this strategy.

Engaging local and expert knowledge should be central to the development and delivery of this local conservation planning. The process should consider relevant mapping and conservation planning that has been undertaken by other agencies, such as the Office of Environment and Heritage, the Department of Planning and Environment (e.g. Regional Plans), Local Land Services (e.g. Local Strategic Plans), Local Government (e.g. Local Environment Plans) and others.

Local conservation planning should focus first on the priority investment areas. However, it would also be of benefit in other regions where the Biodiversity Conservation Trust is active, either in the private land conservation program or under the NSW Biodiversity Offsets Scheme.

Figure 6 summarises how the priorities and principles established in the strategy will inform planning and decision making at subregional and local (or property) scales.

State: Biodiversity Conservation Investment Strategy

- Statewide priorities based on statewide data and mapping
- Investment principles
- Types of conservation assets to be targeted (e.g. threatened ecological communities, threatened species habitat etc.)
- First review of strategy expected to be in 3 years

Subregion: Profiles

- Specific conservation assets to be targeted (e.g. box gum woodland, alluvial plains grassland, *Saving our Species* priority sites etc.)
- Regional scale mapping of conservation assets
- Updated at any time to incorporate new data

Local/property: Conservation planning and mapping

- Local scale mapping and site assessments to validate conservation assets
- Consider priorities in Local Land Services Strategic Plans, Department of Planning and Environment Regional Plans, Local Government Areas etc.
- Ongoing function for Biodiversity Conservation Trust

Figure 6 Delivering the strategy at different scales

3.4 Targets

A set of short- and long-term targets has been developed to help measure the strategy's progress in meeting its environmental as well as socio-economic objectives. The Biodiversity Conservation Trust will consider these targets through its business planning and priority-setting processes. It will report on how it has considered the strategy, including these targets, in its annual reports to Parliament (see section 4.2).

Target 1:	By 2022, private land conservation agreements will protect examples of 30 NSW Landscapes that are either not represented within, or are inadequately protected in, the protected area system in 2017
Target 2:	By 2037, private land conservation agreements will protect examples of 90 NSW Landscapes which are either not represented within, or are inadequately protected in, the protected area system in 2022

Targets 1 and 2 will contribute to building a CAR protected area system across public and private land. The voluntary efforts of landholders who agree to permanently protect properties (or parts of properties) under private land conservation agreements will play a key role in this task. The development of a CAR protected area system will ensure that the diverse regional ecosystems across New South Wales are represented in the protected area system, and that they are resilient to impacts from climate change and other threats.

Table 4 shows the number of NSW Landscapes currently sampled in the protected area system across public and private land and the number of NSW Landscapes not yet sampled in each priority investment area. 'Sampled' in this context means that part of the NSW Landscape (no minimum size) is protected under a permanent legal mechanism.

While there are a total of 571 NSW Landscapes in New South Wales, some of these landscapes span multiple subregions. They need to be sampled in each subregion to create a CAR protected area system. This is why the number of NSW Landscapes across all the priority investment areas, as shown in Table 1, totals more than 571.

The targets in this strategy complement the target set in the National Parks System Directions Statement, which seeks to secure 10 NSW Landscapes that are not yet represented, or are inadequately protected, in the national park system. Achieving these targets will ensure a larger proportion of NSW ecosystems are protected in perpetuity, resulting in an uplift in CAR over the next 20 years. Achieving these targets will also help New South Wales meet national 'representativeness' and 'comprehensiveness' targets (see section 1.4 for further information about the national targets.).

Table 2 NSW Landscapes represented in the protected area system across public and private land

Priority investment area	Number of subregions	Number of NSW Landscapes sampled in the protected area system / total number of NSW Landscapes	Number of NSW Landscapes yet to be sampled
Priority investment area 1	15	99/232	133
Priority investment area 2	15	141/240	99
Priority investment area 3	14	98/187	89
Priority investment area 4	14	104/167	63
Priority investment area 5	14	45/97	52

Target 3: By 2022, diversified incomes streams will improve the financial sustainability of participating landholders relative to similar local businesses

Target 4: By 2037, diversified income and investment streams will improve the financial sustainability of regional and rural communities

Government investment in private land conservation represents a potential new income stream for landholders. Payments to landholders under the private land conservation program may supplement landholders' current incomes, or they may (wholly or partially) replace selected income streams.

It is expected that payment amounts will be set at the time of entering into a private land conservation agreement, which means that ongoing payments will be independent of market and climate volatility. This will help buffer the effects of such volatility on other income streams (especially agricultural markets) and reduce the uncertainty that is inherent in medium- and long-term business planning.

In the longer term, it is expected that payments to landholders will be re-invested in local communities, for example, through the need for contract labour to help with conservation management or through increased spending by landholders in response to higher income levels. In this way, private land conservation investment is expected to help contribute to more prosperous and sustainable regional and rural economies across New South Wales.

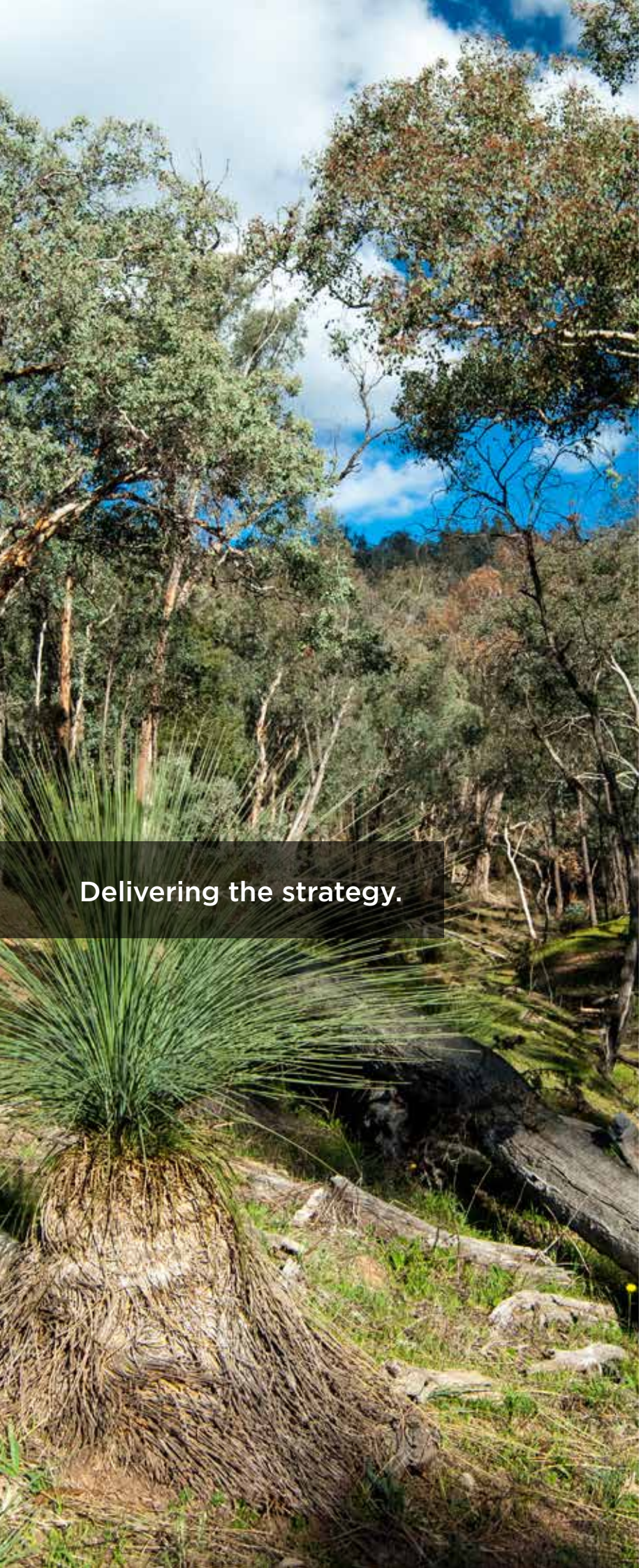
Progress against this target will be measured through a consultative research approach that tracks the financial and economic implications of investment in private land conservation.

Consultation questions

We want your views on the draft strategy and your feedback will inform the final strategy that will be released in early 2018.

- Do you have any comments on the investment principles (section 3.2)?
- Do you have any comments on the short- and long-term targets (section 3.3)?
- Are there other targets we should consider including in the strategy? If so, how should they be measured (section 3.3)?

Details on how to provide your feedback are provided inside the cover of this draft strategy.



Part 4 Delivering the strategy

4.1 Introduction

This chapter summarises the roles and functions of key agencies and stakeholders that are responsible for delivering the strategy. To achieve the strategy's objectives, partnerships within and between the Biodiversity Conservation Trust, government, landholders – including Aboriginal landholders – and the broader community will be needed. This chapter also describes the link between the strategy and business planning, review and evaluation.

4.2 Roles and responsibilities

4.2.1 Role of the Minister for the Environment

The *Biodiversity Conservation Act 2016* sets out the Minister for the Environment's responsibilities with respect to this strategy and the Biodiversity Conservation Trust. The Minister:

- must make the strategy as soon as practicable after the commencement of the Act
- must review the strategy after five years and may amend it at any time
- may direct the Biodiversity Conservation Trust and those directions must be published, except in relation to payments out of the Biodiversity Conservation Trust Public Fund, which will contain all gifts of money or property and all contributions made in relation to fundraising events
- may approve the Biodiversity Conservation Trust Business Plans.

4.2.2 Role of the Biodiversity Conservation Trust

The Biodiversity Conservation Trust is established under the *Biodiversity Conservation Act 2016* as a not-for-profit statutory body managed by a board appointed by the Minister for the Environment. It is required to (among other things):

- encourage landholders to enter into co-operative arrangements for the management and protection of the natural environment that is significant for the conservation of biodiversity
- provide mechanisms for achieving the conservation of biodiversity
- conduct its activities in accordance with a business plan, published every four years
- prepare annual reports on its activities under the *Annual Reports (Statutory Bodies) Act 1984*.

The Biodiversity Conservation Trust's decisions are guided by this strategy, which helps inform the design and delivery of a statewide private land conservation program. While this strategy sets targets and long-term priorities for private land conservation, the Biodiversity Conservation Trust will be responsive to changes in the landscape when designing programs and setting annual priorities. This may include adjusting annual priorities to respond to projected (or actual) rates of clearing in some parts of the state, or supporting landholders to adapt to the impacts of climate change.

The relationship between this strategy and the Biodiversity Conservation Trust's planning and reporting requirements is set out in Figure 7.

Biodiversity Conservation Investment Strategy
- 20-year strategy
- Identifies strategic statewide priorities
- Sets short- and long-term targets
- Identifies principles to guide investment

Biodiversity Conservation Trust Business Plan
- Four-year plans
- Sets goals and plans for investing funds
- Guided by Biodiversity Conservation Investment Strategy

Biodiversity Conservation Trust Annual Reports
- Annual reports
- Progress against goals in Business Plan
- Actions undertaken to deliver plans in Business Plan

Figure 7 Relationship to the Biodiversity Conservation Trust reporting requirements

4.2.3 Role of the Office of Environment and Heritage

The Office of Environment and Heritage supports the Minister to prepare, publish and review this strategy. It also provides advice to the Minister about the Biodiversity Conservation Trust Business Plans and Annual Reports.

4.2.4 Role of other agencies and organisations

Other organisations that have existing networks with landholders and communities, particularly in the priority investment areas, have a role in helping and partnering with the Biodiversity Conservation Trust. Local knowledge will help the Biodiversity Conservation Trust deliver the investment in partnership with local communities.

4.3 Review and evaluation

The *Biodiversity Conservation Act 2016* requires the strategy to be reviewed after five years.

It is expected the strategy could be reviewed after three years, given that important new information is expected to be collected once the private land conservation program commences. This could include data about landholders' willingness to participate in the program, clearing rates under a new land management framework, the cost of stewardship payments and offset market activity.

As part of the review, consideration may be given to bringing together the strategy and the National Parks System Directions Statement into a single document. There may be benefits to considering conservation priorities across public and private land in one strategy, noting that the public reserve establishment program reserves land for objectives beyond biodiversity conservation.

In addition, an independent evaluation of the private land conservation program is a key component of the program's design. This evaluation will be undertaken in line with the NSW Government Evaluation Framework. Findings from this evaluation will inform future program design and delivery.

The outcomes of this evaluation, together with any new data and information (including from complementary programs) that becomes available, will support the review and update of this strategy and the delivery of more targeted investment in private land conservation.

Consultation questions

We want your views on the draft strategy and your feedback will inform the final strategy that will be released in early 2018.

- Do you have any comments on the roles of key agencies and stakeholders (section 4.2)?
- Do you have any feedback about the proposed approach to reviewing the strategy (section 4.3)?

Details on how to provide your feedback are provided inside the cover of this draft strategy.

References

Ansell D, Gibson F and Salt D (eds) 2016, *Learning from agri-environment schemes in Australia*, Australian University Press, Canberra.

Bingham H, Fitzsimons JA, Redford KH, Mitchell BA, Bezaury-Creel, J and Cumming TL 2017, Privately Protected Areas: Advances and challenges in guidance, policy and documentation in *Parks* Vol 23. 1 March 2017.

Byron N, Craik W, Keniry J and Possingham H 2014, *A review of biodiversity legislation in NSW – Final Report of the Independent Biodiversity Legislation Review Panel*, 18 December, Sydney.

CAPAD 2016, Collaborative Australian Protected Area Database, www.environment.gov.au/land/nrs/science/capad/2016.

Commonwealth of Australia 2012, *Interim Biogeographic Regionalisation for Australia*, Version 7, Department of Environment and Energy, Canberra, www.environment.gov.au/land/nrs/science/ibra#ibra

Convention on Wetlands of International Importance (Ramsar Convention) 1971, www.ramsar.org

Drielsma M, Manion G, Love J, Williams KJ, Harwood T and Saremi H 2015, *3C Modelling for Biodiversity under Future Climate*, NSW Office of Environment and Heritage www.terranova.org.au/repository/3c-modelling-east-coast-central-slopes-and-murray-basin-nrm-collection/draft-report-3c-modelling-for-biodiversity-management-under-future-climate.

Mitchell P 2002, *NSW Landscapes Mapping: Background and Methodology*, unpublished report prepared for the NSW National Parks and Wildlife Service, Sydney, www.environment.nsw.gov.au/resources/conservation/EcosystemsMethodology.pdf

NRMMC 2009, *Australia's Strategy for the National Reserve System 2009–2030*, Natural Resource Management Ministerial Council, Commonwealth of Australia, Canberra.

Pannell D 2016, 'Public benefits, private benefits, and the choice of policy tool for land-use change' in Ansell D, Gibson F and Salt D (eds) *Learning from agri-environment schemes in Australia*, Australian University Press, Canberra.

Stolton S, Redford KH and Dudley N 2014, *The Futures of Privately Protected Areas*, Gland, Switzerland: IUCN. Available at: www.iucn.org/content/futures-privately-protected-areas

Thackway R & Cresswell I 1995, *An Interim Biogeographic Regionalisation for Australia: a framework for setting priorities in the national reserve system cooperative program*, Version 4.0, Australian Nature Conservation Agency, Canberra.

Find out more about your environment at:

www.environment.nsw.gov.au