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Legislative Council Environment and Planning Committee  
Parliament House, Spring Street  
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## Inquiry into Ecosystem Decline in Victoria

Dear Committee

The Nature Conservancy welcomes the opportunity to provide a submission to this Inquiry into Ecosystem Decline in Victoria. The Nature Conservancy is one of the world's largest conservation organisations, working around the world to conserve the lands and waters on which all life depends. Founded in 1951, we work in 70 countries across six continents. Our work is grounded by science that informs solutions to the world's biggest environmental challenges. Since establishing a program in Australia in 2002, The Nature Conservancy has collaborated with a wide array of partners to support some of the most pressing conservation issues across the country. This includes contributing to achieving many of our international obligations, from restoring endangered ecosystems, building the protected area estate and using natural solutions to tackle climate change. In Victoria, this work has included restoring Port Phillip Bay's lost shellfish reefs, designing metropolitan urban forest strategy for Melbourne, applying environmental flows to important wetlands on private land and protection of new privately protected areas. Here we briefly outline some important considerations for this inquiry.

### Protected areas and private land conservation

#### Public land

Victoria has been at the forefront of public land use planning and allocation since the creation of the Land Conservation Council (LCC) and the systematic investigations undertaken by the LCC, and successors the Environment Conservation Council and Victorian Environmental Assessment Council (VEAC) over many decades<sup>1</sup>. These bodies are largely responsible for the majority of the protected area (national parks and nature reserves) system we have today. VEAC plays an important role in helping build the comprehensiveness, adequacy and representativeness of the public protected area estate, in line with national<sup>2</sup> and international commitments<sup>3</sup>. However, recommendations from recent investigations have yet to be either accepted or implemented, including Metropolitan Melbourne, the Statewide Review and Central West. It is important that these recommendations are implemented, including the creation of new protected areas and legislative reform outlined in those reports. Further, a number of under-represented regions in Victoria have had no strategic assessment of their public land use in over 30 years (e.g. the South-west, Strzelecki Ranges, Gippsland Plains) – these should be priorities for future VEAC assessments, along with future land use decisions relating to the Victorian Government's decision to phase out of logging from native forests. Under the Convention on Biological Diversity, signatories, including Australia (and thus Victoria) are committed to

<sup>1</sup> Coffey, B., Fitzsimons, J.A. & Gormly, R. (2011). Strategic public land use assessment and planning in Victoria, Australia: Four decades of trailblazing but where to from here? *Land Use Policy* **28**, 306-313.

<sup>2</sup> *Strategy for Australia's National Reserve System 2009-2030*. <https://www.environment.gov.au/land/nrs/publications/strategy-national-reserve-system>

<sup>3</sup> Convention on Biological Diversity <https://www.cbd.int/>

achieving a protected area network that is representative of Victoria's ecosystems and encompasses 17% coverage on land and 10% in marine environments by 2020. New global targets, to be negotiated in 2021, are likely to see this target increased, most likely to 30% of land and marine systems by 2030<sup>4</sup>. Whatever this target looks like, principles of comprehensiveness, representativeness and adequacy are fundamental to building the reserve system and are embedded in Victorian and national policy. There is still further work to do to ensure Victoria's reserve system meets these principles.

However, Victoria is also one of the most heavily cleared states in Australia, with a high proportion of private land. Purchasing land with endangered and under-represented systems such as native grasslands, grassy woodlands and wetlands for addition to the public protected area estate was an active pursuit in the late 1900s and early 2000s with dedicated annual funding<sup>5</sup>, but these dedicated resources have diminished and progress has stalled. At the same time, endangered native grasslands are continuing to be lost through illegal land clearing<sup>6</sup>, and despite the listing of these ecological communities under the Victorian *Flora and Fauna Guarantee Act 1988* and the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*, most of this clearing goes unprosecuted.

The lack of progress in developing the Western Grassland Reserve, as recently highlighted by the VAGO report<sup>7</sup>, was unsurprising considering the strategy of waiting for charges imposed on developers to fund land purchase of the identified grassland properties. Not providing adequate financial resources up front and staggering land acquisition resulted in large cost blowouts in the buyback of the Summerlands Estate on Phillip Island for the Penguin Parade. Delaying the purchase of the Western Grassland Reserve properties increases the likelihood of the grassland values on these sites degrading further prior to purchase, or not being purchased at all.

The reserve system will increasingly need to take on a role as not just a protector of biodiversity but of carbon stocks in the soil and vegetation within the reserve. Increased emphasis on protecting natural habitats with high carbon stocks will be important. The reserve system will also need to be assessed for how climate change-ready it is and our thinking of individual reserves might need to shift from a site that 'protects a particular species or ecosystem' but rather as 'a safe place for nature to evolve and adapt to climate change'.

#### Private land conservation

Victoria has a wealth of mechanisms for conserving important natural habitats on private land. These range from land acquisition by the Trust for Nature, binding conservation covenants established by the Trust for Nature and voluntary, mid-term agreements such as BushTender, through to non-binding agreements such as Land for Wildlife and Landcare. Trust for Nature is the major conservation covenanting agency in Victoria, and one of a number around Australia whose covenants qualify as privately protected areas<sup>8</sup>. There are more than 1,380 covenants protecting more than 62,000 hectares<sup>9</sup>, and covenants are known to increase the representation of threatened ecosystems in the protected area estate<sup>10</sup>. However, time and cost are seen as some of the major challenges for owners of conservation covenants in achieving the desired conservation outcomes on their properties<sup>11</sup>. Despite this significant contribution, there are few consistent financial

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<sup>4</sup> Zero Draft of the Post-2020 Global Biodiversity Framework

<https://www.cbd.int/doc/c/efb0/1f84/a892b98d2982a829962b6371/wg2020-02-03-en.pdf>

<sup>5</sup> e.g. Fitzsimons, J.A., Williams, C., Walsh, V., FitzSimons, P. & U'Ren, G. (2008) Ecological attributes of strategic land acquisitions for addition to Victoria's public protected area estate (2006-2007). *Victorian Naturalist* **125**, 140-149.

<sup>6</sup> Marshall, D. & Fitzsimons, J.A. (2008). Challenges for native grassland conservation on Victoria's Northern Plains. *Australasian Plant Conservation* **16**(4), 24-25.

<sup>7</sup> <https://www.audit.vic.gov.au/sites/default/files/2020-06/20200617-Endangered-Grasslands-report.pdf>

<sup>8</sup> Fitzsimons, JA (2015) Private protected areas in Australia: Current status and future directions. *Nature Conservation* **10**, 1-23.

<sup>9</sup> <https://www.trustfornature.org.au/about-us>

<sup>10</sup> Archibald, C.L., Barnes, M.D., Tulloch, A.I.T., Fitzsimons, J.A., Morrison, T.H., Mills, M. & Rhodes, J.R. (2020). Differences among protected area governance types matter for conserving vegetation communities at-risk of loss and fragmentation. *Biological Conservation* **247**, 108533.

<sup>11</sup> Fitzsimons, J.A. & Carr, C.B. (2014) Conservation covenants on private land: Issues with measuring and achieving biodiversity outcomes in Australia. *Environmental Management*, **54**(3), 606-616.

incentives for permanently protecting and managing conservation assets on private land<sup>12</sup>. Rate relief is a tangible incentive offered by some local councils for conservation covenants but is not offered by many, despite being one of the more popular financial incentives<sup>13</sup>. There is a clear need for consistency for rate relief across the state, however, considering the public good that accrues to all Victorians (and Australians) from the voluntary actions by landholders<sup>14</sup>, the Victorian and Australian governments should consider how councils might be subsidized for offering this incentive. However, bigger picture thinking is needed and lessons from the NSW Biodiversity Conservation Trust model should be considered in Victoria – i.e. offering of long-term (in-perpetuity) stewardship payments for conservation covenants<sup>15</sup>.

The Trust for Nature has another important and under-utilized tool, the Revolving Fund. Revolving funds enable the Trust to purchase private land with conservation value, on-sell it to a sympathetic owner with a conservation covenant, with the proceeds from the sale returned to Revolving Fund for another property to be purchased and protected and so on<sup>16</sup>. However, this size of the Victorian Revolving Fund is relatively small (~\$4 million dollars in 2017<sup>17</sup>), and this limits the usefulness of the mechanism at present. A significant increase in the size of the Revolving Fund would enable more land with important ecosystems and larger properties to be protected via a self-sustaining funding model.

Victoria was the origin for the nationally-syndicated and highly recognized 'Land for Wildlife' Program. Over 5000 properties (and more than 530,000 ha of private land) are currently registered throughout Victoria. However, funding and stewardship support for this program has been run down over time and growth in new properties joining the program has flattened, whereas in many other states that growth is increasing<sup>18</sup>. Considering the brand and interest in this voluntary conservation program, restoring funding for this program is likely to be a logical entry point for many landholders into private land conservation.

Victoria was an innovator in using tender based approaches to purchase private land conservation outcomes using a market-based approach, through BushTender and related programs. However, while used in other parts of Australia since this time, the last BushTender program was run in 2012<sup>19</sup>. While this was successful in purchasing conservation outcomes for targeted ecosystems, the mid-term nature of the agreements and lack of clear strategy for realizing these gains after the ending of these agreements is an opportunity lost. There is much to be learnt from this program and in many cases the assets that the taxpayer paid for will still be present and worthy of further investment. However, a clearer strategy for landholders post the ending of the agreement period is clearly needed for future tenders.

### **Use of the *Flora and Fauna Guarantee Act 1988***

As mentioned above, despite being listed under the *Flora and Fauna Guarantee Act 1988* (FFG Act) many threatened ecosystems continue to decline and illegal clearing of some endangered ecosystems (e.g. native grasslands) rarely prosecuted. Increased willingness to enforce the FFG Act will be important if ecosystem decline is to be halted. The FFG Act has other provisions that are rarely used but should be to address ecosystem decline. For example, Critical Habitat provisions have rarely been used in Victoria but arguably should have been

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<sup>12</sup> Smith, F., Smillie, K., Fitzsimons, J., Lindsay, B., Wells, G., Marles, V., Hutchinson, J., O'Hara, B., Perrigo, T. and Atkinson, I. (2016). Reforms required to the Australian tax system to improve biodiversity conservation on private land. *Environmental and Planning Law Journal* 33, 443-450.

<sup>13</sup> Selinske, M.J., Howard, N., Fitzsimons, J.A., Hardy, M., and Knight, A.T. (in prep). Splitting the bill for conservation: perceptions and uptake of financial incentives by landholders of privately protected areas.

<sup>14</sup> Archibald, C.L., Dade, M.C., Sonter, L.J., Bell-James, J., Boldy, R., Cano, B., Friedman, R.S., Siqueira, F.F., Metzger, J.P., Fitzsimons J.A., Rhodes, J.R. (2021). Do conservation covenants consider the delivery of ecosystem services? *Environmental Science and Policy* 115, 99-107

<sup>15</sup> <https://www.bct.nsw.gov.au/what-we-do>

<sup>16</sup> Hardy, M.J., Fitzsimons, J.A., Bekessy, S.A., Gordon, A. (2018) Purchase, protect, resell, repeat: An effective process for conserving biodiversity on private land? *Frontiers in Ecology and the Environment*, 16: 336-344

<sup>17</sup> Hardy M. J., Bekessy S. A., Fitzsimons J. A., Mata L., Cook C., Nankivell A. and Gordon A. (2018) [Protecting nature on private land using revolving funds: Assessing property suitability](#). *Biological Conservation* 220, 84-93

<sup>18</sup> Prado, J.A., Puszka, H., Forman, A., Cooke, B., Fitzsimons, J.A. (2018). Trends and values of 'Land for Wildlife' programs for private land conservation. *Ecological Management & Restoration* 19: 136-146.

<sup>19</sup> <https://www.environment.vic.gov.au/innovative-market-approaches/bushtender>

for unburnt refugia following the Black Summer bushfires of 2019-2020<sup>20</sup>.

Those ecological communities listed as threatened under the FFG Act represent only a small proportion of ecosystems that are actually threatened in Victoria. A priority should be to ensure that full range of ecological communities that are threatened (assessed using a process such as the IUCN's Red List of Ecosystems) are added to the FFG Act. Those that have already been assessed as threatened using these criteria (and that assessment published) should be rapidly added, such as the Oyster Reef Ecosystem of Eastern and Southern Australia<sup>21</sup>.

### Restoration

While protection and management of existing ecosystems is critical, restoration of severely depleted ecosystems is also critical for restoring ecosystem health. In Victoria, The Nature Conservancy has been working to restore the critically endangered shellfish reef ecosystems of our bays and estuaries, the wetlands and floodplains in northern Victoria and the urban forest and bushland ecosystems in Melbourne. In Port Phillip Bay<sup>22</sup>, oyster and mussel reefs are being re-established, in partnership with the Victorian Government. Shellfish reefs provide important habitat for a range of species, which in turn support recreational fishing opportunities and provide other significant ecosystem services such as water filtration. In June 2020, it was announced the partnership between The Nature Conservancy and Victorian Government would increase the area of restored reef from 2.5 ha to 5.5 ha. This is important but there is still much scope for increased restoration effort, as shellfish reefs once covered over 50% of Port Phillip Bay<sup>23</sup>. In the southern Murray-Darling Basin we have established the Murray-Darling Basin Balanced Water Fund which uses an impact investing model to enable wetlands and floodplain forests (predominantly on private land) to receive environmental water<sup>24</sup>. To date, almost 4000ML has been delivered to 6 wetland complexes, including three in Victoria. In Melbourne, a metropolitan-wide strategy for urban greening (*Living Melbourne: Our Metropolitan Urban Forest*) has been developed by The Nature Conservancy and Resilient Melbourne, in partnership local governments and Victorian Government agencies<sup>25</sup>. This strategy, a world-first for its geographic scope, aims to achieve 30% canopy cover for metropolitan Melbourne by 2050 with a focus on reducing heat, multiple health benefits and biodiversity outcomes but requires funding at multiple levels to achieve its ambition.

I would welcome the opportunity to provide further details on the state of Ecosystem Decline and practical solutions to the committee as required.

Yours sincerely



**Dr James Fitzsimons**  
**Director of Conservation and Science**

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<sup>20</sup> Fitzsimons, J.A. (2020) Urgent need to use and reform critical habitat listing in Australian legislation in response to the extensive 2019-2020 bushfires. *Environmental and Planning Law Journal* 37: 143-152.

<sup>21</sup> Gillies, C.L., Castine, S.A., Alleway, H.K., Crawford, C., Fitzsimons, J.A., Hancock, B., Koch, P., McAfee, D., McLeod, I.M. and zu Ermgassen, P.S.E. (2020). Conservation status of the Oyster Reef Ecosystem of Southern and Eastern Australia. *Global Ecology and Conservation* 22, e00988

<sup>22</sup> <https://www.natureaustralia.org.au/what-we-do/our-priorities/oceans/ocean-stories/restoring-shellfish-reefs/>

<sup>23</sup> Ford, J.R., Hamer, P., (2016). The forgotten shellfish reefs of coastal Victoria: documenting the loss of a marine ecosystem over 200 years since European settlement. *Proceedings of the Royal Society of Victoria* 128, 87-105.

<sup>24</sup> <https://www.natureaustralia.org.au/what-we-do/our-priorities/land-and-freshwater/land-freshwater-stories/creating-a-sustainable-murray-darling/>

<sup>25</sup> <https://www.natureaustralia.org.au/newsroom/living-melbourne/>