



**The private land conservation
opportunity to deliver
for 30 by 30**

January 2024

Why is private land conservation critical to protecting 30% of Australian land by 2030?

Privately managed land accounts for approximately 60% of Australia's land, with much of that land being used for agricultural production. Not only does this make it mathematically difficult to deliver 30 by 30 without privately managed land, but it is also clear that privately protected areas make critical contributions to increasing the representation of bioregions and ecosystems in the protected area system, protecting threatened species habitat, and increasing connectivity – especially in landscapes dominated by private land. Privately managed land is also predominantly found in ecosystems that are under-represented in the public land estate.

Meeting the 30 by 30 protection commitment and its essential quality elements¹ (which includes the agreed 'CAR' principles: comprehensive, adequate, representative²) will require active, willing, and voluntary participation of private landholders. 30 by 30 is – and must continue to be – an opportunity for the economic and social wellbeing of private landholders.

This ALCA publication reinforces and builds upon the findings and recommendations of the report: *Protecting Australia's Nature: Pathways to protecting 30 percent of land by 2030*³, recently released by ALCA, The Nature Conservancy, WWF-Australia, and Pew Charitable Trusts. **All pathways in the report need to be actioned.** This publication provides additional detail that builds upon the following pathways relating to private land conservation:

Pathway 1: Establish a new dedicated \$5 billion fund for the purchase of land of high biodiversity importance to create new public, private or Indigenous protected areas.

Pathway 3: Increase support for the uptake of permanent conservation covenants through:

- a. Providing direct federal support to state and territory conservation covenant programs with an explicit focus on expanding the uptake and execution of new conservation covenants expanding the protected area estate in under-represented bioregions and ecosystems.
- b. Supporting states and territories to develop enhanced protection conservation covenants in their jurisdictions, in order to attract larger scale private conservation investment.
- c. Instigating a Treasury or Productivity Commission review into federal and state tax and financial incentives and barriers to private land conservation.

Under each of these pathways below, ALCA restates the headline recommendation in context and then provides subsidiary recommendations, some of which would deliver a more immediate and greater contribution to 30 by 30 than others.

This is followed by cross-cutting policy opportunities for private land conservation to deliver 30 by 30 relating to sector development and climate change.

² The private land conservation opportunity to deliver for 30 by 30

Acknowledging, respecting, and enabling Aboriginal and Torres Strait Islander leadership



We acknowledge Aboriginal and Torres Strait Islander people across Australia as the First Peoples of our nation. We recognise and respect the enduring relationship that Aboriginal and Torres Strait Islander people have with these lands and waters and pay our respects to Elders past, present and emerging.

The centrepiece of global best practice for protected area growth is the principle of Free, Prior and Informed Consent (FPIC) as outlined in the United Nations Declaration on the Rights of Indigenous Peoples.

Target 3 of the Kunming-Montreal Global Biodiversity Framework (GBF) reflects this in speaking of “*recognising and respecting the rights of Indigenous peoples and local communities, including over their traditional territories*”.

We acknowledge and support the application of principles that can give effect to First Nations leadership in protected areas planning and implementation, such as for example the outcomes of the Reimagining Conservation Forum - Working Together for Healthy Country (2022): rights based approach; economic opportunities; managing Country together; equity in managing Country; weaving knowledge systems; and valuing culture and recognising indigenous cultural authority. We recognise the importance of ongoing capacity building and effective resourcing.

We recognise that for Aboriginal and Torres Strait Islander people, nature and culture are inextricably connected and we value the role Aboriginal and Torres Strait Islander people continue to play in managing Country today.

We recognise that there is still much to learn and improve as we work together to achieve outcomes for people and planet.

Who is ALCA?

The Australian Land Conservation Alliance is the peak national body representing organisations that work to conserve, manage, and restore nature on privately managed land. We represent our members and supporters to grow the impact, capacity, and influence of private land conservation to achieve a healthy and resilient Australia.

ALCA and its members are steadfast in our support for Australia's 30 by 30 commitment and our willingness to partner with the governments of Australia to deliver the Kunming-Montreal Global Biodiversity Framework.

Pathway 1: A dedicated fund for conservation land purchase

The importance of a dedicated fund as the key opportunity to establish large private protected areas cannot be understated, as evidenced by the Australian Government's National Reserve System Funding Programme which delivered the most marked uplift yet in private land under permanent protection through its support of Australia's land trusts and nature conservancies:

"The... National Reserve System Programme (NRSP), which ran with dedicated funding from 1996 to 2013 is widely regarded as one of Australia's most successful biodiversity conservation programs... An independent review of the NRSP found it 'to be an important and cost-effective component of the Australian Government's efforts to conserve Australia's unique biodiversity.' "

The *Protecting Australia's Nature* report describes the opportunity of this pathway in detail.

Karakamia, Western Australia.
Wayne Lawler/Australian Wildlife Conservancy.



Recommendations

Recommendation 1: Pursuing Pathway 1 from the Protection Australia's Nature Report – "Establish a new dedicated \$5 billion fund for the purchase of land of high biodiversity importance to create new public, private or Indigenous protected areas" should remain the central ambition of Australian Territory, State, and Federal governments to deliver 30 by 30.

Pathway 3A: Expanded support for conservation covenants

Conservation covenant programs at the state and territory level currently provide the foundational funding and/or supporting frameworks for permanent private land conservation. However, the quality of the support that is provided to covenant programs varies by jurisdiction. Targeted support for covenanting has been shown to deliver outcomes for threatened species and ecological communities⁴; and emerging covenant innovations are endeavouring to promote greater relevance and opportunities for Aboriginal and Torres Strait Islander ownership, access, and management of Country.

With government support, covenant programs can deliver the following significant benefits:

- Greater legal protection of biodiversity
- Improved active management of biodiversity
- Social and cultural benefits
- Economic benefits
- De-risking biodiversity investment opportunities for private landholders, government, and co-investors.

Recommendations

Recommendation 2: The Commonwealth Government and State and Territory governments partner to *“Increase support for the uptake of permanent conservation covenants through providing direct federal support to state and territory conservation covenant programs with an explicit focus on expanding the uptake and execution of new conservation covenants expanding the protected area estate in under-represented bioregions and ecosystems.”*

Depending on the jurisdiction, the inclusion of foundational funding that enhances the underlying capacity of conservation covenanting programs – and related organisations that deliver covenants – would be of considerable benefit.

Supplementary to this:

Recommendation 3: Commonwealth and State governments investigate partnership opportunities to establish, consolidate or expand (as relevant) existing State conservation trust funds in order to provide reliable ongoing funding for private land conservation (protection, management, and restoration), such as exists in New South Wales with the Biodiversity Conservation Trust and in Victoria with Trust for Nature.

Recommendation 4: The Commonwealth Government prioritise a permanent protection methodology that includes conservation covenants within its first tranche of methodologies for the Nature Repair Market.

Recommendation 5: The Commonwealth Government develop a Biodiversity Investment Strategy to guide investment in the Nature Repair Market with a focus on permanent protection that delivers quality, including the CAR principles.

Recommendation 6: Commonwealth, State and Territory governments continue to innovate with conservation covenants in ways that promote greater relevance and opportunities for Aboriginal and Torres Strait Islander ownership, access, and management of Country.

Recommendation 7: The Commonwealth Government partner with agricultural sustainability frameworks to include conservation covenants within their sustainability metrics, further incentivising the uptake of conservation covenants. Such partnerships could be expected to include government provision of industry-wide datasets on private land conservation to help support industry claims.

Recommendation 8: The Commonwealth Government and the Northern Territory Government partner to develop a conservation covenant program that is robust, well-funded, and can achieve Federal accreditation under the *Income Tax Assessment Act 1997*.

Recommendation 9: The Western Australian and South Australian governments confirm the pathway for conservation covenants over pastoral leases.

Recommendation 10: The Tasmanian Government resources its voluntary conservation covenant program such that it restarts the progress of new voluntary covenants at a judicious rate.



Fencing at Witchelina Nature Reserve, SA
(Nature Foundation). Douglas Ransom.

Pathway 3B: Enhanced protection conservation covenants to drive investment

Enhanced protection conservation covenants exclude extractive activities like mining from land otherwise dedicated to conservation. They are especially valuable when substantial investments are required to establish, manage, and rehabilitate environmentally and culturally significant land.

They provide a level of protection required for many external parties to invest in conservation, especially major international philanthropic foundations, offering opportunities to dramatically leverage government funding for nature.

Queensland is currently the only Australian jurisdiction to offer enhanced protection conservation covenants, where they are known as Special Wildlife Reserves⁵.

Further information on the benefits and opportunities provided by enhanced protection conservation covenants can be found in ALCA's Policy Note on our website⁶.

Recommendations

Recommendation 11: *“Supporting states and territories to develop enhanced protection conservation covenants in their jurisdictions, in order to attract larger scale private conservation investment.”*

Following Queensland's lead, this means State and Territory governments legislate and resource enhanced protection conservation covenants and the Commonwealth Government uses its convening power and resources to encourage state governments to adopt enhanced protection conservation covenants.

⁶ The private land conservation opportunity to deliver for 30 by 30

Pathway 3C: Tax and financial incentives and barriers to private land conservation

Unfortunately, private land conservation still faces a significant range of often unintended barriers at all levels of government, and the incentives that do exist are insufficient, not always well-calibrated, or are inaccessible in practice⁷.

Tax incentives that are aimed at conservation covenanting arrangements are highly-targeted to valuable conservation protection and management, but tax incentives specifically relevant to restoration should also be considered.

Recommendations

Recommendation 12: *“The Commonwealth Government instigates a Treasury or Productivity Commission review into Federal and State tax and financial incentives and barriers to private land conservation.”*

Supplementary to this:

Recommendation 13: Incentives for private land conservation are often designed in at the programmatic level and should therefore be considered as part of any direct government programmatic support, especially in State and Territory conservation covenant programs. This may include, for example, incentive payments, knowledge sharing, and conservation extension⁸ supports, amongst other measures. In perpetuity payments are particularly effective incentives.

Recommendation 14: Commonwealth, State and Territory governments ensure that there is, at minimum, agnostic rather than discriminatory tax treatment of the conservation sector and conservation activities.

Recommendation 15: State, Territory, and local governments ensure that council rate rebates are provided for conservation covenanted land⁹.

Recommendation 16: The Commonwealth Government amends Section 31.5 of the *Income Tax Assessment Act 1997* (Deduction for entering into a conservation covenant) to remove or adjust the qualification around material benefit [sub-s (2) (b)] to allow conservation covenantors to meaningfully access this exemption and thus avail themselves of the deduction.

Recommendation 17: The Queensland Government legislates an exemption to land tax for conservation covenants. Queensland is the only remaining state to not provide this exemption.



North Head Sanctuary, Sydney.
Charles Thomas/Australian Wildlife Conservancy.

Cross-cutting policy opportunities for private land conservation

SECTOR DEVELOPMENT

Underpinning all of the recommended reforms is the private land conservation sector itself. It is a sector that, as a whole, receives very limited government funding or industry assistance despite the substantial public environmental, social, cultural, and economic benefits it delivers. If the private land conservation sector is to scale up to deliver 30 by 30 and other government policy goals, as well as engage with the rapid expansion and opportunity of conservation finance and the Nature Repair Market, it requires support to build its overall capacity.

Recommendations

Recommendation 18: Commonwealth and State governments fund much-needed capacity-building of the Australian private land conservation sector, including funding for innovation; research; and talent attraction, retention, and development.

Recommendation 19: The Commonwealth Government extends the fringe benefit tax (FBT) concessions to conservation charities that are currently only afforded to Public Benevolent Institutions (PBIs – charities that relieve poverty, sickness, or destitution).

Environmental charities struggle to attract talent when compared with other organisations in the charity sector, let alone the wider workforce, with average salaries being significantly less than in PBIs for equivalent roles. This significantly undercuts the conservation sector's ability to deliver, and to deliver at scale.

CLIMATE CHANGE

Australia's greenhouse gas emissions reduction pathway will not succeed without protecting and restoring nature and the carbon nature contains. The climate and nature crises are twin crises with deep mutual dependencies and interlocking solutions. They are an indivisible nexus – the climate crisis cannot be solved without also solving the nature crisis.

The Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report found that protecting intact natural ecosystems is second only to ending fossil fuels as a priority economic solution to reducing emissions and meeting our global climate targets. The report found, with high confidence, that conservation, improved management, and restoration of forests and other ecosystems offer the largest share of economic mitigation potential, as an immediate action¹⁰.

Recommendations

Recommendation 20: When developing climate policy, Commonwealth, State and Territory governments recognise the value of permanently protecting the carbon that is stored in existing remnant habitats – especially high-carbon habitats.

Recommendation 21: Territory and State governments continue to explore and deliver the protection of land restored for biodiversity and climate adaptation through conservation covenants¹¹ (as aligned with Australia's commitment to Target 2 of the Kunming-Montreal Biodiversity Framework¹²).

Recommendation 22: The Commonwealth Government amends the *Carbon Credits (Carbon Farming Initiative) Act 2011* such that carbon market procurement efforts are delivered to maximise public value (i.e. maximise social profit¹³), rather than lowest cost abatement.

Significant public resources are currently being invested by the Commonwealth to deliver lowest cost abatement of greenhouse gas emissions. However, there are large opportunity costs in supporting carbon projects only according to the lowest cost and without considering environmental, social, cultural, and other public benefits that are also available. The planned transition of carbon and nature restoration projects into privately protected areas (that contribute to 30 by 30) should factor into the selection criteria for Government procurement.

Recommendation 23: The Commonwealth Government amends the *Carbon Credits (Carbon Farming Initiative) Act 2011* to allow for a verification framework for co-benefits via regulation, including environmental co-benefits, in alignment with Recommendation 13 of the Independent Review of ACCUs¹⁴. This would increase the scope for investment in privately protected areas and innovation in biodiverse carbon projects.

End notes

[1] As per the text of Target 3: Kunming-Montreal Global Biodiversity Framework, CBD/COP/15/L25, December 2022; <https://www.cbd.int/article/cop15-final-text-kunming-montreal-gbf-221222>

[2] The CAR principles are central to the scientific framework that underpins Australia's National Reserve System; see: <https://www.dcceew.gov.au/environment/land/nrs/science/scientific-framework>

[3] Fitzsimons J, Picone A, Partridge T, Cornish M, (2023). Protecting Australia's Nature: Pathways to protecting 30 per cent of land by 2030. The Nature Conservancy, WWF-Australia, the Australian Land Conservation Alliance and the Pew Charitable Trusts; https://alca.org.au/wp-content/uploads/2023/11/Report3030_FINAL_web.pdf

[4] Elton P, Fitzsimons JA (2023), Framework features enabling faster establishment and better management of privately protected areas in New South Wales, Australia, *Frontiers in Conservation Science* 4, 1277254

[5] More information on Special Wildlife Reserves (SWRs) can be found online at: <https://www.qld.gov.au/environment/parks/protected-areas/private/special-wildlife-reserves> and by contacting the Queensland Government via swr@des.qld.gov.au

[6] See: https://alca.org.au/wp-content/uploads/2023/12/ALCA-Policy-Note-Enhanced-protection-conservation-covenants_November-2023-2.pdf

[7] See: Smith F, Smillie K, Fitzsimons J, Lindsay B, Wells G, Marles V, Hutchinson J, O'Hara B, Perrigo T, Atkinson I (2016), Reforms required to the Australian tax system to improve biodiversity conservation on private land, *Environmental and Planning Law Journal* 33, p443-450; https://www.researchgate.net/publication/307561344_Reforms_required_to_the_Australian_tax_system_to_improve_biodiversity_conservation_on_private_land

[8] Broadly akin to 'agricultural extension' – the application of scientific research and knowledge to agricultural practices through farmer education – but for conservation (i.e., the application of scientific research and knowledge to conservation practices through landholder education)

[9] Also see: Selinske, M. J., Howard, N., Fitzsimons, J. A., Hardy, M. J., & Knight, A. T. (2022). "Splitting the bill" for conservation: Perceptions and uptake of financial incentives by landholders managing privately protected areas. *Conservation Science and Practice* 4: e12660. <https://doi.org/10.1111/csp2.12660>; and:

Moraes O, Cooke B, Pearce L (2021), Local Government Rebates for Private Land Conservation: A National Review 2021, Australia, RMIT and La Trobe University; <https://alca.org.au/wp-content/uploads/2022/05/20211217-LGA-rebates-PLC-National-Review.pdf>

[10] IPCC, 2022: Climate Change 2022: Impacts, Adaptation, and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [H.-O. Pörtner, D.C. Roberts, M. Tignor, E.S. Poloczanska, K. Mintenbeck, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem, B. Rama (eds.)]. Cambridge University Press. Cambridge University Press, Cambridge, UK and New York, NY, USA, 3056 pp., <https://doi.org/10.1017/9781009325844>.

[11] See: Richardson, B.J., Brugler, S., Fitzsimons, J.A., McCormack, P.C. & Akhtar-Khavari, A. (2024). Conservation covenants for ecosystem restoration: Adapting an old instrument to a new global conservation challenge? *Frontiers in Conservation Science* 5, 1335988, <https://doi.org/10.3389/fcsc.2024.1335988>

[12] Restoring 30% of degraded lands by 2030; for exact text, see Target 2: as above n1.

[13] Social (i.e. public and private) profit is equal to social revenue minus social cost

[14] See: p28-29, <https://www.dcceew.gov.au/sites/default/files/documents/independent-review-accu-final-report.pdf>