CARING FOR OUR COUNTRY

SA 2010–11

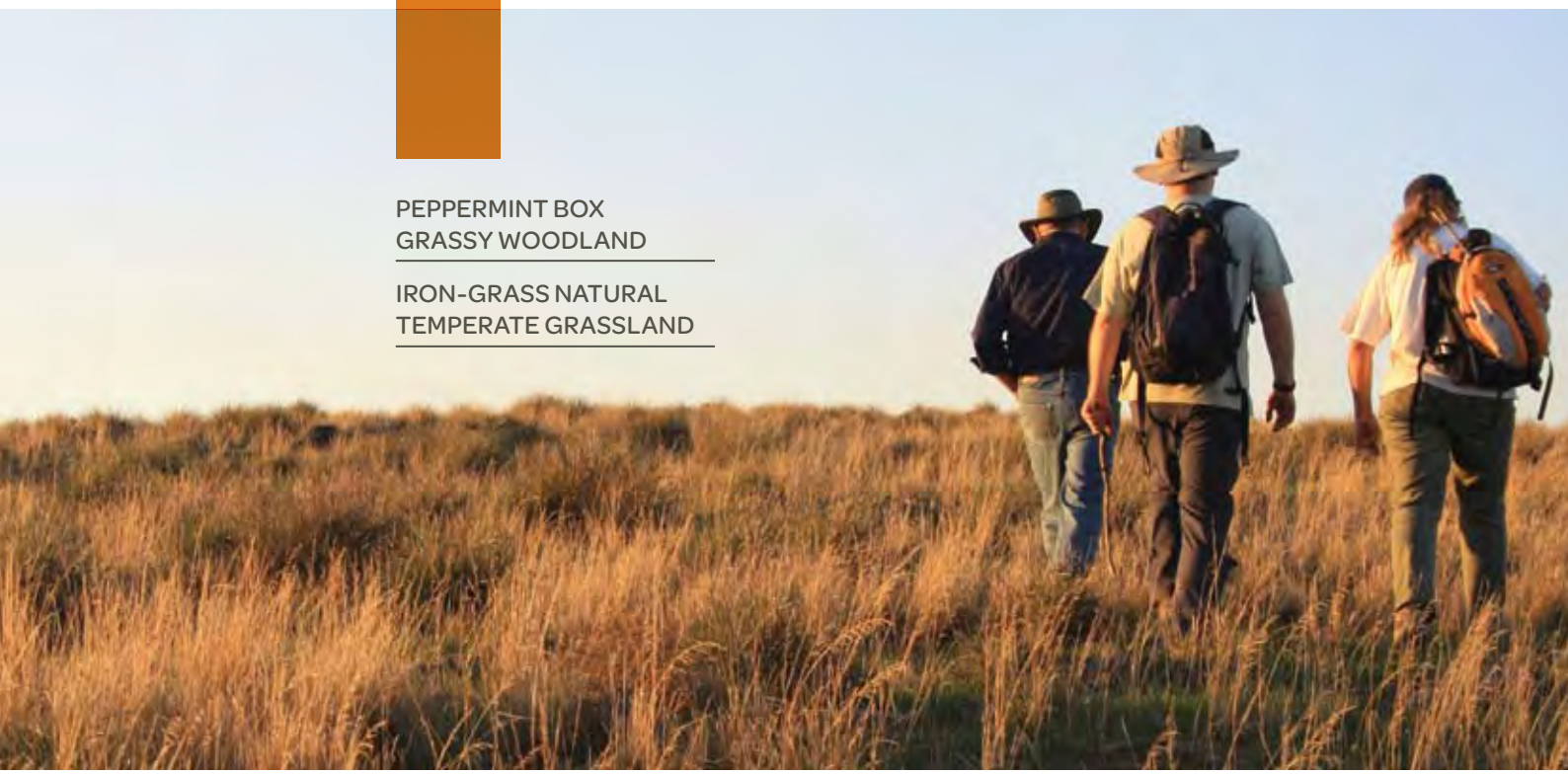
Environmental Stewardship

Multiple Ecological Communities Project

Information Booklet

PEPPERMINT BOX GRASSY WOODLAND

IRON-GRASS NATURAL TEMPERATE GRASSLAND



Foreword

Caring for our Country — Environmental Stewardship was established in 2007-08 to assist private land managers to maintain and improve the condition and extent of threatened ecological communities and species listed under the *Environment Protection and Biodiversity Conservation Act 1999* that are impacted by activities on private land.

Environmental Stewardship uses market-based instruments to purchase environmental services from land managers. To date the preferred instrument has been the reverse auction whereby land managers bid competitively to win contracts to improve targeted environmental assets on their land.

Five reverse auction rounds have been conducted since 2008-09 targeting the critically endangered white box, yellow box and Blakely's red gum grassy woodland and derived native grasslands ecological community (known as box gum grassy woodland) across eight NRM regions in New South Wales and Queensland. This community was targeted by Environmental Stewardship initially because of its extensive geographic range and hence potential large target market of private land managers. The remaining areas of the ecological community are located on private land, and actions on private land have the capacity to improve the condition of these remnants.

However, from the time of its establishment the Australian Government envisaged that Environmental Stewardship would target more than one ecological community. In 2010-11, Environmental Stewardship will for the first time target multiple ecological communities. The target ecological communities in South Australia are the peppermint box grassy woodland of South Australia and the iron-grass natural temperate grassland of South Australia.

Prior to European settlement these communities were extensively distributed within their geographic range but due to clearing and agricultural practices the remnants of these communities are highly fragmented and only a small proportion remains in good condition. It is therefore important that the remaining stands of these communities are actively managed to not only maintain or enhance their condition and extent but also to contribute to the ongoing conservation of the species that rely on them for food and shelter.

The Multiple Ecological Communities (MEC) Project provides eligible land managers, who successfully bid, with the opportunity to receive Australian Government funding for up to fifteen years to actively manage and conserve one or more target communities on their land. Participation in the Project is entirely voluntary.

This booklet has been prepared to assist land managers who are considering participating in the Project to better understand the criteria for participation, what constitutes the target communities, the range of management actions that can be undertaken to maintain or improve their condition, the processes involved from the time of nominating for the Project up until a funding agreement is signed, and monitoring arrangements.

Thank you for your interest in the Project. We trust that you find this booklet useful and after considering the information herein, you will be motivated to participate in the Project, like the 201 land managers who have already signed up to protect box gum grassy woodland on their land and in doing so, have established an environmental enterprise to complement their traditional farming enterprise.

Charlie Zammit

Assistant Secretary
Biodiversity Conservation Branch

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What is Environmental Stewardship?

Environmental Stewardship is part of the Australian Government's more than $2 billion Caring for our Country initiative.

Environmental Stewardship has as its objective:

to maintain and improve the condition and extent of targeted high public value environmental assets on private land.

01

Environmental Stewardship Multiple Ecological Communities (MEC) Project

Depending on the assets that are targeted, Environmental Stewardship aims to achieve a range of outcomes including:

- improved habitat across the landscape
- increased viability, integrity and buffers to high quality remnants for species, ecological communities, Ramsar wetlands and World Heritage Areas
- improvements to the long-term protection of nationally endangered species and ecological communities
- improvement in the condition and function of ecological communities
- enduring changes in land manager attitudes and behaviour towards environmental protection and sustainable land management practices.

Environmental Stewardship funding is allocated through a reverse auction process whereby participating land managers bid competitively with other participating land managers to have management activities on their site funded.

To date Environmental Stewardship has targeted a single ecological community listed under the *Environment Protection and Biodiversity Conservation Act 1999* – the critically endangered white box, yellow box and Blakely's red gum grassy woodland and derived native grasslands ecological community (box gum grassy woodland).

What is the South Australian Multiple Ecological Communities (MEC) Project?

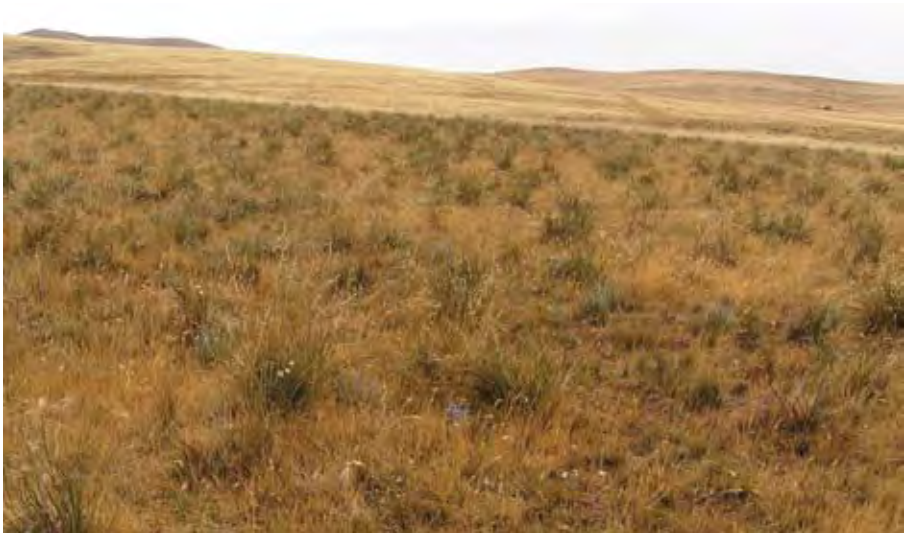
The South Australian MEC Project reflects a further development in the Australian Government's provision of assistance to private land managers through Environmental Stewardship. It does this in two ways. First, the Project targets two distinct ecological communities that co-occur in the Northern and Yorke, Adelaide and Mount Lofty Ranges and South Australian Murray Darling Basin NRM regions. Second, the Project aims to broaden land manager engagement by providing opportunities for specific management actions that better integrate conservation activities on targeted ecological communities with those occurring in the neighbouring agricultural lands or individual properties.

The South Australian MEC Project in 2010-11 is targeting the following two ecological communities:

- peppermint box grassy woodland of South Australia (known as peppermint box grassy woodland)
- iron-grass natural temperate grassland of South Australia (known as iron-grass grassland)

1

2



1 Peppermint box grassy woodland *Photo: Jean Turner*

2 Iron-grass natural temperate grassland *Photo: Jean Turner*

The following map shows the possible extent of the target ecological communities within the three NRM regions.

Participation is voluntary and land managers can withdraw from the Project at any stage up until a funding agreement is executed.

The MEC Project is supported by a purpose built metric tool designed to provide a conservation value score for one or more ecological communities. For the first time under Environmental Stewardship land managers may receive funding to establish and manage buffers and conserve paddock trees that provide connectivity between existing remnants of the target ecological communities, where these are important to reduce the threat of isolation and improve habitat across the landscape.

Funding agreements between the Government and land managers are available from 10 to 15 years. In other words, successful land managers can receive an annual payment to look after and improve the quality and extent of agreed areas of the target ecological communities on their land for this period, subject to satisfactory compliance with management actions and reporting.

Please note that the MEC Project is delivered through a market-based process. Participating land managers will compete for funding and some bids will not be successful.

MEC terminology

As you read through this booklet you will encounter some new terminology. It is important that you understand what these terms mean. These terms and their meaning are described below.

Primary Management Unit (PMU)

This term means an area of a target threatened ecological community that is in similar condition and requires similar management.

It could be that the area of the targeted ecological community that you initially nominate for participation in the MEC Project is your Primary Management Unit. This would be the case if the entire area that you nominate is in a consistent condition e.g. a woodland with an overstorey and understorey in good condition. However, if on inspection it is determined that the community exists in two different conditions e.g. part woodland as described previously and part with a more degraded understorey, then your nominated area might be broken into two separate Primary Management Units with different management requirements.

Buffer Management Unit (BMU)

This term refers to an area of land that surrounds a Primary Management Unit that is to be managed in order to buffer the Primary Management Unit from external threats.

Connectivity Management Unit (CMU)

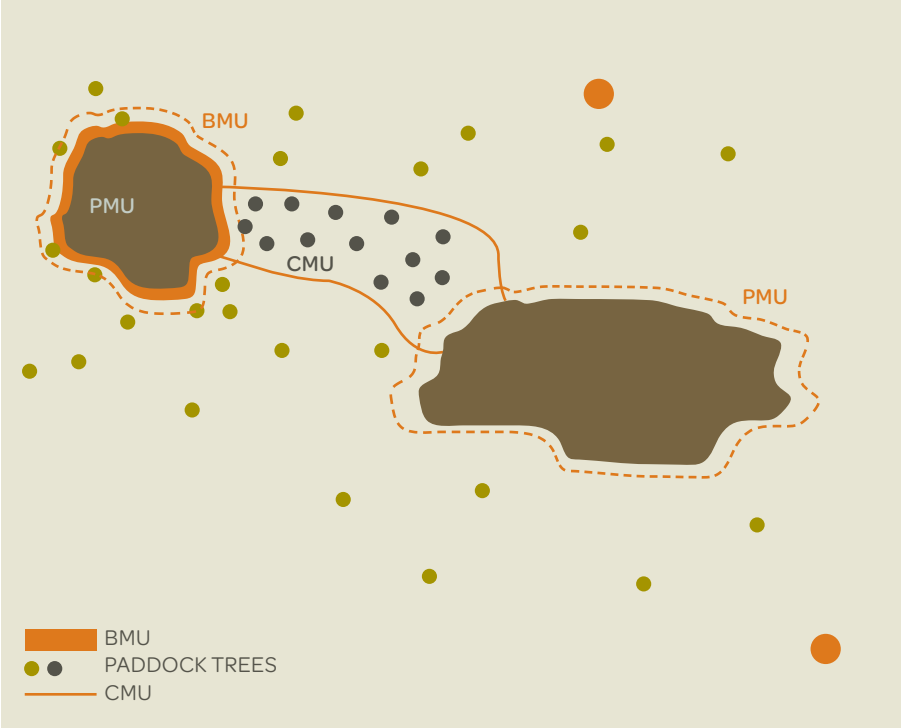
This term refers to an area of land to be managed to promote connectivity between a Primary Management Unit and other woody native vegetation on or off your property. Management does not involve planting tree corridors but rather managing the existing vegetation, which should include individual paddock trees.

Secondary Management Unit

This term means a management unit that is being managed to buffer a Primary Management Unit and/or to enhance connectivity between the Primary Management Unit and another patch of native vegetation.

How can I get involved in the MEC Project?

1. If, after attending an information session and/or having read this booklet, you consider that you meet the requirements to participate (see Chapter 2), have one or more of the target ecological communities on your property (see Chapter 4) and you are prepared to undertake the management actions necessary to maintain or improve its condition (see Chapter 7), fill out the Request for Site Assessment Form accompanying this booklet and submit it to the address identified on the form by the date advised.
2. A field officer employed by the South Australian Murray Darling Basin NRM Board will consider the information you provide and will contact you either to arrange a site visit (see Chapter 5) or to discuss your site in more detail.
3. If the field officer visits your property and your site is assessed as meeting the requirements for the Project, you will be provided with some options for managing the site in order to improve its condition. Some of these will be mandatory. You will be asked to select from the non-mandatory recommended actions those that you agree to undertake if your bid is successful. This may include options for buffering your nominated area or managing connectivity if relevant. You will also be asked if you want to place an in-perpetuity covenant on your site.
4. The field officer who visited your site will pre-fill a bid form with your personal details. A management plan based on your discussion with the field officer about management actions will also be developed. The bid form will be posted to you for you to insert your bid price (see Chapter 9). A completed management plan and a copy of the funding agreement template will be sent to you at the same time.
5. You must post your completed bid form to the Tender Box address prior to the nominated date that will be advised by the field officer. Bids will be assessed by an evaluation panel (see Chapter 10) and recommendations made to Ministers. Successful bids are those that receive Ministerial approval.
6. The Australian Government will contract successful bidders to actively manage their ecological community to maintain or improve its condition and to manage any buffers and/or connectivity areas that were agreed to. Contracted land managers will be required to undertake simple annual monitoring of their site and to provide an annual report on their activities (see Chapter 11).



02

What criteria must be met in order to participate in the SA MEC Project?

The MEC Guidelines available at www.nrm.gov.au/stewardship should be read in conjunction with this booklet.

Applicant requirements

1 Applicants who meet the following criteria can participate in the South Australian MEC Project:

a) Applicant is a manager of private land (freehold or leasehold), located in the targeted project regions including
   i. corporate managers and owners
   ii. indigenous managers and owners
   iii. primary producers
   iv. hobby farmers and other managers and owners not using land for production purposes.

b) Where the applicant is not the owner of the land they must hold
   i. legal right of tenure (e.g. tenant's agreement or lease) for the period to be covered by the Environmental Stewardship agreement
   AND
   ii. hold, at the time of bid submission, documentary evidence of the owner's permission to undertake all activities required as part of the Environmental Stewardship agreement for the duration of the agreement.

c) Persons with the following affiliations cannot participate:
   i. delivery agent employees (delivery agent includes those organisations directly contracted by the Commonwealth, or those subcontracted by an organisation directly contracted by the Commonwealth. Employees include permanent, non-ongoing employees, and temporary contractors)
   ii. delivery agent board members
   iii. Australian Government employees with the Department of Agriculture, Fisheries and Forestry, or the Department of Environment, Water, Heritage and the Arts. (Employees include permanent, non-ongoing employees, and temporary contractors)
   iv. spouses, cohabitants, co-owners, tenants, or business partners of any of the above.

2 Applicants may make only one bid per property. The bid may cover:

a) one or more areas within the property

b) one or more target threatened ecological communities within the property.

3 Applicants must be Australian residents.

4 Applicants must be registered for tax purposes in Australia and have an Australian bank account.

5 Applicants must be prepared to enter into a contract with the Australian Government to supply specified management services for a minimum of 10 and a maximum of 15 years.

6 Bid proposals above $3.5 million will not be considered.

7 Joint bids (i.e. a single bid covering more than one property) will not be accepted.

Property requirements

8 Properties must be in one of the following targeted South Australian NRM regions:

a) Northern and Yorke

b) Adelaide and Mt Lofty Ranges

c) South Australian Murray Darling Basin.

9 Eligible properties are privately owned properties within the target NRM regions including:

a) properties owned through freehold or leasehold arrangements

b) properties that extend beyond the boundary of the target NRM region as long as part of the property is within the boundary (the whole property will be eligible in this case).

Ecological community requirements

10 Eligible sites must contain one or more of the following endangered ecological communities

a) Peppermint box (*Eucalyptus odorata*) grassy woodland of South Australia

b) Iron-grass (*Lomandra spp.*) natural temperate grassland of South Australia.*

11 Each individual area of the target ecological community for which funding is sought must meet the minimum hectare requirements:

a) Peppermint box grassy woodland 2 hectares

b) Iron-grass grassland 0.5 hectares.

12 Peppermint box grassy woodland and iron-grass grassland areas are not eligible if they have been cultivated at any time in the past.

13 Areas covered by an existing in-perpetuity conservation covenant are eligible. Funding will not be available for capital works or management activities already funded under existing covenanting arrangements.

14 With the exception of those areas identified at criterion 13, areas to be contracted under Environmental Stewardship must not be covered by an existing binding agreement (e.g. contract or legal agreement), or be receiving funding for, activities similar to or in conflict with activities required under the Environmental Stewardship agreement.

15 Existing or proposed covenants will be recognised where at least 30% of the target threatened ecological communities to be managed under contract is/will be covered by an in perpetuity covenant.**

* *Lomandra species must be present in any area nominated to protect iron-grass grassland.*

** *Covenanting agencies may have minimum covenant areas that are greater than 30% of a proposed area. Land managers should ensure they understand these requirements.*

Plains wanderer *Photo: David Ong*

03

Who can enter into a funding agreement?

The Australian Government can only enter into an agreement with one or more recognised legal entities. Examples of such entities include an individual or a company, an individual or company acting as a trustee, or individuals who have formed a partnership. If you have established a number of legal entities to manage your affairs, you should consider which of those entities is appropriate for your situation before filling in the Request for Site Assessment Form. You may wish to seek advice from your legal adviser or accountant.

If multiple entities are entering the agreement with the Australian Government, all of the entities will be legally responsible under the agreement.

If entering into a conservation covenant as part of the agreement, one of the entities entering into the agreement with the Australian Government must be the owner of the nominated property.

If not entering into a conservation covenant, at least one of the entities entering into the agreement with the Australian Government must either:

a) be the owner of the nominated property

   OR

b) have a lease on the property for the period of the proposed agreement.

If none of the entities are the owner, a signed Letter of Authorisation from the owner(s) will need to be submitted at the time the bid is submitted.

If an ABN is to be used for payments under the agreement, the legal name associated with the ABN must precisely match the name of one of the legal entities on the agreement.

You are encouraged to check your ABN registration details at www.abr.business.gov.au and/or talk to your financial adviser if unsure.

04

Identifying the target ecological communities

An ecological community is a naturally occurring group of plants, animals and microorganisms that are interacting in a unique habitat. Its structure, composition and distribution are determined by environmental factors such as soil type, position in the landscape, climate and water availability.

1 Peppermint box grassy woodland

The peppermint box grassy woodland ecological community, as listed under the *Environment Protection and Biodiversity Conservation Act 1999*, is known only in South Australia. The listed community extends from the southern Flinders Ranges to Lake Alexandrina, with much of its distribution in the Flinders Lofty Block Bioregion. Patches of the community extend into the Murray Darling Depression, Kanmantoo, Eyre Yorke Block and Gawler bioregions.

Peppermint box grassy woodland in other parts of South Australia is not part of the *EPBC Act* listed community.

Remaining patches of the peppermint box grassy woodland ecological community typically occur on gentle to moderate slopes, hilltops and adjacent plains. The soil types range from sandy-loam to clay-loam. The annual rainfall is between 310mm and 610mm per year.

Overstorey

"Overstorey" means the trees which form the canopy, or top layer, of the woodland.

The canopy of peppermint box grassy woodland is dominated by the woodland tree form of peppermint box (a single main trunk at the base with low spreading branches).

Peppermint box grassy woodland is a low, open to dense woodland, typically 5–10 m, but up to 15 m, tall with a typical canopy cover of 5 percent–40percent but up to 70 percent.

Other canopy species that can occur, but not as dominants, include grey box (*Eucalyptus microcarpa*), South Australian blue gum (*Eucalyptus leucoxylon*), sugar gum (*Eucalyptus cladocalyx*), Mallee box (*Eucalyptus porosa*), drooping sheoak (*Allocasuarina verticillata*), white cypress-pine (*Callitris glaucophylla*) and southern cypress pine (*Callitris gracilis*).

Peppermint box grassy woodland is a low, open to dense woodland
Photo: Jean Turner

South Australian blue gum often intergrades with peppermint box in grassy woodlands, and may assume local dominance in small patches. Because this species is functionally similar to peppermint box in grassy woodland ecosystems, as long as peppermint box provides at least 80% of the overall canopy cover, the stand will be considered for inclusion in the MEC Project.

Understorey

The understorey consists mainly of grasses and herbs, and varies from fairly dense and diverse in open sites to sparse in more densely wooded sites. The shrub layer is often sparse, but with projected foliage cover of shrubs up to 30%.

The most common herbs, grasses and shrubs include wallaby grasses (*Austrodanthonia spp.*, including *A. caespitosa* and *A. setacea*), speargrasses (*Austrostipa spp.*, including *A. scabra ssp.*, *A. blackii* and*A. elegantissima*), iron-grasses (*Lomandra spp.*), black-anther flax lily (*Dianella revoluta*), sweetbursaria (*Bursaria spinosa*) and golden wattle (*Acacia pycnantha*).

Frequently occurring are the weeds Paterson's curse or Salvation Jane (*Echium plantagineum*). Grass annuals include bearded oats (*Avena barbata*), which is common in all grasslands and grassy woodlands. Native herbs include wood-sorrel (*Oxalis perennans*) and chocolate lily (*Arthropodium strictum*).

1 Sticky sword sedge understory
Photo: Jean Turner

2 Speargrass understorey
Photo: Jean Turner

3 Mixed understorey
Photo: Jean Turner

4 Wallaby grass
Photo: Simon Attwood

5 Chocolate lily
Photo: Graham Hodge

1 *Eutaxia mychoplylla*
Photo:Jean Turner

2 White everlasting daisy
Photo: Jean Turner

3 *Vittadania blackii*
Photo: Jean Turner

4 *Euphrasia collina*
Photo: Jean Turner

5 *Goodenia pinnatifida*
Photo:Jean Turner

6 *Cymbonotus preeissianus*
Photo: Jean Turner

Characteristics of peppermint box

Peppermint box is a spreading tree with a rough bark on the trunk and usually on the branches. The bark is thick, fibrous and grey-brown, then smooth on the smallest branches.

Trees comprise a single main trunk at the base with low spreading branches.

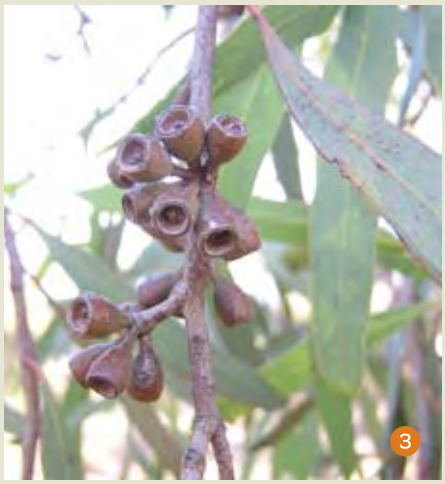
The adult leaves are dull, blue-green when new, but mature glossy and green with age.

The fruit are cup-shaped to slightly barrel shaped.

The flowers are white.

What is not peppermint box grassy woodland

Peppermint box exists elsewhere in South Australia in a whipstick mallee form generally in association with a shrubby under-storey. These trees are part of a different ecological community to that being targeted by Environmental Stewardship.



1 Peppermint box Form
Photo: Brooker & Kleinig ©Australian National Botanic Gardens

2 Peppermint box flower
Photo: Jean Turner

3 Peppermint box fruit
Photo: Jean Turner

2 Iron-grass grassland

This ecological community is found primarily within the Flinders Lofty Block bioregion, with the main remaining patches between Clare and Peterborough, but the community also extends into the Kanmantoo, Eyre Yorke Block and Murray Darling Depression bioregions.

Iron-grass grassland is a natural temperate tussock grassland, with trees and tall shrubs absent or sparsely distributed (<10% projected foliage cover).

Iron-grasses (*Lomandra spp.*), specifically hard (or many-flowered) matrush (*L. multiflora* subsp. dura) and scented matrush (*L. effusa*), are the dominant and characteristic feature of the community (usually constituting 10–70% of ground cover), though other perennial tussock grasses are present in the ground layer, with herbaceous plants in the space between tussocks.

The community can be dominated by either species of *Lomandra* or both. *Lomandra* may be absent in small areas (<1 ha) of the listed ecological community and still be part of the ecological community if such patches lie within areas containing *Lomandra*.

This ecological community is the only natural temperate grassland in Australia dominated by tussock-forming species that are not true grasses (*Lomandra* is a lily), though *Lomandra* is a component of other communities.

Herbaceous species common in this ecological community include leek lily (*Bulbine bulbosa*), yellow buttons (*Chrysocephalum apiculatum*) and scaly buttons (*Leptorhynchos squamatus*).

1 Iron-grass grassland
Photo: Jean Turner

2 *Lomandra multiflora subsp. dura*
Photo: Jean Turner

3 *Lomandra effusa*
Photo: Jean Turner

Other commonly associated species include wallaby grasses (*Austrodanthonia* spp., including *A. caespitosa*), speargrasses (*Austrostipa spp.*, including *A. setacea*, *A. eremophila* and *A. nitida*), pussytails (*Ptilotusspathulatus*) and daisies (*Vittadinia spp.*). Frequently occurring exotic weeds are bearded oats (*Avena barbata*), which is common in all temperate SA grasslands and grassy woodlands, Paterson's Curse (*Echium plantagineum*), long storksbill (*Erodium botrys*), hop clover (*Trifolium campestre*), red brome (*Bromus rubens*) and woolly burr medic (*Medicago minima*).

Iron-grass grassland generally occurs on low hills above 380 m above sea level, mainly on gentle hillslopes and footslopes, but also on surrounding plains, hill crests, ridges, gullies and interdune corridors.

The listed community occurs predominantly on loam soils but also clay loams with an estimated clay content of 30–35%, and in smaller proportions on other soil types. Surface pebbles are common at some sites and shale or sandstone rocky outcrops may also be present. The climate where this community occurs is typically Mediterranean, with hot dry summers and cool wet winters, and a mean annual rainfall of 280–600 mm.

1 Bulbine lily
Photo: Graham Hodge

2 Yellow buttons
Photo: Jean Turner

3 *Vittadinia blackii*
Photo: Jean Turner

4 *Ptilotus erubescens*
Photo: Jean Turner

5 *Callostema purpureum*
Photo: Jean Turner

6 *Swainsona behriana*
Photo: Jean Turner

05

Site assessment

If you believe you have one or more of the ecological communities being targeted under the South Australian MEC Project on your property, that you meet the other requirements for participation, and you would like to participate, you will need to arrange for an on-site assessment of the ecological communities on your property.

Please be aware that you need to nominate the areas of the ecological community that you want to include in the project from the outset. The field officer who visits your property will not undertake a random search of your property to see if you have any of the target communities – their role is only to assess areas of the communities that you nominate.

To instigate an on-site assessment you need to complete the Request for Site Assessment Form accompanying this booklet and return it to the address on the bottom of the form as soon as possible.

The delivery agent has been asked to undertake a maximum of 150 site assessments across the three NRM regions in the current funding round. If more than 150 requests for site assessments are received, it is agreed that they will be prioritised on a first in, first served basis – so return your form quickly if you want to participate.

What happens during a site assessment?

The site assessment process is as follows:

1 After receiving your Request for Site Assessment Form the delivery agent will appoint a field officer to manage your request. The field officer will undertake an initial desktop assessment of your site, based on the information you provide on the Request for Site Assessment Form. If the field officer determines that your site is likely to meet the criteria for participation you will be contacted by phone to organise a time for an on-site assessment and to answer any questions you may have regarding the MEC Project.

2 Having established an agreed time and date with you, the field officer will come to your property. Before inspecting your nominated areas the field officer will want to have a bit more of a discussion with you about the areas you have nominated. You will then be asked to direct the field officer to the nominated areas to enable the site inspection. The field officer will want to know the past management history of the nominated areas.

3 The first priority for the field officer will be to confirm that your nominated areas are the target community and are of sufficient size to meet the criteria for participation. Should the areas fail to meet one of these criterion, the field officer will not proceed further with the rapid appraisal of the area.

A 50 metre X 20 metre plot will be established. *Photo: Emma Burns*

4 Once the field officer determines that the nominated area meets the requirements for participation, it is assessed to decide whether the area is comprised of one or more Primary Management Units (that correspond to a single state in the State and Transition model for that particular ecological community). A 50 metre X 20 metre plot will be established in each delineated Primary Management Unit and a rapid appraisal undertaken to confirm the State of the nominated area. Different States are likely to require different management and the data collected will inform the recommendations that come from the metric tool.

5 The field officer will then assess the major threats within the Primary Management Unit and outside it – the nature of the threats that will be assessed are described in the additional management package discussed in Chapter 7.

1 Total grazing pressure can be a threat
Photo: Jean Turner

2 Weeds can be a threat – Salvation Jane
Photo: Graham Hodge

6 The field officer will then enter the management information collected in discussions with you and from the on-site assessments into the metric tool known as the Conservation Value Measure (CVM) on a laptop computer. The tool will generate some management recommendations for each of the different Primary Management Units within the nominated ecological community areas.

7 The field officer will then want to discuss the management recommendations with you. Remember that there are a suite of mandatory actions that you will have to undertake if your bid is successful and then a package of additional management activities, buffering and connectivity actions that you can choose to undertake.

8 If the CVM tool recommends optional buffering or connectivity related actions to which you are amenable, the field officer will need to confirm the actual boundaries of these secondary management units with you. You may be required to accompany the field officer back into the paddock to take GPS readings to enable these units to be accurately drawn as part of your management plan.

9 The field officer will also discuss whether or not you wish to covenant part or all of the nominated areas if your bid is successful. The Australian Government would like to secure the outcomes of its investment once the contract with you expires and a covenant is a means of achieving that in perpetuity. To reflect this preference, sites that are nominated for a covenant receive additional weighting in the CVM tool. However, it is up to you to choose whether or not you wish to covenant a site. See Chapter 12 for more information on covenants.

10 The field officer will provide you with a summary of the outcomes of the site visit including the management actions you agreed to undertake, decisions re covenants, etc.

The site visit is a further opportunity for you to find out more about the MEC Project. Think about questions you may have before the visit and make sure you ask the field officer.

You will have further opportunities until bids need to be submitted to change your mind about the management actions you agree to undertake or any change of mind regarding a covenant. You must advise the field officer of any changes that you wish to make within a timeframe that will be advised by letter when the bid form is sent to you.

What happens after the site assessment?

The field officer will accurately map your site using GIS before preparing a management plan based on the discussions with you during the site assessment.

The field officer will return the management plan to you along with a bid form pre-filled with your name and property information. You will be required to confirm within a specified timeframe that the management actions and any covenanting arrangements described are what you are prepared to undertake. The field officer can discuss any issues you might have or alter the management plan as necessary. Where alterations are required, the revised information will be re-entered into the CVM tool and a revised score for your site calculated. A final bid form and management plan will then be provided to you to enable you to finalise your bid.

06

State and Transition Models for the target ecological communities

What is a State and Transition Model?

State and Transition Models provide a framework to understand how ecological communities change, or transition, from one State or condition to another in response to land use change and management.

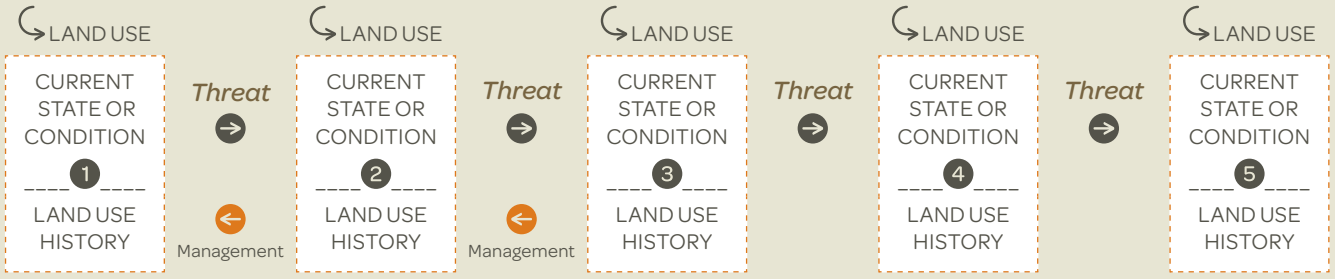
State and Transition Models have been developed by experts for each of the ecological communities being targeted under the SA MEC Project. These models are incorporated into the metric, which is used to score individual sites nominated for inclusion in the project.

It is not necessary to understand the detail of these Models in order to participate in the MEC Project. However, in order to give a little more context to the site assessment process, management actions and site scoring process described in this booklet a brief explanation of the State and Transition concept is provided here. The diagram below depicts how State and Transition Models are normally presented.

The box in the diagram represents a particular unit of an ecological community. In the MEC Project this is called a Primary Management Unit as previously described. A Primary Management Unit exists in a particular State or condition as a result of historic and current land use.

In a State and Transition Model the first box represents the State in which the Primary Management Unit existed before European influence (State 1) and all subsequent boxes depict a subsequent, more degraded State as land use and management alter the ecological community. The Models recognise that at any one time there can be a range of threats that, if not addressed, will continue to alter the ecological condition of the community causing it to transition to a lesser State over time. These include such things as fertiliser application or drift, cultivation, grazing intensification, introduction of exotic pasture and vegetation clearing. If these threats are addressed and current land use is maintained then the community is likely to continue to exist in its current State (represented by the curved arrow at the top of the box).

The models also recognise that with different management (see Chapter 7) and threat abatement some communities may be able to be restored to a higher condition. However, in some cases, a community may pass a threshold and even with threat abatement and change in management, it may not be possible for it to be restored within a timeframe and at a cost that is practical. Under the MEC project, only Primary Management Units that currently exist as States 1, 2 or 3 are eligible to participate as indicated by the management arrows. However, a Buffer Management Unit or Connectivity Management Unit recommended to enhance a Primary Management Unit may be State 4 or State 5.



How do the State and Transition Models relate to site assessment, management actions and site scores?

The Conservation Value Score, or score representing the relative value of each site (i.e. property), is calculated from the values entered into the Conservation Value Measure (see Chapter 8). This metric tool has been built specifically for the MEC Project by CSIRO in consultation with experts and it uses the logic in the State and Transition Models.

Each eligible area of the target ecological community on a land manager's property will be assessed by a field officer. The field officer will determine if this area contains one or more Primary Management Units.

Each area assessed by the field officer will receive a score based on its current condition, threats to it and the probability of achieving an improvement in the condition of the area in fifteen years time arising from the implementation of recommended on-ground management actions. Land use history will help to determine the current State of a Primary Management Unit and will be sourced from information provided on the Request for Site Assessment Form and by conversation with the land manager.

If there is more than one area of a target ecological community on a property, the scores for each Primary Management Unit will be aggregated and then weighted according to the duration of the funding agreement and presence/absence of a covenant. This calculation is done by the metric tool.

peppermint box grassy woodland *Photo: Jean Turner*

07

Managing ecological communities for conservation outcomes

The Australian Government, in return for its investment through the South Australian MEC Project, expects land managers who are successful bidders under the Project to actively manage their contracted sites to either maintain or improve their ecological condition for the duration of the funding agreement. This includes managing any buffers and/or paddock trees where agreed, to maintain or improve condition and/or increase extent, reduce threats and manage connectivity over the period of the agreement.

Active management means undertaking all works required under the agreement with the Australian Government, monitoring the contracted areas, observing changes in their condition arising from management and, in agreement with the Australian Government, modifying management where necessary and feasible. We encourage land managers to consult with professional experts and to experiment with new approaches to ecosystem management and habitat restoration within the scope of the agreement.

This kind of management will require new knowledge and skills, and for some even a change in approach, as the contracted area is a biodiversity conservation resource to be managed primarily for these values.

The Australian Government will pay successful land managers for up to fifteen years for capital and labour costs and current production income foregone from managing their contracted area for biodiversity outcomes, so long as the active management is demonstrably beyond the land manager's normal regulatory responsibilities.

The current ecological condition of the contracted area will have a large bearing on the extent of change that is achievable within the period of the agreement and the amount and type of management that will need to be undertaken.

Successful land managers will be required to prepare a three year management strategy and submit it with their first annual report outlining how and when they intend to implement the management actions they have been funded to undertake under their agreement with the Australian Government. At the completion of each three years a subsequent management strategy will be required.

Further details on the three year management strategy will be provided to successful land managers.

Minimum Management Package

All land managers who sign an agreement with the Australian Government will have to undertake a Minimum Management Package of activities to conserve their ecological community/ies. These will apply in every Primary Management Unit. The Australian Government's preference is to invest, according to value for money, in those sites on which the land manager is offering to undertake activity to manage as many threats as possible i.e. over and above the Minimum Management Package.

The Minimum Management Package to be undertaken on each Primary Management Unit comprises the following management actions:

- conservation grazing (if the area is currently grazed). This means the level of total livestock grazing pressure that enables native understorey species, including palatable species, to persist
- no cultivation
- no fertilisation
- no removal or disturbance of native vegetation (alive or dead)
- no planting of non-native species in the target ecological community
- no removal or disturbance of bush rock
- no intentional burning outside of a management plan
- all other actions associated with compliance with State and local government regulations pertaining to legal obligations (e.g to control noxious weeds etc).

Minimum management package: details

a) Conservation grazing (where livestock grazing is practiced)

What are the conservation outcomes sought?

1 to enable grazing sensitive species to regenerate
2 to enhance biomass of dominant understorey native species
3 to increase diversity of native plant species
4 to reduce browsing impact on palatable native plants
5 to reduce nutrient inputs (e.g. stock camps)
6 to improve litter and soil condition
7 to facilitate natural regeneration.

Implementation

In State 1 Primary Management Units grazing by domestic livestock is not permitted. For State 2 and 3 Primary Management Units conservation grazing will be applied. A conservation grazing regime has been developed for the Project that recommends a graze period of no more than 3 consecutive days, with a minimum of 28 days rest, where the grassy sward must be maintained at no less than 5cm height across the management area at any time. At its least intensive, conservation grazing allows for no grazing throughout the year (and is a mandatory requirement for State 1 Primary Management Units).

At its most intensive, conservation grazing allows for a maximum of 12 graze periods per year, each separated by 4 weeks rest.

You should make observations of the sward – height, seasonal growth rates and disturbance from grazing – and extend the time between grazing events if the understory is not recovering sufficiently between grazing periods.

Where strategic grazing is recommended in order to manage exotic plants or control biomass an alternate regime will apply to when and how grazing is undertaken. (See strategic grazing, described under Monitoring and Managing Exotic Plants as part of Additional Management Actions).

It is the responsibility of the land manager to monitor their contracted area and to stock it at a time and in a manner that will achieve the outcomes identified above.

Periodically excluding grazing has the advantage of allowing native plants to flower and set seed, and it allows tree regeneration to occur more readily, reduces nutrient inputs from grazing stock, and minimises physical soil disturbances and compaction of soil.

Please note:

If you are considering re-introducing grazing as a management tool after 10 years without grazing you will need to get permission from the Native Vegetation Council before doing so. You are also advised to contact the Environmental Liaison Officer with the National Farmers' Federation on 1800 704 520 to identify your obligations under the EPBC Act if you wish to re-introduce or intensify grazing on your ecological community.

Periodically excluding grazing has the advantage of allowing native plants to flower and set seed, and it allows tree regeneration to occur. *Photo: Jean Turner*

Things to consider when preparing a bid

In order to manage grazing on your contracted area you will need a means of controlling access by livestock. This will most likely be a fence and gate. There is also the cost of maintaining the fence over the life of the agreement.

If there is a watering point within the contracted area that currently services a larger paddock, you may need to establish an alternative watering point that will enable stock to access water from outside of the contracted area.

The cost of these capital works, as well as the income you may forego because of changing the grazing regime for your contracted area (conservation grazing for limited periods only) should be considered when costing your bid.

In considering fencing costs, you may wish to compare the cost of fencing the boundary of the contracted area, which may involve some unusual lines and hence additional materials, with the opportunity cost of fencing off a more conventional "square" boundary around the contracted area and foregoing grazing within this whole area. This option might be considered in the context of a buffer. Please discuss this option with a field officer if you are interested.

b) No cultivation

What are the conservation outcomes sought?

1. to maintain or improve understorey composition and structure.
2. to reduce soil disturbance
3. to reduce exotic plant infestation.

Implementation

Within the contracted area, unless explicitly sanctioned and detailed in your management plan, you may not cultivate, including cultivation for firebreaks, or undertake other measures resulting in significant soil disturbance.

Things to consider when preparing a bid

No significant costs should arise from restrictions on cultivation. Other management actions address pest management.

c) No fertilisation

What are the conservation outcomes sought?

1. to reduce the cover of exotic species over native species
2. to increase native plant cover and richness.

Implementation

You may not use or store fertiliser within the contracted area.

Take care when using fertiliser on land adjacent to the contracted area to prevent nutrient run-off or drift onto the contracted area.

Things to consider when preparing a bid

There should be no significant costs arising from restrictions on fertiliser use that would need to be included in your bid.

d) No removal or disturbance of native vegetation (alive or dead)

What are the conservation outcomes sought?

1. to retain habitat for native fauna
2. to provide seedstock for native regeneration
3. to provide protected areas for plants to regenerate
4. to improve soil condition.

Implementation

Retain and do not disturb any native trees, shrubs, ground cover, standing or fallen dead wood.

- Native vegetation (dead or alive) must not be used for firewood or any other purpose.
- Both living and dead standing trees must be retained. Standing dead timber is most often comprised of mature trees which provide ideal nesting sites for birds, mammals and reptiles in their well-developed hollows.

Logs and decaying timber provide important foraging sites and habitat for native animals, ground dwelling species and insects as well as providing sheltered areas for some native plants to grow. Fallen timber also traps moisture, nutrients and seeds and creates suitable conditions for regeneration.

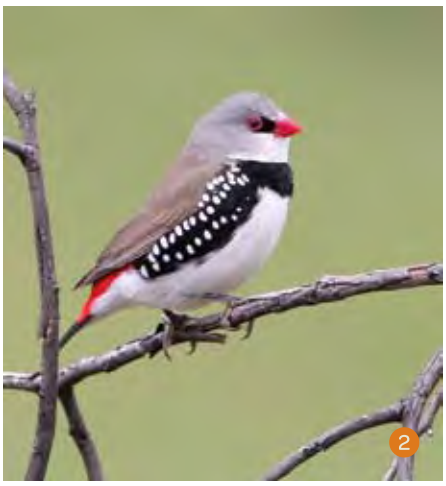
Fallen trees or branches should be left where they fall unless they block access to the contracted area, damage fencing associated with site management or pose a threat to life, in which case they can be moved within the contracted area but in a way that minimises soil disturbance.

If your contracted area currently has a rabbit population, measures to restrict or eliminate them from the contracted area should be undertaken as soon as possible after entering an agreement, to avoid fallen timber providing additional protection for these pests.

Things to consider when preparing a bid

If you currently use the standing or fallen timber from your contracted site for firewood (commercial or domestic), or for fence posts, you will no longer be able to if you enter into an Environmental Stewardship agreement.

When costing your bid you should consider the costs that these restrictions will impose on your farm business, either in terms of income foregone (commercial firewood sales) or additional costs (e.g. buying strainers, buying firewood).



1 Possums live in tree hollows
Photo: Julie Schofield

2 Birds require trees as habitat – Diamond firetail
Photo: Mat Gilfedder

3 Fallen trees or branches should be left where they fall
Photo: Jean Turner

e) No planting of non-native species in the target ecological community

What is the conservation outcome being sought?

1 to maintain the ecological integrity of the community.

Implementation

In the course of managing a selected ecological community there will be times when replanting of vegetation may be a desirable management action. For example:

- after exotic species are physically removed they should be replaced with a native species to prevent the same or other exotics re-establishing
- it may be desirable to add to the under-storey, mid-storey or over-storey depending upon the condition of the community.

Local provenance seed of native species that are indigenous to the area should be used for replacement planting wherever possible. Non-local provenance seed should only be used when locally sourced seeds are not available. Non indigenous native species must not be introduced i.e. a native species that does not grow locally should not be introduced simply because it is a native plant.

Things to consider when preparing a bid

There are no issues arising from this requirement that would need to be included in your bid. Seed and seedling costs and related costs associated with re-vegetation work would come under the additional management package if these actions are agreed for your site.

f) No removal or disturbance of bush rock

What are the conservation outcomes sought?

1 to maintain habitat for native wildlife including reptiles, invertebrates, amphibians, small mammals (even bats), and ground-foraging birds.

2 to provide habitat for mosses and lichens and a number of smaller native plants, particularly in areas where grazing occurs

3 to reduce soil disturbance.

Implementation

If you currently have permission to sell bush rock from your contracted area, you will no longer be able to do so if you enter into an Environmental Stewardship agreement.

When undertaking management within your ecological community, care should be taken to minimise destruction or displacement of existing rock outcrops or surface rocks.

Things to consider when preparing a bid

If you are currently licenced to sell bush rock, when costing your bid you should consider the loss of income you will incur from the restrictions that this requirement imposes.

1 Do not remove or disturb bush rock
Photo: Emma Burns

2 Rocky outcrops can be home to reptiles Sleepy lizard
Photo: Andrew Knop

g) No intentional burning outside of a management plan

What is the conservation outcome sought?

1 to maintain habitat structure and high quality habitat for reptiles and fire-sensitive plants.

Implementation

Fire is recognised as a legitimate tool for managing ecological communities when used as part of a regime of management actions to bring about a planned change in the condition of an ecological community. Fire may be an option recommended as part of the suite of additional management actions depending on the condition of your site.

However, ad hoc use of fire in the absence of a properly considered management plan is not permitted under an Environmental Stewardship agreement. Talk to your NRM Board about obtaining expert advice.

Fire can of course arise from lightning strike or from a bushfire through no fault of the land manager. If these circumstances arise, the land manager will not be considered to be in breach of this requirement.

Please consult the Native Vegetation Council before undertaking any burning on your property.

Things to consider when preparing a bid

There are no issues arising from this requirement that would need to be included in your bid.

h) All other actions associated with legal obligations

What is the conservation outcome sought?

Some conservation outcomes will be achieved outside of the influence of Environmental Stewardship. These outcomes will be achieved through Commonwealth, State and local government legislation that require land managers to undertake a certain minimum level of action to sustain the environment. State or local government requirements on land managers to control or manage certain noxious weeds are an example.

Implementation

Land managers are expected to undertake these responsibilities using their own resources. State or local government officials or your local NRM Board should be able to provide further information.

Land managers who are required to manage weeds listed as Weeds of National Significance (WoNS), can attribute the whole cost to Environmental Stewardship. For a list weeds of Weeds of National Significance go to www.weeds.gov.au/weeds/lists/wons.html

Things to consider when preparing a bid

If you are required to manage a weed listed as a WoNS you can include the complete cost of managing that weed in your bid.

If it is recommended that you undertake activities that go beyond the requirements imposed by State and local government regulations, you can include the difference between these costs and the cost of the additional requirement in your bid.

Depending on which ecological community you have, and what condition it is in, your field officer will recommend a package of additional management actions that you are encouraged to undertake. The metric tool will recommend, on the basis of high to low priority, actions from the list below based on the current condition of your site and assessed threats from both within and outside of the Primary Management Unit.

You will have the option of choosing which actions you undertake but, the more that you undertake from the list of recommended additional actions, the more likely it is that your site will improve in condition or maintain condition if already in very good condition (i.e. State 1). The possible additional actions are listed below.

Additional Management Package

Additional threat abatement and enhancement actions to be undertaken in the Primary Management Unit

1 monitor and manage herbaceous exotic plants (Non-aggressive)

2 monitor and manage herbaceous exotic plants (Aggressive)

3 monitor and manage exotic shrubs (Aggressive)

4 monitor and manage feral animals species

5 monitor and manage native herbivores

6 re-establish perennial native species

7 add coarse woody debris

8 biomass control to reduce dominance of single native plant species

Buffering

- monitor and manage exotic herbaceous plant species (Aggressive)
- monitor and manage exotic shrubs (Aggressive)
- reduce wind-borne agrochemicals
- reduce water-borne movement of agrochemicals
- reduce disturbance to tree roots

Enhancing Connectivity

(**Corridor option**) No fertilisation, no cultivation and conservation grazing

OR

(**Paddock tree option**) No fertilisation, no cultivation and fencing paddock trees sufficient to allow natural regeneration,

These actions and what they entail are explained in more detail in the remainder of this chapter.

Bearded oats
Photo: A. Prescott

Additional management package: details

Additional management actions to manage threats to, and enhance the condition of, particular areas of the ecological community will be identified and ranked for importance by the metric tool used to score the site.

These additional actions are designed to further improve the ecological outcome over the life of an agreement based on the existing condition of your site and the current threats to the site.

Some of the management actions in the following list appear as they do (e.g. aggressive versus non-aggressive herbaceous exotic plants) because of the way that particular threats are assessed in the metric tool.

The field officer who visits your site will discuss with you the additional actions recommended for your site and it will be your choice to determine which of the management actions you will adopt from those presented. The more actions that you undertake from the recommended list the more likely you are to improve the condition of your site. However, each action comes with a cost and hence as a potential bidder in a competitive bidding process you will need to consider how you wish to structure your bid, which of course will be informed by the management actions you opt to undertake.

a) Monitor and manage herbaceous exotic plants (Non-aggressive)

What are the conservation outcomes sought?

1. to reduce non-aggressive exotic plant cover, thereby reducing competition with native plants
2. to reduce non-aggressive exotic plant biomass
3. to create more gaps in the groundlayer to facilitate regeneration of native groundcover species.

Implementation

Herbaceous weeds, i.e. weeds that lack a woody stem, include species such as fescues, wild sage and heron's bill. They are non-aggressive insofar as they tend to grow in gaps between native plant species and are not prone to dominating in the form of large patches.

Control of non-aggressive exotic plants will be addressed to some extent through the use of strategic grazing involving the use of domestic stock over short spells in spring, autumn and winter. Strategic grazing is responsive to rapid biomass accumulation of a single native species (e.g. *Themeda* sp.), or one or more exotic herbaceous species. It may be carried out within Primary Management Units and buffers.

Other targeted controls may also be considered, including localised application of herbicides (spot spraying, weed wiping), hand pulling or chipping of target weed species, mowing and slashing or possibly localised conservation burning (under an appropriate management plan and permission from relevant agencies as required).

Fodder should not be stored within, or introduced to any contracted area.

Things to consider when preparing a bid

If using herbicides to control non-aggressive herbaceous weeds you may wish to include the cost of the herbicide, any applicators or safety equipment and your time when pricing your bid. If chipping or hand pulling weeds you may wish to include in your bid price the cost of any tools and your time while fuel and wear and tear associated with mowing or slashing might be considered if you plan to use that method.

b) Monitor and manage herbaceous exotic plants (Aggressive)

What are the conservation outcomes sought?

1 to reduce aggressive herbaceous exotic plant cover, thereby reducing competition with native plants

2 to reduce aggressive herbaceous exotic plant biomass

3 to create more gaps in the groundlayer to facilitate regeneration of native groundcover species.

Implementation

Herbaceous aggressive exotic plants include freesia, bridal creeper, phalaris, perennial veldt grass and pentaschistis (pussy tail) and similar species that seed prolifically and become dominant in patches.

Control of aggressive herbaceous weeds may require strategic grazing, localised application of herbicides (spot spraying, weed wiping), hand pulling or chipping of target weed species, mowing or slashing, or possibly localised conservation burning (under an appropriate management plan). The options chosen will be governed by the State of the site, accessibility of the site and the overall need to minimise adverse impacts on perennial native species.

Things to consider when preparing a bid

If using herbicides to control aggressive herbaceous weeds when pricing your bid you may wish to include the cost of the herbicide (consider the likely number of applications), any applicators or safety equipment and your time. Similarly, if chipping or hand pulling you may wish to include the cost of any tools and your time in your bid price. If mowing or slashing there are fuel costs and wear and tear as well as your time that you may wish to consider. If burning, are there any costs associated with ensuring that you have adequate fire protection measures in place to prevent the fire damaging adjoining land and if applicable, insurance cover?

c) Monitor and manage exotic shrubs (Aggressive)

What are the conservation outcomes sought?

1 to reduce exotic shrub cover, thereby reducing competition with native plants

2 to reduce exotic shrub biomass

3 to create more gaps in the ground layer sward to facilitate regeneration of native groundcover species.

Implementation

Management actions for control of exotic shrubs include localised application of herbicides (spot spraying, weed wiping), hand pulling, localised conservation burning (if part of a management plan), mowing, slashing, and drill & fill with an appropriate herbicide. Strategic grazing may also assist. The management options chosen should reflect the current condition of the contracted area. Those measures likely to have the least impact on native vegetation communities should be chosen for State 1 and high quality State 2 Primary Management Units with other techniques reserved for State 3 Primary Management Units.

When managing exotic shrubs in woodland environments land managers should consider the ecological role these exotic shrubs have as a mid-storey species, before removing them. For example, in the absence of other mid-storey species in a woodland environment, exotic shrubs like boxthorn or blackberry may play a role as small bird habitat. In the absence of other mid-storey species the appropriate strategy may be to selectively kill these plants but leave them in-situ until other mid-storey native species can be established.

Paterson's curse and wild oats pose a threat to adjoining woodland NSW *Photo: Graham Hodge*

Things to consider when preparing a bid

If using herbicides to control aggressive exotic shrubs when pricing your bid you may wish to include the cost of the herbicide (consider the likely number of applications), any applicators or safety equipment and your time. Similarly, if chipping or hand pulling you may wish to include the cost of any tools and your time in your bid price. If mowing or slashing there are fuel costs and wear and tear as well as your time that you may wish to consider. If burning, are there any costs associated with ensuring that you have adequate fire protection measures in place to prevent the fire damaging adjoining land and if applicable, insurance cover?

d) Monitor and manage feral animals

What are the conservation outcomes sought?

1. to reduce browsing impact on palatable native plants
2. to maintain native species diversity
3. to reduce overgrazing leading to weed infestation
4. to improve litter and soil condition
5. to facilitate natural regeneration
6. to reduce predation on local native fauna

Implementation

Land managers are encouraged to control feral herbivores and carnivores (e.g. rabbits, hares, goats, deer, pigs, foxes, feral cats) where these are having a detrimental impact on the target ecological community through their contribution to total grazing pressure, predation or through soil disturbance. Control measures will differ between species and may include both preventative (e.g. fencing) and destructive measures as appropriate.

Destructive control measures should minimise unintended adverse impacts on non-target species and be undertaken humanely and in accordance with SA legislation. Warren ripping to control rabbits within a target ecological community should be undertaken as a last resort and every effort should be taken to minimise soil disturbance away from the immediate warren site.

Things to consider when preparing a bid

Costs will vary between species to be controlled but some things that might be considered in preparing a bid include fencing costs, costs of removing watering points if necessary, time and labour/contractor costs, fuel, baits and traps.

Feral animals contribute to soil disturbance and grazing pressure *Photo: Emma Burns*

e) Monitor and manage native herbivores

What are the conservation outcomes sought?

1 to reduce browsing impact on palatable native plants
2 to maintain native species diversity
3 to reduce overgrazing thus weed infestation
4 to improve litter and soil condition
5 to facilitate natural regeneration.

Implementation

Actions that involve reduction in the native herbivore numbers to reduce total grazing pressure include exclusion or culling. Exclusion of macropods (i.e. kangaroos) is best carried out with a 3-strand plain wire fence affixed to the top of a stock-proof fence.

Culling of native herbivores can only be conducted with the authorisation of and a license issued by the appropriate government authority. Ideally, culling should be coordinated with other similar actions in the region in order to maximise impact, and would be undertaken in a humane manner consistent with conservation and land stewardship values. Trapping and relocation is an option for native herbivores, but only under licence. Enticement away from the site (e.g. through strategic placement of watering points) is also an option, but success would need to be monitored.

Things to consider when preparing a bid

Some things that might be considered when preparing a bid include fencing costs, costs of removing watering points if necessary, time and labour/ contractor costs, fuel and traps.

f) Re-establish perennial native species

What are the conservation outcomes sought?

1 to enhance plant life-form diversity
2 to enhance vegetation structure
3 to increase 'nativeness.'

Implementation

The percentage of native forb and grass species declines as ecological communities transition from their original state and native species are progressively replaced by exotic annual grass species, which are more suited to the changed nutrient status of the site.

One objective in managing an area for biodiversity outcomes is to reduce the nutrient status of the area and to return native perennials to the under-storey. It is particularly important if exotic plants are physically removed that a suitable native plant species be re-instated in their place to avoid exotic plants re-colonising.

3-strand plain wire fence affixed to the top of a stock-proof fence ACT *Photo: Graham Hodge*

Re-instating native perennial forb and grass species may be achieved by no-till or hand seeding following exotic plant control and/or fire. Land managers should use native indigenous species at all times and use local provenance wherever possible. Re-instatement of perennial native forb and grass species is best undertaken after rain in warmer months.

If possible, it is preferable to collect seed from existing areas of native vegetation on the property, or from neighbouring habitats, taking care to not overly deplete the seed available.

Things to consider when preparing a bid

When preparing your bid you may wish to consider your time and the cost of seed, ground preparation, other fencing, contract planters, herbicide and insecticide. Costs may depend on the nature of the terrain and whether broadcasting, using direct seeding or seedlings to re-vegetate a site.

g) Add coarse woody debris

What are the conservation outcomes sought?

1 to provide habitat for ground-dwelling fauna
2 to provide protected areas for plants to regenerate
3 to improve soil condition.

Implementation

Coarse woody debris (logs and sticks) provide important foraging substrate for native fauna (e.g. brown treecreeper and grey-crowned babbler), and a sheltered micro-habitat for grazing-susceptible plants to germinate and grow.

Where coarse woody debris is sparse or absent, supplementation may be undertaken through placement of untreated fence posts, sleepers or other rural timber.

Relocation of coarse woody debris from native woodland located off-site should not be considered, unless it is part of recent council thinning or logging operations. Care should be taken not to introduce timber containing exotic insects or fungi to the site. If in doubt ask your NRM Board about obtaining expert advice.

Things to consider when preparing a bid

When constructing your bid you may wish to include your time and any costs associated with transporting old fence posts, sheep yard railing or similar coarse woody products, or if local government has removed trees for road construction nearby, transporting them to the Primary Management Unit.

Brown treecreeper *Photo: David Potter*

h) Biomass control to reduce dominance of single native plant species

What are the conservation outcomes sought?

1 to reduce biomass of overly dominant species
2 to reduce exotic plant cover
3 to enhance native plant life-form richness
4 to improve soil health
5 to reduce fire hazard.

Implementation

Biomass control is employed to reduce the biomass of an overly dominant native plant species, to promote regeneration of native species, to improve native plant life form richness and to improve soil health.

Biomass may be controlled through slashing, lopping or mowing at an agreed timing and frequency to produce the desired management outcomes. Strategic grazing involving the use of domestic stock in short spells in spring, autumn and winter is the preferred method for large areas. Small-scale experimental burns may be considered for small areas (e.g. <5 ha), but land managers are requested to obtain expert advice and have a management plan in place before burning.

Things to consider when preparing a bid

Biomass control is not something that would need to be undertaken every year – only when the cover of a single native species becomes dense enough to restrict the growth of forbs and herbs and results in an understorey that is too uniform in structure.

In terms of costing your bid, you may wish to consider if there are any specific costs associated with the biomass control options identified above. For example, do you have adequate insurance cover if you are using fire as a tool, are there any costs associated with having fire trucks on hand when you burn, are there costs associated with slashing such as fuel or your time?

Buffering

For the first time, Environmental Stewardship, through the MEC Project, is offering land managers the opportunity to manage a buffer around Primary Management Units with a view to improving the overall ecological viability of these areas. It may be important that very small Primary Management Units be buffered to reduce threats arising from adjacent land use such as fertiliser drift and/or nutrient run-off, spray drift or direct physical damage to plant roots as a result of cultivation of adjoining land.

Buffers, where they are offered by land managers will require active management but the level of management and the width of the buffer may vary according to the type of threat to the Primary Management Unit. Threats to the Primary Management Unit will be assessed by the field officer. Depending on the threats identified, and the importance of a buffer to improve the condition of the Primary Management Unit, recommendations for the management of a buffer may be identified by the metric tool during site assessment.

Buffer management actions are described below. Please note, where the management actions for the buffer are the same as those in the Additional Management Package described previously, they are not described again in the section below.

Required Management Actions in buffers

a) Monitoring and managing exotic herbaceous plant species (Aggressive)- *described previously*
b) Monitoring and managing exotic shrubs (Aggressive) – *described previously*
c) Reduce wind-borne agrochemicals
d) Reduce water-borne movement of agrochemicals
e) Reduce damage to tree roots.

c) Reduce wind-borne agrochemicals

What are the conservation outcomes sought?

1 to prevent enrichment of soils in the Primary Management Unit
2 to prevent microbial impacts associated with chemical spray drift.

Implementation

The characteristics of the buffer will determine how effective it is in reducing the impact of wind-borne agrochemicals. For example, a buffer with trees and a good understorey of native grasses is likely to be more effective than one without trees or a native grass understorey in trapping wind-borne particles. Accordingly, a buffer with trees and native understorey that is managed in a way that will conserve and possibly lead to further natural regeneration,

Buffering may be necessary to reduce chemical drift from adjoining land *Photo: Emma Burns*

is likely to fully abate the threat in fifteen years whereas one without these characteristics, or where these characteristics are not being actively managed, may not be as effective.

If buffering is recommended to reduce the threat posed by wind-borne agrochemicals to the Primary Management Unit there are two management options available, both of which apply to a buffer width of 100 metres:

1 no fertilisation, no cultivation and no spraying of agrochemicals in the buffer, **regardless of whether the buffer contains trees.** If trees are present (i.e. 30% or more of the buffer is comprised of scattered trees) this option is less likely to achieve the long term condition improvement outcomes than option 2 because the long term viability of the trees is not being actively managed;

OR

2 **if the buffer contains trees,** (i.e. 30% or more of the buffer is comprised of scattered trees) no fertilisation, no cultivation and no spraying of agrochemicals, **PLUS** fostering regeneration of paddock trees and native perennial grasses through:

   a) Conservation grazing, or

   b) Protecting individual paddock trees within the buffer by fencing sufficient to allow natural regeneration.

Things to consider when preparing a bid

When preparing a bid the opportunity cost of utilizing otherwise productive land as a buffer and the cost of fencing and other materials and labour could be considered depending on the management approach adopted.

d) Reduce water-borne movement of agrochemicals

What are the conservation outcomes sought?

1 to prevent enrichment of soils in the Primary Management Unit

2 to prevent microbial impacts associated with water borne agrochemicals.

Implementation

Land managers are encouraged to establish a dense sward of native perennial grasses within a buffer adjacent to the Primary Management Unit to reduce the water-borne movement of agrochemicals from adjoining agricultural land into the Primary Management Unit. This would be achieved by cessation of fertilisation and cultivation and no spraying of other agrochemicals and would target a 20 metres buffer immediately adjacent to the Primary Management Unit.

Things to consider when preparing a bid

When preparing a bid the opportunity cost of utilizing otherwise productive land as a buffer and the cost of fencing materials and labour could be considered depending on the management approach adopted. Costs of controlling exotic plants may also be considered.

Reduce disturbance to tree roots

What is the conservation outcome sought?

1 to improve tree health by minimizing disturbance to tree roots.

Implementation

Land managers are required to cease cultivation within a 20 metre buffer immediately adjacent to the peppermint box grassy woodland Primary Management Units.

Things to consider when preparing a bid

When preparing a bid the opportunity cost of utilizing otherwise productive land for conservation outcomes could be considered.

Enhancing connectivity

In order to further enhance the habitat potential of target ecological communities on private land, Environmental Stewardship, through the South Australian MEC Project is offering land managers with peppermint box grassy woodland the opportunity to manage Connectivity Management Units linking their nominated peppermint box grassy woodland with other woodland in the surrounding landscape. A Connectivity Management Unit is an area to be managed to promote connectivity between a Primary Management Unit and other patches of native vegetation and may be recommended by the metric tool where isolation is a threat to the viability of a Primary Management Unit.

What is the conservation outcome sought?

1 to encourage natural regeneration of native canopy species, and thus long-term performance of functional corridors in reducing isolation of remnant peppermint box grassy woodland.

Implementation

Land managers who opt to manage a Connectivity Management Unit in association with their nominated peppermint box grassy woodland are encouraged to manage the nominated connectivity area to maximise natural regenerative capacity of native trees and shrubs. Where grazing is practiced, standard grazing practices will be replaced by conservation grazing. Alternatively, individual paddock trees may be fenced sufficient to allow natural regeneration i.e. the area around the tree is protected from livestock grazing and trampling to encourage germination of tree seedlings following seedfall. Soil preparation measures may be undertaken to increase the likelihood of seedling strike, and seeds themselves may be collected and dispersed to encourage regeneration.

Things to consider when preparing a bid

Land managers considering this option would need to consider the opportunity cost of managing their nominated Connectivity Management Unit for conservation as opposed to production outcomes as well as the costs of fencing and materials that will be required to manage grazing (where applicable), in accordance with project requirements.

Paddock trees provide connectivity.
Photo: Emma Burns

08

Conservation Value Measure

What is the Conservation Value Measure?

The Conservation Value Measure (CVM) is a computer-based decision support tool (often referred to as a metric tool) that allows a score to be allocated to the area of a targeted ecological community for which a bid is to be prepared and which will be managed if the bid is successful.

A new metric tool has been developed for the MEC Project that will allow comparison between the target ecological communities in South Australia in 2010-11.

What makes up the Conservation Value Score (CVS)?

Each property receives a score which is calculated by the metric tool.

The metric tool builds a score based on information collected during the course of the site assessment. This includes information relating to the condition (or State) of the proposed area of the target ecological community at the time of the site assessment as well as threats to the ecological community, and management history of the ecological community. The length of the funding agreement (between 10 and 15 years) and whether the land manager has or will request a conservation covenant also have an important impact on the score. The condition is derived from comparison with the State and Transition Model for that ecological community. This occurs during the course of the site assessment.

The field officer will identify the threats to the ecological community in the proposed area. Threats are divided between internal and external. Internal threats are those that can be managed in the area itself. External threats include the impacts of management activities external to the ecological community (such as damage to roots by cultivation adjacent to area and the threat of ecological isolation). Management history information is collected by the field officer asking a number of questions on past management practices.

Based on collected information, the metric tool specifies what management actions will be needed to abate the identified threats in order to maintain the ecological community in its current State and any additional management that could enhance its condition to a higher State. The additional management actions that you agree to undertake, including managing buffer and/or connectivity areas as appropriate are entered into the metric tool which calculates the site score (an expected per hectare ecological value of the target ecological community area in 15 years time). If there are multiple areas of the ecological community or communities being offered, the scores for each of these are aggregated to form the score for the property.

Conservation Value Index

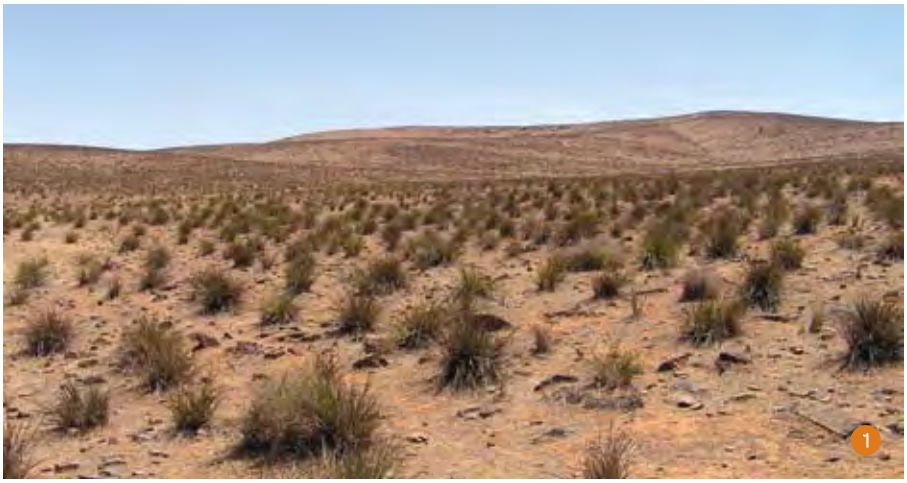
When the Conservation Value Score for a site is divided by the land manager's bid price a value is calculated known as the Conservation Value Index (CVI). Every participating bid will have its own Conservation Value Index. In the evaluation process, all bids are ranked according to their individual CVI from highest to lowest in a value for money continuum.

Blue devil
Photo: Jean Turner

1 Iron-grass grassland low rainfall area 275-300mm per annum
Photo: Julie Schofield

2 Iron-grass grassland medium rainfall area 375-400mm per annum
Photo: Jean Turner

3 Iron-grass grassland high altitude 450mm annual rainfall
Photo: Jean Turner



09

Developing a bid

In order to bid in the Multiple Ecological Communities Project you will need to complete a bid form that the field officer will provide you after site assessments have been completed and a management plan agreed.

As discussed in Chapter 7, there are both active and passive management activities that land managers are required and/or may opt to undertake to restore their ecological community. The Australian Government does not expect to incur substantial costs for passive management that predominantly maintains the status quo such as retaining standing timber, bush rock or fallen timber. However, it is prepared to cover the cost of profits foregone by a business because of adopting these practices, where the total bid price provides value for money.

On the other hand, active management activities can be more expensive to do and the Australian Government is prepared to consider realistic payment for these activities, including any associated costs for lost profits, where such payments provide relative value for money. Active management includes activities such as fencing to control total grazing pressure, weed control, re-planting of native vegetation, re-location of watering points and feral animal control.

Additional costs that you may consider in your bid include:

- the cost of public liability insurance required under the agreement
- any costs to undertake monitoring
- any cost associated with obtaining a covenant.

You will need to cost your own bid and are advised to consult your financial advisers and service providers in doing so. It is important that you cost your bid accurately, to account for the full costs of implementing the management plan to improve the ecological community on your land over the life of the project. Accurate costing includes considering potential changes to the Consumer Price Index, which will affect your costs over the duration of your agreement.

Please be aware that neither field officers, the Delivery Agent nor the Australian Government will provide you with advice on the actual costing of your bid.

In previous Environmental Stewardship rounds land managers asked if there was a standard price for them to charge for conserving ecological communities on their property. The fact is that there is no standard price. Each land manager manages a site with particular characteristics. Some land managers will do work themselves at their own expense, others will wish to contract the work. Some sites will be more degraded than others.

But this does not mean that the component parts of a bid cannot be sensibly priced. You are encouraged to get advice if you are unsure.

Each bidding round establishes its own market and successful bids will cover a range of prices.

Bid Preparation

Bids will only be accepted into the final evaluation if they are posted before the nominated closing date. You should make every effort to complete and post your bid form so that it reaches the tender box before the closing date.

Step 1: The entity making the bid should be the same entity that signed the Request for Site Assessment

Begin your bid preparation by checking that the bid form has been pre-filled with your correct entity details. If there are any errors, advise the field officer of required amendments. The entity that completes the bid form will also be the entity contracted, if your bid is successful.

Step 2: Pricing a bid

Please note

It will be entirely up to you to determine the price that you require to undertake the agreed management actions. Neither the field officers nor the Delivery Agent will be aware of what constitutes a successful bid and will therefore be unable to provide advice on this.

An adverse result for the Australian Government, and for you, would be if you under-priced your bid in order to obtain a competitive advantage over other participating land managers in the bidding process and then could not meet your contractual obligations.

Payments are conditional on meeting these obligations.

In developing a bid, it will be important to consider the various costs that may be incurred throughout the life of the agreement taking into account the matters identified in Chapter 7, which are summarised below.

You should think about:

- labour costs, including your own
- material costs. For example fencing materials, herbicides, pest and weed control, re-vegetation and replanting, costs associated with equipment required to undertake on-ground management activities
- the costs of seeking specialist advice relating to: contractors, weed and pest advisers, personal financial advisers, solicitors, accountants or agricultural product suppliers over the life of the agreement
- costs associated with stock exclusion, such as alternate water sources or establishing alternative stock shelter, for example a strip of trees or man-made structure
- loss of income arising from restrictions on the use of the target ecological communities for production or other income generating purposes, e.g. reduced carrying capacity or cost of firewood, etc
- consider financial issues that may arise over the timeframe of the agreement e.g. inflation risk over the period of the agreement
- any costs associated with establishing a covenant on the site if one is proposed
- time and costs associated with the monitoring and reporting requirements and the labour and equipment that might be required
- cost of public liability insurance required under the agreement.

Please note:

The Australian Government expects that for each year that an agreement is sought, there will be a corresponding request for annual funding. So, if a fifteen year agreement is sought, there will be fifteen annual instalments requested in your bid. A fifteen year proposed agreement with only ten years of funding is not acceptable.

Furthermore, the Australian Government will not support bids that require the majority of the funding in the early years of the agreement. The expectation is that there will be a relatively even distribution of funding across the life of the agreement. As a rule of thumb, no more than 25% of the total funding sought should be requested in the first three years.

Land manager benefits

Land managers in determining a bid price may also consider the benefits they can gain from participation in the Multiple Ecological Communities Project. These may include:

- improved biodiversity, soil health, and water quality on the property
- improved habitat for wildlife – native birds, animals and flowers
- improved stock and land management
- increased aesthetic values of the property
- personal enjoyment and satisfaction from having made a positive impact on the local natural environment
- helping to better link private land conservation efforts across the catchment to help address important conservation issues.

Establishing the final price

After considering the costs of implementing all agreed management actions over the length of the agreement, you may consider the extent to which you are prepared to absorb a proportion of the costs yourself for the private benefits you will receive.

Once the bid form has been completed, signed and submitted there will be no further opportunities to renegotiate the agreed management actions or the price before the bid is assessed. However you are able to withdraw at any time before an agreement is signed. Once an agreement is in place and management actions have commenced, there will be some flexibility for both parties to review and adjust actions, within the available budget, in light of progress and other issues.

Please note

It is important that you check your bid thoroughly before submitting it to ensure that:

a) you have included all the costs that you expect to incur over the life of the agreement and that you are comfortable with the pricing of these items

b) your arithmetic is correct and the annual costs add up to the total cost given

c) the number of annual payments sought is consistent with the duration of your agreement, i.e. if a fifteen year agreement is sought, there should be fifteen annual entries on the bid form

d) there is a relatively even spread of funding over the life of the agreement.

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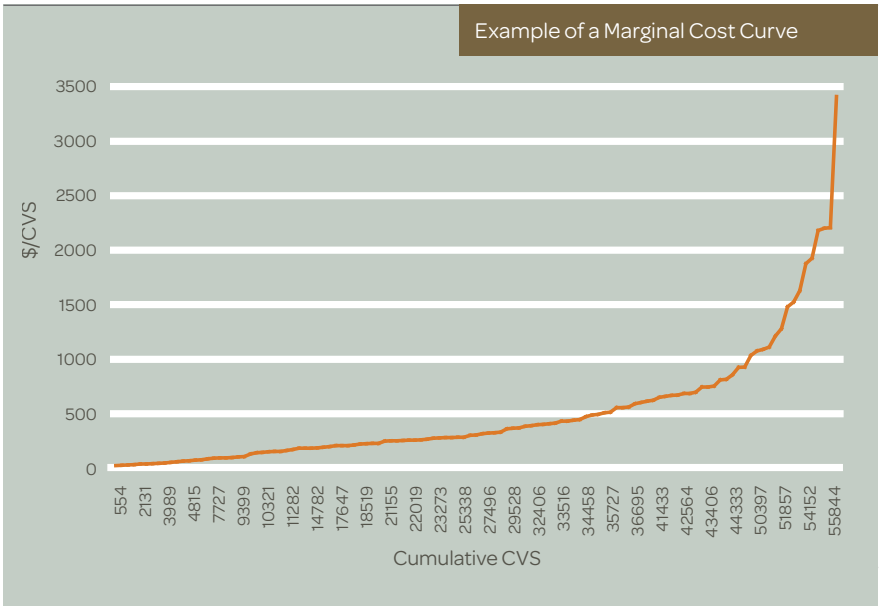
The bid evaluation process



An independent probity adviser is present at all bid evaluations and all bids are coded to ensure anonymity.

The bidding process is a competitive tender, so your bid will be compared to the bids of other land managers wanting to participate in the Project.

All bids are ranked according to their CVI from highest to lowest in a value-for-money continuum.

The ranked bids are used to generate a marginal cost curve, where best value-for-money bids are on the lowest part of the curve on the left, and lower value-for-money bids are on the higher part of the curve on the right.

The point at which the curve significantly increases in gradient is the point at which the marginal cost of purchasing an additional conservation unit increases significantly and on a value-for-money basis bids above this cut off point are unlikely to be recommended.

However, other parameters such as the total bid price, dollars per hectare sought per year, the available project budget and the spread of bids across target communities may also be used to determine the final composition of recommended bids.

Ministers acting jointly as the NRM Board receive the evaluation panel's list of anonymous recommended bids and make the final decision on which bids are funded.

Bids from the New South Wales and South Australian rounds may be compared by the Panel if required to establish a representative distribution of funding across target communities and States.

Successful bids

If successful, you will be offered a funding agreement with the Australian Government. You will receive a copy of the agreement template with your bid form so you can discuss it with your legal advisers if you want to. The agreement will require you to carry out the agreed management actions and submit annual reports in order to receive yearly payments for the life of the funding agreement.

Payment

If your bid is successful, you can anticipate payment before 30 June 2011. Payment will be made after the agreement is signed by the Department (the last party to sign).

Unsuccessful bids

The bid round is a competitive tender process – so not all bids will be successful. If a bid is unsuccessful it is likely that the quality of the proposal as it relates to the bid price was not as competitive as others were in the bid round. It certainly does not mean that a site does not have conservation value.

It should be noted that the Environmental Stewardship Program ends in June 2011 and no further tender rounds are planned. If you are contemplating participation in the MEC Project you are advised to participate in the current round.

11

Monitoring and evaluation

A key part of the Multiple Ecological Communities Project is monitoring and evaluation to assess whether funded projects are maintaining and/or improving the condition and extent of the target ecological communities, in addition to other desired outcomes as described in the Environmental Stewardship Strategic Framework.

Land manager monitoring and evaluation

If you have a funding agreement under the Multiple Ecological Communities Project, you will be required to complete simple annual monitoring and evaluation reports.

You will be asked to record information in a template provided and submit it as part of annual reporting arrangements. As part of these reporting arrangements, you will also be required to complete a simple acquittal of funds received.

A field officer will assist with the set up of monitoring sites, including the site markers, and go over the reporting process, once a funding agreement is in place. A monitoring information kit will be given to you to assist you with the monitoring and evaluation reporting requirements.

Other monitoring activities

From time to time you may be asked to participate in more formal monitoring or survey activities being conducted in association with Environmental Stewardship. It will be a condition of your funding agreement to grant site access for this work, if selected as one of the study properties. These surveys will have no cost implications for you.

You will be contacted well in advance and appropriate arrangements will be made to ensure any visits happen at a convenient time for you. All information gathered during these surveys and assessments will be made available to you.

Woodland bird Photo: Jean Turner

12

Covenanting your site

You are invited to consider entering into an in-perpetuity conservation covenant to protect your site.

Please note

Only land owners can enter into a conservation covenant.

What are conservation covenants?

Conservation covenants are voluntary agreements negotiated between a land owner and the relevant covenanting authority to protect and manage land of high conservation value for conservation outcomes. Conservation covenants are recorded on the title of the land and they usually restrict, for the duration of the covenant, particular actions or types of land use that would degrade the conservation value of the land. As covenants are recorded on title, they remain in effect if the land is sold.

The Australian Government would like to ensure that its investment through the Multiple Ecological Communities Project, and the conservation benefits arising from it, are secure. Accordingly, the Australian Government encourages you to consider perpetual covenants over all or some of your site if your bid is successful.

Because perpetual covenants are highly valued by the Australian Government, if you offer a perpetual covenant you will receive significant additional weighting when the Conservation Value Score for your site is being calculated.

Why should a land owner consider making a perpetual covenant commitment on their ecological community?

By entering into a perpetual covenant you are ensuring that future generations will be able to benefit from the protection of the biodiversity and the continuation of essential ecosystem services, which are important for landscape productivity, even if you leave the property.

If you enter into a covenant you may also gain access to ongoing support and a network of other land managers using covenants for conservation and land management.

You may also wish to contact your local council, as many local governments offer rate concessions and other incentives to covenant holders.

Photo: Julie Schofield

13

Taxation of payments under the Multiple Ecological Communities Project

There are tax implications for landowners who receive Multiple Ecological Communities Project payments.

It is a good idea to seek independent financial advice before submitting a bid under the Project. It is also sensible to discuss whether to enter into a conservation covenant with other family members. Every landowner's situation is different and you need to make sure it is the right thing for you.

Are payments subject to income tax?

All Multiple Ecological Communities Project payments are subject to income tax.

Are there any special income tax concessions available for conservation covenants?

Yes. Some conservation covenant programs are approved under the Income Tax Assessment Act 1997. This means that if you enter into a perpetual conservation covenant and do not receive any money, property or other material benefit, you may be allowed a special income tax deduction.

Not everyone is eligible for this concession. We recommend that you talk to the Australian Tax Office (ATO) and/or seek financial advice to see if you meet the eligibility criteria.

Further information about this concession can be found on the ATO website on conservation covenant concessions: **www.ato.gov.au/content/19507.htm** or by phoning the ATO on **13 28 66**

Are there capital gains tax implications?

Yes. If land owners enter into a conservation covenant, there are capital gains tax implications, whether or not they receive any money, property or other material benefit on entering the covenant.

Do the capital gains tax concessions also apply?

Yes. If a landowner makes a capital gain under the conservation covenant, the general capital gains tax discount also applies unless the covenant is entered into by a company that owns the land. If the land owner meets certain other criteria, the capital gain may be further reduced by other capital gains tax concessions including the:

- small business 15 year exemption
- small business 50% active asset reduction
- small business roll-over
- small business retirement exemption.

For more information about capital gains tax please talk to the ATO or see their publications *Guide to capital gains tax* and *Guide to capital gains tax concessions for small business*.

Key contacts

Conservation Covenants – Income Tax deductions and CGT concessions

Australian Taxation Office
Phone 13 28 66
Email npc-nationaloffice@ato.gov.au
Web www.ato.gov.au
(type 'Conservation Covenants' or 'small business concessions', as appropriate, into the search field)

Conservation covenants – tax incentives

Department of the Environment, Water, Heritage and the Arts
Email ciu@environment.gov.au
Web www.environment.gov.au/biodiversity/publications/fact-sheets/incentives.html

Valuation of property

Australian Valuation Office, Philanthropy Program
Phone 02 6229 3420
or 08 8218 9008
Web www.avo.gov.au

14

Stewardship payments and Centrelink

Land managers who successfully take part in the Australian Government's Multiple Ecological Communities Project will receive financial assistance. The payment will be paid annually for the length of the agreement, which can be up to 15 years.

Will the Multiple Ecological Communities Project payment affect your Centrelink payments?

Centrelink will treat the payments as income. This means that it may affect any Centrelink assistance you are currently receiving. This includes drought assistance. It is important you let Centrelink know if you start receiving this annual payment. This is to make sure you are paid the correct amount.

For more information please contact Centrelink's Farm Assistance Line on: FREECALL™ **1800 050 585**

or visit the website at: **www.centrelink.gov.au**

Are there tax implications such as concessions or deductions?

Yes. Participating landowners may be eligible for capital gains tax concessions and income tax deductions.

For more information regarding the tax treatment of these payments you can:

- refer to Chapter 13 of this booklet on Taxation of Payments under the Multiple Ecological Communities Project;
- phone the ATO on: 132 866;
- visit the website at: www.ato.gov.au; and/or
- consult your accountant.

How can I find out more about the Multiple Ecological Communities Project?

Elsewhere in this booklet you will find essential information about the Project and about Caring for our Country – Environmental Stewardship.

For further information about Environmental Stewardship:

visit the Australian Government website at: **www.nrm.gov.au/stewardship**

Disclaimer The information contained in the publication is intended only as a guide. The information is accurate as at April 2010, but may change.

Pterostylis despectans
Photo: Jean Turner

15

Frequently asked questions and answers

What if I am not sure if I have one of the target ecological communities on my property?

Chapter 4 will help you to determine if you have one or more of the target ecological communities on your property. If you are still unsure please submit a Request for Site Assessment form and a field officer will contact you to discuss.

What if I am not sure whether I want to be involved in the Multiple Ecological Communities Project?

Involvement in the Project is voluntary and submitting a Request for Site Assessment form is not binding. There are no penalties for deciding not to go ahead. At any time prior to signing the funding agreement, you can decide not to continue.

Are there any rules relating to applications on leasehold land?

Lessees are entitled to participate in the Project provided the following conditions are met:

- the lease is for at least as long as the period of the proposed agreement
- the conditions of the lease do not prevent any of the proposed activities or actions to conserve an area of the ecological community on the land.
- you have written authority from the owner of the land to enter into a funding agreement with the Australian Government.

What will I need to do if, after signing a funding agreement my circumstances change and I wish to sell my land?

The funding agreement does not prevent you from selling your land. However, the agreement requires that you inform the Australian Government about any changes in land ownership that may occur within the contract period. This allows the Australian Government to discuss the option of the potential buyers taking over the agreement.

Can I submit a bid to manage a site under this Project if I already receive assistance to manage a site?

If you are currently receiving funding support from any source for conserving the target ecological community on your nominated contracted area then you cannot bid through this Project for the same contracted area. If your site is currently covenanted see Chapter 2 of this booklet for further information on conditions that apply.

When should I start consulting financial advisers and others about my bid?

If you think you are likely to proceed with a bid you should start seeking advice early. This could help you with costing the management activities you want to carry out for inclusion in your bid price. Fencing contractors and suppliers of herbicides or plant seedlings may be able to assist with costing some of the physical activities you might undertake. If, in order to manage an area of ecological community, you will incur some loss of income due to altering or stopping a current land use, you may include this cost in your bid price. For assistance in assessing these costs, you may wish to talk to your accountant/ financial adviser.

You should also check with your financial adviser or the Australian Tax Office (ATO) regarding the possible taxation implications of your proposed bid and may wish to contact Centrelink about any impacts on your Centrelink entitlements.

Please see chapter 13 on Taxation, and chapter 14 on Stewardship payments and Centrelink. You may also wish to consult a legal adviser regarding your obligations under the agreement you will sign with the Australian Government if your bid is successful.

Can I submit more than one bid?

You can submit one bid for each property you own, so land owners who have more than one property can submit one bid for each, if eligible.

What happens if a natural event affects the ecological community I am contracted to manage?

The Australian Government recognises that from time to time significant natural events such as floods, droughts, bushfires or storms severely impact on natural resources. For this Project, these impacts are seen as beyond the land manager's control. In this event the individual funding agreement terms will be reviewed.

What happens if I cannot meet my obligations in the funding agreement in the agreed timeframes?

If you cannot meet your obligations within agreed timeframes, you need to let us know as soon as possible. The Australian Government will then consider the circumstances and discuss an appropriate way forward. These may include revising management actions, an extension of timelines or termination of the agreement.

Will I be audited?

Yes, you can expect to be audited over the life of the funding agreement. When you are subject to audit you will be contacted in advance and appropriate arrangements will be made to ensure any visits happen at a mutually convenient time for you and the auditor. The Stewardship Program anticipates independently auditing a representative sample of land managers each year.

Is the income received through the Project subject to income tax?

Yes. Payments received under the Project are subject to income tax. See chapter 13 for further information.

Will this income affect my eligibility for drought assistance or any other Government assistance?

Possibly. If you have any concerns about these matters, we suggest you talk to your financial adviser or Centrelink. See Chapter 14 for a broad understanding of these matters.

How long do I need to sign up for? Can I change my mind about the length of the agreement?

Agreements will be for a minimum of 10 years, and maximum of 15 years. The length of the funding agreement that you agree to is reflected in the score for your site and hence should not be changed after you have confirmed your draft management plan with your field officer.

What will be my reporting requirements?

You will be required to submit an annual report on your progress implementing the agreed actions, as outlined in the agreement. The reporting requirements will be simple.

Successful bidders under the Multiple Ecological Communities Project will be required to develop a management strategy setting out how and when they intend to undertake agreed management actions on their site over the first three years of the funding agreement and submit it with their first annual report. After three years a further management strategy will need to be developed.

Will the Australian Government or researchers require access to my property?

The Australian Government and service providers employed by the government may need access to your property from time to time. These visits may be to conduct a periodic audit or to conduct ecological surveys to build a scientific understanding of the Project's achievements. If access to your property is required, the Australian Government, or an authorised representative, will:

- contact you and arrange a mutually suitable time
- not enter your land without you or your representative present
- respect and comply with your reasonable safety and security procedures.

If endangered species or noxious weeds are found on my property will that affect how I am allowed to farm my property?

Noxious weeds are your responsibility under existing state and federal laws. The cost of managing other weeds that may compromise the value of the target ecological community can be included in your bid, as can the management of weeds listed as Weeds of National Significance (see Chapter 7).

Any discussions about management options will be only for the areas you nominate and may affect how you farm this area. No inspection will be made of other areas of the property.

The Environment Protection and Biodiversity Conservation Act 1999, or *EPBC Act*, is Australia's national environment law, and protects matters that are of national environmental significance. These matters include nationally threatened species and threatened ecological communities, among others. The *EPBC Act* requires that land managers do not undertake any new actions, such as vegetation clearing that will have a significant impact on a matter of national environmental significance without first getting approval from the federal environment minister. Land managers should be aware of these requirements, as sites funded under the Multiple Ecological Communities Project, if not already meeting the listing criteria, may meet the listing criteria after fifteen years of stewardship. Further information about the *EPBC Act* is available at **www.environment.gov.au/epbc.**

A recent publication, especially for farmers titled, "Farming and the national environment law", is available at:

www.environment.gov.au/epbc/publications/pubs/farming-epbc.pdf

Has the Australian Government run this sort of project before?

Yes. The Australian Government has run five previous rounds of Environmental Stewardship targeting box gum grassy woodland in the Lachlan, Murrumbidgee, Central West, Namoi and Border Rivers Gwydir Catchment Management Authority regions in New South Wales and in the Condamine, Border Rivers-Maranoa-Balonne and South East NRM regions in Queensland. The Australian Government has also run similar projects such as BushBids in South Australia and the Forest Conservation Fund in Tasmania. These projects were also market-based initiatives. More information on some of the Australian Government's previous market based projects can be found at: **www.marketbasedinstruments.gov.au**

What happens after my agreement ends? Can I sign-up again?

Agreements under the Multiple Ecological Communities Project can be for up to 15 years. At this stage, it is not possible to say what the Australian Government may offer beyond the end of individual agreements.

What are the implications for participation in future carbon credit schemes?

If you sign an agreement under the Multiple Ecological Communities Project you will, subject to the criteria surrounding carbon credits, be able to use the site to participate in a carbon credit scheme in the future.

If I miss out this time can I apply another time?

It should be noted that the Environmental Stewardship Program ends in June 2011 and no further tender rounds are planned. If you are contemplating participation in the MEC Project you are advised to participate in the current round.

Will I be able to clarify my understanding of the project before submitting a Request for Site Assessment?

Yes. The Delivery Agent in association with the Environmental Stewardship Section will be conducting information sessions during the Expression of Interest phase of the project to discuss information in this booklet and clarify questions you may have.

Arthropodium strictum
Photo: Jean Turner

CARING FOR OUR COUNTRY

SA Multiple Ecological Communities Project
For further information, please contact the South Australian Murray-Darling Basin Natural Resources Management Board– the program's SA delivery agent.

Phone 1800 194 304
Email enquiries@samdbnrm.sa.gov.au
Post SA MDB NRM Board
PO Box 2343
Murray Bridge SA 5253

Environmental Stewardship
www.nrm.gov.au/stewardship