

SUBMISSION TO THE EPBC ACT REVIEW

ANON-K57V-XGD9-9

Name

Amanda Martin

State or Territory

Victoria

Areas of Interest

The objects of the Act; Threatened species; International obligations; Indigenous Australians; Heritage; Matters of National Environmental Significance; Environmental Impact Assessments; Great Barrier Reef; Cumulative impacts; Climate change; Compliance and enforcement; Decision making; Public participation in decision making; Biodiversity; Conservation; Wildlife trade; Commonwealth national parks; Water;

Attachment provided

Yes

Do you give permission for your submission to be published?

Yes - with my name and/or organisation (if included)

SUBMISSION RESPONSES

This submission was provided as an attachment only. The attachment is provided on the following pages of this document.

EPBC Act Review Secretariat
Department of Environment and Energy
GPO BOX 787
CANBERRA ACT 2601
epbcreview@environment.gov.au

17 April 2020

Dear Sir / Madam,

Re: Submission to the 10 year review of the EPBC Act

The Australian Environmental Grantmakers Network (AEGN) welcomes the opportunity to make a submission to the Review of the Environment Protection and Biodiversity Conservation (EPBC) Act. Our member charitable trusts, foundations and individual philanthropists provide critical philanthropic support to organisations working for public benefit in the areas of environment protection and biodiversity conservation.

Established in 2009, the AEGN comprises 160 trusts, foundations, wealthy individuals and families privately funding the protection and restoration of Australia's precious natural environment and responding to the challenge of climate change. Members include well known foundations such as The Ian Potter Foundation, The Myer Foundation and the Rockefeller Brothers Fund. Our members have often been extremely successful in business and are committed to giving back to the environment. Increasing private sector and philanthropic investment in the environment is central to the purpose of the AEGN

The work of the AEGN is informed by the best science including the *Australia State of Environment (2016) Report* and direct input from Australia's leading experts on climate change, biodiversity, toxics and urban sustainability. The science tells us that Australia's environment has declined in the decades since the establishment of the EPBC Act. Through their philanthropic work and often their time spent in nature on farms, our members bear witness to this significant deterioration.

It doesn't have to be this way. Stronger environmental laws, robust environmental institutions and adequate government funding would support Australia's environment to flourish. An improved legal and institutional framework would support effective philanthropy, ensuring philanthropic funds could be directed to the innovations needed to restore the health of our land, waters and marine environments.

Large parts of the continent – including some of our best biodiversity – went up in flames last due during the Black Summer bushfire crisis. Our members are directly impacted by the bushfire devastation: fighting fires on public land, protecting their own properties from fire, sheltering in their homes to escape smoke and witnessing the destruction of habitat. Others have supported disaster preparedness and community resilience alongside their environmental granting. The whole Australian community was united in shock and distress at the impact of the fires on our wildlife, forests and landscapes, resulting in unprecedented levels of donations for wildlife related charities. The fires revealed the fragility of our current system of environmental protection.

The bushfires highlighted the urgent need to take action on climate change, by making an active and carefully planned shift towards a net zero emissions economy, a goal that Australia signed up to in 2016 as part of the Paris Agreement on climate change. The fires also illustrate the fragility of our current system of environmental protection.

AEGN Submission to EPBC Act Review April 2020

The AEGN appreciates the Review's decision to extend the deadline for the first round of submissions due to the fires. Now the nation faces a coronavirus pandemic which is upending Australian families, communities and economies.

We therefore encourage you to consider extending the timeframe for the Review until next year and look for other ways to engage the environmental community, beyond the process of written submissions.

The AEGN would like to support the Review by organising a roundtable of our members to meet with Graeme Samuel and the other commissioners. This will enable the Review to access the extensive knowledge and understanding of our members, while raising the profile of the Review with environmental philanthropy. Please contact CEO Amanda Martin at amanda@aegn.org.au to progress this opportunity.

The statutory Review of the EPBC Act has been keenly anticipated by AEGN members for some time. The legal framework for environmental protection in Australia has been the subject of several AEGN member forums and was a key theme explored at annual conferences in 2016 and 2017.

Our submission (attached) addresses some of the questions in the consultation paper and several short case studies.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Amanda Martin', written in a cursive style.

Amanda Martin, OAM
CEO

1. Introduction to the AEGN

Established in 2009, the Australian Environmental Grantmakers Network (AEGN) is one of a number of philanthropic funding networks around the world addressing global sustainability. With a goal of achieving a world in which people and nature thrive, the AEGN has built a trusted place where our members learn and share, are inspired and informed, and come together to fund some of the greatest challenges of our times.

The AEGN's growing membership is made up of 160 trusts, foundations and wealthy individuals, all keen to play their part in protecting and restoring Australia's precious natural environment and responding to the dire challenge of climate change. Examples of our members include well known foundations The Ian Potter Foundation, The Myer Foundation and the Rockefeller Brothers Fund as well as smaller foundations doing valuable and impactful work. A number of our members are individuals who have been extremely successful in business, who are committed to giving back to the environment. Many AEGN members are also involved in impact investment for the environment, beyond their philanthropic work.

AEGN members have a strong sense of urgency, informed by the *Australia State of Environment (2016) Report*, the 2018 IPCC special report on limiting global warming to 1.5 degrees and the 2019 *Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services* and the *UN Sustainable Development Goals*. Individual members strive to use their philanthropy in considered ways to make an impact upon these very large challenges. The practice of philanthropy provides our members with a unique perspective on Australia's environment and what is being done to protect and restore it. This experience shows them that philanthropy alone is not enough. Strong laws and adequate government funding are critical components of the response, without which Australia will continue down the path of environmental decline.

2. Is the EPBC Act delivering what was intended in an efficient and effective manner?

The latest *Australia State of Environment (2016) Report* provides strong evidence that the EPBC Act is not delivering effectively and most probably well below the level expected by the Australian public. The state of our natural environment is declining. A refreshed legal framework would result in improvements, or at least stabilisation, of the key environmental indicators which are reviewed every five years. However, the pressures on Australia's environment as outlined in the 2011 report continue, and these pressures are compounding not reducing. Climate change, which is not presently addressed by the Act, is impacting Australia consistent with the predictions of CSIRO scientists in the 1990s, but more rapidly than expected. Population growth, urbanisation of coastal and agriculture areas and deforestation are all contributing to this outcome.

The EPBC Act is predominantly used for the purposes of making decisions about developments that impact upon the 'matters of national significance' outlined in the Act. Its focus is on process, not outcomes. One of the greatest flaws is that nothing is off limits: there are no boundaries, every aspect of Australia's environment is on the table for development. Nothing is disallowed by the Act and as a consequence, we continue to see species and ecosystem decline and biodiversity loss. Given the state of Australia's environment, this must change.

Conversely, forests under Regional Forests Agreements are not covered by the Act, demonstrating how the legal framework preferences development over environmental protection. The Regional Forests Agreement approach is now over two decades old. While intended to ensure timber industry access to native forests while protecting species, it has failed to achieve species protection, as

demonstrated by the plight of the endangered Leadbeaters Possum. We need a completely different approach if forests and their species have a chance of surviving into the future.

Planning, active and regular monitoring and robust enforcement are all crucial components of environmental protection and biodiversity conservation. However, these functions are either absent from the Act, or where there are provisions, they have not been prioritised or utilised as may have been intended when the legislation was initially drafted. For instance, the provision for regional scale assessment appears to be little used. Regional scale assessment could be a useful process as part of a bioregional planning approach. However, without reforming the EPBC Act to enshrine protection of the environment as the **primary** object of the Act, there is a high risk that regional scale planning could be used to give blanket approval to future developments.

The lack of protection for the environment and biodiversity afforded by the EPBC Act also leads to inefficiencies. The absence of strong laws and institutional guardians for the environment means volunteer-led community groups become the environment's front line of defence. For example, a community group that might have formed to support the restoration of a local patch of remnant vegetation could well be thrust into trying to defend this patch from a mining proposal. With very little government funding available to support the work of environmental groups, they will seek funds from their own community and philanthropy. They may be required to go to court. Their time and money become overwhelmingly dedicated to fending off the development challenge.

The impact on philanthropy is that there is a high risk that philanthropic funds invested to protect and enhance a natural asset for the long term will be jeopardized by a future development which the Act does not prevent. This creates a disincentive to philanthropy as it is evident that good work funded by philanthropy can be undone.

Furthermore, scarce philanthropic funds are diverted to defend places and environmental values from avoidable threats, rather than going to restorative environmental purposes. While an important role of philanthropy is supporting civil society to advocate consistent with their charitable purposes, the high demand for philanthropic support for advocacy is directly related to the inadequacies of the legal system. Community organisations carry the load of advancing the interests of the environment, resourcing their efforts using donations from the community and, where they can, philanthropic grants.

Case study: Regent Honeyeater

The Regent Honeyeater is a critically endangered bird. Originally ranging across the south east of Australia, its range and numbers have contracted greatly since the 1940s, due to tree clearing and habitat fragmentation. It was listed under the EPBC Act in July 2000. It has progressed from the Endangered category to the Critically Endangered category of the list.

With the support of philanthropy, the community has been taking steps to protect and revive the Regent Honeyeater by restoring habitat and providing nesting boxes. Over 21 years, the Regent Honeyeater Project has restored more than 1600 hectares of habitat across a wide landscape. The Wettenhall Environment Trust (formerly known as the Norman Wettenhall Foundation) has provided enduring support to the Regent Honeyeater Project since the Trust began in 1997.

The community and philanthropy response to the plight of the Regent Honeyeater is impressive. However, their efforts are not properly supported by the law. Land clearing has been identified as the reason for the species' decline, but land clearing has continued and escalated in two of the key states where the Regent Honeyeater resides. In Queensland, the Newman Government wound back tree clearing laws in 2013 and this resulted in a tripling of remnant vegetation clearing.

In 2017, a delegation from the AEGN met with then Minister for the Environment and Energy The Hon Josh Frydenberg MP. In response to unduly high levels of clearing in Queensland, New South Wales and Western Australia, the Minister was asked to investigate the role that the EPBC Act could play in reducing clearing levels. No assurances were given that the Commonwealth would intervene, despite the documented impact of the clearing on biodiversity and climate change. This situation could have been avoided by:

- Triggers for significant land-clearing activities, Ecosystems of National Importance, vulnerable ecological communities and significant greenhouse gas emissions
- A National EPA monitoring and enforcing the law

The preservation of biodiversity has long-term implications for our ecosystems and for mitigating climate change.

3. How well is the EPBC Act being administered?

Administration of the Act is focused on making decisions about development proposals as they arise, rather than proactively pursuing environmental protection and developing plans to provide pathways and visions for particular ecosystems or bioregions.

Where a development proposal 'triggers' the Act, an environmental impact assessment is required. However, instead of this process being undertaken by the Australian Government, the project proponent undertakes the assessment in compliance with the regime of the particular state or territory where the impacts will occur. In the absence of a national statutory body managing the provisions, the arrangements vest a high level of authority in states and territories, where public service capacity varies and where decision makers may be under pressure to fast-track approvals. The system does not provide independent oversight or the national leadership and consistency of approach required.

Our members working in partnership with grassroots community-based organisations on biodiversity initiatives report much frustration within the community about the lack of responsiveness of governments at all levels to the issues which are covered by the Act. While the Act

prioritises species protection, the reality is that there are many species and communities that need greater protection and recovery, but which are not on the EPBC Act list. Where a species is listed, community organisations report that the process of getting the status reviewed is terribly onerous.

There is capacity in the Act to take a more proactive and strategic approach to environmental protection through landscape or regional scale assessment. However, it is our understanding that these provisions are little utilised and there is potential for such provisions to have negative environmental impacts, without legislative reform.

Case Study: Working across landscapes

For biodiversity protection, the EPBC Act places a high level of significance on the species that are listed under the Act. While conservation work in the past has placed a lot of emphasis on protecting particular species, the best science and community efforts are now directed to working across larger landscapes, protecting, enhancing and linking habitat and focusing on ecological communities.

AEGN members are involved with a number of very exciting landscape scale projects including:

- Central Victorian Biolinks Alliance
- Gondwana Link in South Western Australia
- Great Eastern Ranges
- Wettenhall Environment Trust's community driven landscape restoration project including Regent Honeyeater Project

Each of these initiatives addresses the challenges of habitat fragmentation and the need to rebuild healthy ecosystems to support biodiversity. Bioregional planning would provide a large boost to these and other landscape scale initiatives. Bioregional planning brings together the different jurisdictions with the community to identify critical habitat and sites of national and international significance. While the Act already has provisions for bioregional planning, strengthened provisions would allow the Commonwealth to identify 'no go' zones where development would not be allowed. This is an important reform to give communities and businesses certainty and prevent conflict between potential developers, incumbent businesses and the community.

4. Is the EPBC Act sufficient to address future challenges? Why?

As described above, the EPBC Act has not sufficiently addressed the challenges to date. The provisions of the Act need to be strengthened and to include all the tools required to implement environmental protection and biodiversity conservation into the future. It is certainly not currently designed to meet the worsening problems of environmental degradation and climate change facing Australia.

A key deficiency of the Act is that it defines 'matters of national interest' too narrowly. The absence of a trigger for major sources of greenhouse gas emissions is a major shortcoming. It also lacks triggers for the processes that drive species loss and ecosystem decline such as land clearing and habitat destruction.

The Act does focus on species protection, but the approach it takes to achieve this has been proven to be ineffective. Firstly, its reliance upon a listing process puts decision makers into the invidious position of deciding which species have the right to support for ongoing survival, and which do not. Very few species make it onto the list. Secondly, individual species cannot exist without habitat and in the absence of an ecosystem.

Regarding future challenges, the recent bushfires provided us with an insight into Australian ‘summers’ under climate change. We are already experiencing an increase in other major climatic events including extended droughts, floods and tropical storms. Sea level rise is expected to have dramatic consequences for coastal areas. Climate change impacts negatively upon nature, but it also adversely affects human health, the economy and society at large. While climate change and biodiversity loss were not considered to be related issues at the time the EPBC Act was enacted, we now know the two are inextricably linked.

Turning around the current trajectory of continued biodiversity loss, species extinction and worsening climate impacts requires a much stronger, nationally led approach. Strong laws and institutions need to be in place; so too does government funding.

Case study: Great Barrier Reef

The Great Barrier Reef is one of Australia’s most well known and loved natural heritage jewels. The Great Barrier Reef Marine Park is recognised as a matter of national significance under the EPBC Act. In addition to its world class nature values, the Reef has significant economic value. Generating 64,000 jobs in Australia, the Great Barrier Reef contributes \$6.4 billion to the national economy.^[1] The loss of the Great Barrier Reef to communities and people’s livelihoods would be extremely damaging, the impacts of which can currently be seen in the shutdown of the tourism industry due to COVID-19. For environmental and economic reasons, the EPBC Act must safeguard the reef to ensure this does not happen.

The Great Barrier Reef has been severely degraded during our lifetimes. Decades of pollution have been followed by shocking coral bleaching incidents, which have tragically impacted some of the previously most healthy parts of the Reef. Right now the Reef is suffering from yet another bleaching event.

In a presentation to philanthropic funders last year, Dr David Wachenfeld from the Great Barrier Reef Marine Park Authority described a hierarchy of threats, showing climate change at the top of the hierarchy, followed by poor water quality due to land-based run-off. Coastal development is also a threat to the Reef.

AEGN members strive to directly protect the Great Barrier Reef in a variety of ways including support for the Lizard Island Research Station, funding the advocacy work of the Australian Marine Conservation Society, supporting Reef catchment revegetation and restoration. Many AEGN members prioritise climate change mitigation with their philanthropy.

Concern for the future of the Reef has motivated The Morris Family Foundation to develop a new strategic funding initiative which aims to support North Queensland in the protection of the reef, and industries that rely on it through green economic transition. Environmental grantmakers see much potential in supporting farmers to transition into regenerative farming, to improve water quality, enhance biodiversity, and draw down emissions.

Australia has much to lose from climate change, with the Great Barrier Reef high on the list of early victims. On the other hand, Australia also has much to gain in the transition to renewable energy, with our wealth of renewable resources.

^[1] Report by Deloitte Access Economics, reported by the ABC on 26 June 2017, <https://www.abc.net.au/news/2017-06-26/great-barrier-reef-valued-56b-deloitte/8649936>

A climate change trigger alone won't 'save' the reef, but it is an essential component of the legislative framework Australia needs to have in place. It is only by considering the impacts of climate change that Australia can start to properly plan for the protection of coastal habitats and communities, the development of green industries, and the preservation of our natural wonders of the world.

Protection of the Great Barrier Reef will be enhanced through:

- Triggers for Ecosystems of National Importance, the National Reserve System (terrestrial and marine protected areas); vulnerable ecological communities significant land-clearing activities; significant greenhouse gas emissions.
- National Sustainability Commission for planning, monitoring and strategy development;
- National Environment Protection Authority (EPA) for assessment, approval and enforcement.

5. What are the priority areas for reform? What changes are needed to the EPBC Act? Why?

Australia needs a much stronger legislative and institutional framework for environmental protection, with robust and accountable institutions. The EPBC Act needs to value Australia's environment and biodiversity as a national asset to be preserved for future generations and to be actively managed by present generations. Economic, health and social benefits flow from a healthy natural environment. The following changes to the EPBC Act are needed as a minimum:

Reform the structure of the EPBC Act to enshrine strong environmental outcomes:

- Strong environmental outcomes as a guiding principle of the EPBC Act;
- Protection of the environment as the **primary** object of the Act to ensure that biodiversity and ecological integrity are a fundamental consideration in decision making;
- An introductory section specifying how the objects are to be achieved and their interrelationship with other issues.

Add new triggers in the Act to ensure the most significant environmental assets are protected and challenges are addressed:

1. Ecosystems of National Importance (including High Conservation Value Vegetation, Key Biodiversity Areas and wetlands of national importance);
2. the National Reserve System (terrestrial and marine protected areas);
3. vulnerable ecological communities (alongside other threatened species and ecological communities);
4. significant land-clearing activities;
5. significant greenhouse gas emissions, including prohibiting specified greenhouse gas emitting activities that are in exceedance of Australia's carbon budget; and
6. significant water resources (expanded beyond coal and gas impacts).

Establish two new statutory authorities:

- National Sustainability Commission for planning, monitoring and strategy development including wild places, rural and regional, agricultural and urban policy responsibilities;
- National Environment Protection Authority (EPA) for assessment, approval and enforcement.

Elevate the role of the community in the Act:

- Enhance the role and rights of Indigenous communities in environmental protection including formal legal recognition of Indigenous Protected Areas.
- Include strong public participation, through mandating community involvement in the development of plans, policies, standards and guidelines arising from the Act, as well as utilising the important species data they may have collected and recorded. (For example, see the processes for the *Yarra River Protection Act* supported by Government and philanthropy).
- Ensure community members have access to justice through open standing to refer proposals with potential environmental impacts, review legal errors and enforce breaches. Protective costs orders are needed for public interest legal proceedings.

Set national standards and vision plans to drive best practice:

- This includes strengthening the capacity to undertake strategic assessment and bioregional planning.
- Preclude 'carve outs' for particular industries including Regional Forests Agreements.

6. Question 23: Should the Commonwealth establish new environmental markets? Should the Commonwealth implement a trust fund for environmental outcomes?

Environmental markets have potential to generate much needed resources for landscape restoration and emission reduction. The AEGN supports the consideration of new environmental markets, impact investment opportunities and a trust fund as part of this Inquiry, to supplement a stronger legal and institutional framework and adequate government funding for core government activities and programs. As noted in the following response to Question 25, there are likely to be opportunities to consider partnerships between the Federal Government, philanthropy and specialist capital organisations.

In 2018 Trust for Nature developed a scoping paper on behalf of the Australian Land Conservation Alliance "Expanding Finance Opportunities to Support Private Land Conservation in Australia". This paper outlines pathways to develop market-based approaches and makes ten recommendations, including the creation of a trust fund to ensure a sustained funding source for long-term environmental projects. The paper also highlights other opportunities to create the enabling factors for further investment.

Conservation finance could be a significant source of capital with government providing cornerstone investment and sending the right signals to investors through policy settings. In order to put the right policy settings in place, the AEGN recommends using a collaborative co-design approach, including conservation organisations, philanthropy and impact investors in the process.

7. Question 25: How could private sector and philanthropic investment in the environment be best supported by the EPBC Act? Could public sector financing be used to increase these investments? What are the benefits, costs or risks with the Commonwealth developing a public investment vehicle to coordinate EPBC Act offset funds?

Increasing private sector and philanthropic investment in the environment is central to the purpose of the AEGN. The AEGN sees value in government and philanthropy working in partnership to solve difficult environmental issues. However, philanthropic funding cannot be seen as an alternative to government funding. The level of philanthropic funding in Australia will never match government

funding but philanthropic funding has some critical roles to play. It can undertake a very important role as a catalyst for testing new solutions to tough problems. It can go in early to support higher risk projects to help demonstrate long term solutions which government can support. It can support very localised on the ground projects, which can later be scaled up if they are relevant to other places. There have been decades of under investment by Commonwealth and State Governments and many cuts to public environmental funding.

The AEGN recently released our research into Giving Trends, using data from the Australian Charities and Not-for-profits Commission and other sources. The data shows that environmental charities are highly reliant upon donor income. Environmental charities receive 2.1% of individual “mum and dad” donations made to the charitable sector. Only 0.5% of all charitable revenue is received by environmental charities, which is partly explained by the low levels of government funding environmental charities receive.

Structured philanthropy is increasingly playing an important role in the environment. Increasing numbers of high net worth individuals are passionate about the environment and concerned about climate change. Our growing membership reflects that trend. However, most philanthropic foundations make grants using the interest and dividends from a corpus of funds invested in equity markets, property, infrastructure, bonds and cash. The sharp declines in equity and other markets indicates there will be a reduction of philanthropic funding available in the next financial year.

Regarding corporate investment in the environment, with some notable exceptions the data (which is incomplete) shows that corporates are less likely to make grants and more likely to support the environment in other ways. This could include sponsorship or it might be a program involving company employees in an environmental activity. However, the creation of a trust fund as raised in question 23 could be the key to unlocking more funding from this sector.

To develop the capacity for greater investment in environmental markets, the following principles apply:

- A partnership approach is taken by government when considering how philanthropy and impact investment can be brought to bear on priority environmental issues. A starting point for any partnership to be a clear understanding of the different roles that philanthropy, impact investors and government play and how different sources of funding need to work together to create outcomes;
- Philanthropy and impact investors have a seat at the table when investment mechanisms are designed;
- Investment mechanisms are driven by independent counsel and evidence based outcomes, (which reinforces the need for national environmental accounts, maintained by the proposed National Sustainability Commission);
- There are clear lines of accountability for outcomes.

Regarding whether the Commonwealth Government should establish a public fund for the purposes of coordinating offsets funds, any provision for offsets in a reformed Act must be carefully developed in consultation with environmental organisations. There is significant risk that an offsets approach will lead to further decline of ecosystems. Offsets should not be available for critical habitat and the approach must be scientifically based.

Case Study: Using every tool in the philanthropic toolkit to protect Australia’s environment

AEGN members use their philanthropy in different ways to support the protection and restoration of Australia’s environment. Philanthropic funding is granted to charities for their activities, most of

which are not commercial. Some philanthropists place a high value on leveraging additional funding with their grantmaking. Funding advocacy that results in more effective government support for an environmental issue is one example of leverage. Philanthropy can also fund initiatives that help charities develop alternative income streams. Where there is the potential for a return on investment, foundations can invest their corpus in the business ventures of charities or mission-driven businesses. Innovative philanthropists use a wide range of approaches to advance their mission, seeking to apply the funding approach which best suits the circumstances.

Private land conservation

In the private land conservation area The Ross Trust and other AEGN members have used grantmaking to support private land conservation organisations to collaborate through the Australian Land Conservation Alliance. The Alliance plays an important role in building the capacity and effectiveness of private land conservation organisations across Australia. Grants have also supported research into finance opportunities for private land conservation to increase knowledge and understanding of how governments can leverage greater levels of resource into this area and inform the advocacy of private land conservation organisations.

The Ross Trust and several other AEGN members have also made an impact investment in Wildlife Wonders, in the Otways region of Victoria. Established by the Conservation Ecology Centre, this social enterprise brings together tourism with species protection, research and conservation activities. Social Enterprise Finance Australia (SEFA) also made a loan to this social enterprise. Note, SEFA was established originally as part of the Commonwealth Government Social Enterprise Development and Investment Fund (SEDIF) with a \$10 million government grant and \$10 million raised via equity investors and lenders.

Protecting and restoring biodiversity in productive landscapes

In 2019 three AEGN members and the US based Wyss Foundation helped The Nature Conservancy buy two adjoining cattle stations (and their water rights) on the Great Cumbung, in the Murray Darling Basin. This substantial land and water holding includes high conservation reed and river red gum wetlands and it is home to 131 bird species and 200 plant species. The purchase was underpinned by a strong innovative model where sustainable agriculture generates the income stream to enable biodiversity protection and restoration, in partnership with the Traditional Owners.

The purchase of the land and water rights was funded through a combination of philanthropic grants, a bank loan and impact investment. The philanthropic grants effectively worked as risk capital, while the impact investors are also bearing a level of risk given the innovative nature of the project. If successful the Great Cumbung initiative will provide agricultural products, increase biodiversity and a return for the investors.

Supporting Indigenous communities to manage their lands

More than 180 million hectares of Australia is subject to some form of Indigenous ownership and the majority of this has high conservation value. Indigenous land and sea management is supported by many AEGN members as a means of achieving biodiversity outcomes, while ensuring Indigenous Australians maintain cultural connection to their lands and their ecosystem service is paid for. There are demonstrated social and economic outcomes from providing meaningful work including invasive species eradication and strategic fire management.

Long term government funding for Indigenous ranger programs and Indigenous Protected Areas is the essential foundation of this area. Philanthropy plays an important role supporting innovation and this includes supporting Indigenous organisations to develop additional income streams. The Federal Government's Emissions Reduction Fund has provided an important source of income for

Indigenous groups, who engage in savanna burning to reduce dangerous and high emitting wildfires. Philanthropic funding has enabled Indigenous groups to put in place the infrastructure and capacity needed to comply with the Fund's requirements.

Transforming agriculture

The southern regions of Australia have been permanently altered since colonisation by agricultural practices. Australia is a net exporter of food and enjoys high levels of food security, but the impact upon the landscape and waterways is dramatic. In recent decades there has been a growing movement aimed at transforming Australia's food system. Regenerative agriculture refers to a wide range of farming practices that work to restore the health of the ecosystem of the farm, while producing high quality produce.

Philanthropy has used grantmaking and impact investment to support the transformation of agriculture, applying resources to resolve challenges in different parts of the food system. For instance, philanthropic grants have supported farmer extension and education programs, that help farmers learn the techniques to convert their businesses. Impact investments have supported existing farmers to develop new ventures and the purchase of agricultural land for new regenerative agriculture models. There have also been grants and impact investments aimed at helping farmers get their produce to market.

The Lord Mayor's Charitable Foundation has made grants and investments to support the transformation of the food system. This includes the following:

- The *Foodprint* Melbourne suite of projects has influenced the Victorian Government to protect farmland on Melbourne's fringe (the city's foodbowl), contributed to Melbourne's Metropolitan Planning Strategy and is being used by local governments to develop key policies, such as green wedge management plans. Nationally, it has inspired similar projects in Perth and the Queensland Farmers Federation is seeking protection of Brisbane's foodbowl. Internationally, the project has been featured by the UN Food and Agriculture Organisation as an example of best practice in planning resilient and sustainable city region food systems. Finally, the issues are now being studied by thousands of students every year after school resources were developed and incorporated into the national Geography curriculum.
- LMCF has provided grants to *Sustain* to support local food initiatives across the country and establish the Melbourne Food Hub, which is an innovative new urban agricultural site in Victoria.
- *Food Frontier* has received support to encourage the diversification of Australia's protein supply with sustainable and nutritious options critical to meet growing global demand.
- Local Landcare networks have been supported to increase soil carbon and regenerative farming activities.
- *Cultivating Community* has been assisted with food security programs across most of the public housing estates within which they work.
- *ClimateWorks* has been funded to develop pathways to sustainable food and land use systems at the national level.
- Finally, Lord Mayor's Charitable Foundation has also used impact investment to support Yume to develop an innovative approach to connecting farmers and buyers for fresh produce which would otherwise go to landfill.