



Reference: 19_066 F0002580101

Date: 9 December 2019

Australian Government
Department of Agriculture
By Email

Dear Sir/Madam

Re: Drought Resilience Funding Plan 2020 to 2024 Consultation Draft

Thank you for the opportunity for the Natural Resource South Australia Murray-Darling Basin Region (the Region) to comment on the draft Drought Resilience Funding Plan (the Plan).

The Board supports the development of this important programme, which will adopt a proactive approach to drought for the agricultural sector. The Board particularly supports resilience building which should reduced the need for reactive measures and will assist farmers to sustain production levels during drought.

For the future success of the fund, it is recommended that:

- the design and delivery of the fund should be locally oriented and relevant, to achieve the level of engagement required to make a difference.
- community led and co-designed projects will be important for success

Given the above recommendations, the Board consider that NRM Regions are well (best) placed to facilitate delivery of the Drought Resilience Funding, having extensive experience and well-developed and established local networks. NRM Regions have conducted regional planning for over a decade and know how to best engage and support the range of local communities and agricultural industries in planning and project delivery processes. An additional benefit is that NRM Regions are a-political, are not industry or sector aligned, are not for profit and are neutral in product or brand preference.

Opportunities also exist to consider investigating a similar funding arrangement that is set up for NRM management in Australia. This would enable a baseline level of funding annually (programs could be 5 years or even longer) and would provide additional long term security to those programs and their delivery. Current Regional Landcare Partnership funding is \$450 M over 5 years, therefore broadly similar to the Drought Resilience Fund, which is estimated to generate \$100M per year (\$500M over 5 years).

General comments

Natural Resources Centre
South Australian Murray-Darling Basin

PO Box 2343
110A Mannum Road
MURRAY BRIDGE SA 5253

Tel 08 8532 9100
Fax 08 8531 1843

ABN 14 305 414 800

Email: samdbenquiries@sa.gov.au
Website: www.naturalresources/samurraydarlingbasin

It is suggested that the first step of developing a regional program should be to establish a Regional Drought Resilience Framework (plan) to identify local priorities and opportunities. A regional framework would also help to guide investment, which has the potential to be significant (and over a number of years). This would provide a consultation and engagement mechanism and an opportunity to determine delivery partners and co-investment opportunities. It would also ensure programs / projects were not inadvertently duplicated and the potential for complimentary investment to an existing program to expand its reach could be realised. The proposed cost-share framework for on ground works should be effective in securing genuine buy in from landholders and communities.

Please find attached an additional table with detailed comments.

Should you require further information on any aspects of the submission please contact Eilidh Wilson, Senior NRM Policy Officer on 8391 7506.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Dianne Davidson', with a long horizontal flourish extending to the right.

Dianne Davidson AM
Presiding Member

South Australian Murray-Darling Basin Natural Resources Management Board

Enc: Attachment 1

Attachment 1

Drought Resilience Funding Plan 2020 to 2024 – Consultation draft FEEDBACK – Natural Resources South Australia Murray-Darling Basin

Plan section	Comments
Overall	<p>The Australian Government is to be commended on this important initiative to support the Australian Farming and Natural Resources Management Sectors to build resilience in the landscape to drought and climate change more broadly. Taking a proactive approach to drought preparedness and resilience building will see reduced need for reactive measures and will assist farmers to sustain production levels during drought. This is of paramount importance to ensuring the viability of the natural resource base, the economy and society in regional communities across Australia.</p> <p>The implementation of the Drought Resilience Funding Plan represents a once in a lifetime opportunity to build resilience across the landscape and incorporate the natural, financial and human elements of communities. This will require careful and well considered design and application that encourages wide ranging engagement and participation if it is to have the desired impact of building drought resilience across the natural resources management and agricultural sectors.</p>
Funding Principles	<p>The funding principles proposed in the Draft Drought Resilience Funding Plan provide for the key elements of a successful program and should be adopted in the final version of the plan. Adoption of a community led or co-designed approach will ensure a greater degree of farmer buy in to the project and will deliver locally tailored programs that address the specific issues those farmers face. This is different from region to region around Australia, but important to recognise to ensure opportunities exist for all farmers to participate in building drought resilience.</p> <p>NRM Regions are well placed to facilitate the local engagement required by the plan and have a great deal of experience in engaging and involving communities in NRM planning, project delivery and knowledge and skills building initiatives. As Such, NRM Regions have extensive networks and contacts throughout the regions they operate in and are able to</p>

draw on these networks to collaborate and partner in program development, implementation, delivery and management.

The existing knowledge held in Regions regarding the natural resource base, resource condition, key issues and opportunities, community networks, partnership opportunities and social structures will be highly beneficial to the development and implementation of the plan.

Although the principles promote and encourage innovation and innovative approaches to building drought resilience at all levels including on farm, regional, state and national, there could be a direct reference included in the principles to innovation. It is recommended that an additional principle is added, to encourage investment in different approaches/taking more risks, for example:

- Consider the need to be enterprising and innovative in seeking to adapt and transform

The principles should also encourage information sharing and collaboration within and across agricultural sectors.

As farmers and landowners are the ones who will make the choices over how and when to prepare for drought, the plan should aim to ensure that the right information and programs are available to help inform their decisions. Additional to this is improving farmer access to data, their understanding and ability to interpret data, and its relevance and importance in making farm business and operational decisions.

One option for consideration in The Drought Resilience Funding Plan is to support the Regional NRM plans being further updated to produce a regional *Drought Resilience Framework*. Such a framework (developed in collaboration with communities and industry) would ensure complementarity with existing regional planning, The National Landcare Program and other regional and industry led programs being delivered in that NRM region. The replacement of current regional NRM plans

	<p>with Landscape plans, in the coming 2 years, is an ideal opportunity for the framework to be connected to the new Landscapes Boards. The Regional Drought Resilience Framework would identify the broad drought resilience challenges facing the region(s) and the actions required now to address those challenges, key contributors to implementation and opportunities for co-investment. It would also ensure existing programs and projects were not inadvertently duplicated and the potential for complementary investment to expand the reach and scope of a successful existing program could be realised.</p> <p>The principles should also give some consideration as to how to separate whether funding is delivering private or public benefit. It is likely that some standards or examples could be useful in determining how to separate the two areas.</p>
<p><i>Economic resilience</i> Strategic priority Objectives and actions</p>	<p>The strategic priority, objectives and actions are well-written and supported. Some additional suggestions include:</p> <ul style="list-style-type: none"> • provide education and training to farmers in the adoption and use of new technologies, including: how these benefit the farm business, how these can be integrated into farm business, operational planning and decision making. • Provide programs that ensure a standard of financial and technological literacy within and across agricultural industries.
<p><i>Environmental resilience</i> Strategic priority Objectives and actions</p>	<p>The strategic priority, objectives and actions are well-written and supported. It is important that the strategy has recognised and promotes environmental resilience as the outcome which natural resource management can support. Some additional suggestions include:</p> <ul style="list-style-type: none"> • Determine, promote, and support management practices that improve natural capital and the natural resource base. • Implementation of key natural capital improvement projects at a landscape scale to maximise effectiveness and return on investment. • Promote and incentivise the adoption of resource utilisation saving practices and measures, particularly water efficiency measures, fuel use efficiency measures and soil management efficiency measures.

	<ul style="list-style-type: none"> • Explore new markets and develop market access for drought resilient crops such as native food and fodder production systems and products. <p>The capacity of farmers to continue operating through and beyond drought events can be affected by the increase in pest plant and animal issues which can be exacerbated during extreme conditions. Building on the resilience of farmers should include an element of how to manage these issues and even to expect them, as conditions worsen.</p> <p>Project opportunities that build on the work of the primary production and natural resource management sectors to build on farm resilience may include regionally tailored strategies for:</p> <ul style="list-style-type: none"> • Soil improvement and modification that builds soil biological function, water and nutrient holding capacity and carbon sequestration. • Pest animal and plant management • On farm water management • Improved grazing management • Strategic vegetation management and planting to support farm systems – eg pollination services • Farm system management - adoption of improved and innovative practices such as the use of cover crops, pasture cropping and regenerative agriculture principles. • Increasing the utilisation of the best local, traditional and scientific knowledge <p>To achieve the best results it is proposed to take a partnership approach to the design and delivery of projects. Existing regional partnership arrangements and locally tailored solutions and delivery mechanisms will ensure the needs of the community and farming industries as well as the locally specific characteristics of natural resources and farming systems are appropriately taken into account.</p>
<p>Social Resilience Strategic priority Objectives and actions</p>	<p>The strategic priority, objectives and actions are well-written and supported. Some additional actions are suggested as follows:</p> <ul style="list-style-type: none"> • Ensure local communities play a key role in project development and delivery within their local communities.

	<ul style="list-style-type: none"> • Ensure local knowledge is incorporated into project development, planning and delivery. • Ensure projects contribute positively towards community well being and health outcomes <p>It is also recommended that the following action (bullet point 6) be amended slightly: “Increase communities” understanding of their drought resilience...”. This would expand the intent to address multiple communities.</p>
Other Feedback	<p>Funding options</p> <p>Many NRM Regions across Australia are contracted service delivery agents for the Department of Agriculture (delivery under Regional Land Partnerships (RLP)). There may be some efficiencies through the avenue of Additional Services Works Orders or similar, for delivery of activities that are complementary (but not duplicative) of projects funded under the RLP.</p> <p>Monitoring, Evaluation and Learning Framework</p> <p>The Consultation draft includes scant detail around the MEL framework and as is often the case, describes quite aspirational goals around measuring impact through defined indicators. A similar approach was taken during the development of the RLP Services Agreement and this has caused some challenges, in terms of designing the MEL or MER framework, where the requirements around data collection were unknown at the time of signing the contract and there are no additional fund releases to resource the time and effort this may take. As a learning and improvement, it will be important that the Department of Agriculture carefully consider their key evaluation questions, expected outcomes and indicators, and allow applicants to factor in the costs associated with undertaking the monitoring & evaluation against these, into their applications for funding. If this aspect is not resourced adequately, it will be difficult to demonstrate outcomes and impact in a meaningful way.</p> <p>Economic Resilience</p> <p>While the Future Drought Fund may not be able to influence a great deal in the setting of market drivers, it would be useful for the Department of Agriculture to consider potential</p>

	<p>impacts of State or Federal Government policy changes on the operating context for land managers. The fund should also require project deliverers to identify risks or potential barriers to the success of the initiatives being funded.</p>
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