

## 2024/25 Pre-budget Submission

Aligning investment to international commitments

January 2024



### **Acknowledgements**

The Biodiversity Council acknowledges the First Peoples of the lands and waters of Australia, and pays respect to their Elders, past, present and future and expresses gratitude for long and ongoing custodianship of Country.

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## About The Biodiversity Council

The Biodiversity Council brings together leading experts including Indigenous knowledge holders to promote evidence-based solutions to Australia's biodiversity crisis. The Council was founded by 11 universities with the support of Australian philanthropists.

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## **Executive Summary**

The Biodiversity Council welcomes the opportunity to make a submission on the 2024-25 Federal Budget. Australia has consistently under-invested in the protection and recovery of its native biodiversity and is one of the most underfunded nations when it comes to biodiversity conservation. Biodiversity is at particular risk in Australia and a recent survey conducted by the Biodiversity Council has demonstrated that 95% of Australians support more investment in the environment.

This pre-budget submission focuses on key international environmental commitments made under the 2023 Kunming-Montreal Global Biodiversity Framework (**GBF**), and 6 areas of priority investment for the Australian Government to spend to save and address the extinction crisis.

The key funding recommendations from the Biodiversity Council contained in this submission are:

- 1. The Australian Government should include a statement in the 2024-25 budget on total expenditure committed to contribute to the delivery of the Global Biodiversity Framework.
- 2. Invest at least \$2 billion annually to address the extinction crisis by restoring and protecting threatened species populations. This could be channelled through the existing Saving Our Native Species program or an alternate delivery vehicle focussed on implementing threatened species recovery plans, conservation advice, and threat abatement plans.
- 3. Establish a new dedicated \$5 billion fund for the purchase of land of high biodiversity importance to create new public, privately owned or Indigenous Protected Areas (IPAs).
- 4. Continue to support the creation of new representative Indigenous Protected Areas (IPAs), including increasing investment on:
  - the per hectare spend on IPAs to adequately resource conservation and cultural land management objectives;
  - support Indigenous land and sea management organisations including resourcing of operations, business and administrative support and upskilling career pathways for Indigenous rangers; and
  - bolster staffing capacity within government environment agencies to support engagement with Indigenous organisations and the delivery of the IPA program.
- 5. Increase support for the uptake of permanent conservation covenants on privately managed land through direct federal funding support to state and territory conservation covenant programs.
- 6. Invest at least \$2 billion annually to drive ecosystem restoration across Australian degraded lands. Such investment could be in part directed to kick start investment in the Nature Repair Scheme alongside significant investment dedicated towards development and implementation of national restoration strategy.
- 7. Significant investment is needed in tackling the impact of invasive species across Australia. As an example, the Biodiversity Council is calling for \$88 million to be committed to cover the costs for a Feral Cat TAP over 5 years, which includes full funding for all very high and high priority actions and supporting Indigenous-led management of feral cats.
- 8. Reform Australia's fuel tax credits to meet international climate commitments and deliver associated biodiversity benefits, while also committing to additional reform of harmful subsidies for biodiversity in accordance with Target 18 of the Global Biodiversity Framework.



9. Provide significant funding to support Australia's environmental law reform agenda that includes - in addition to direct conservation funding detailed above - major investment in environmental data, Environmental Information Australia, the Threatened Species Scientific Committee, monitoring programs, development and implementation of new legislative plans that can address climate change and adaptation priorities, and transitional arrangements for the new legislation.

## Introduction

Australia is globally recognized for its rich and diverse ecosystems, holding a unique status as one of the world's seventeen "mega-diverse" nations. Our unparalleled biodiversity encompasses a remarkable array of species and ecosystems. This distinction signifies a profound responsibility to steward and safeguard these invaluable natural assets for future generations.

Biodiversity is the variety of all life on Earth; the plants, animals, fungi, microbes, and even us.

It underpins all aspects of our life, from food systems, to culture and identity, to economy, and health. Animals pollinate 90% of crops; 70% of medicines are derived from animals and plants; natural ecosystems remain the only viable large-scale carbon sink; and plants and animals clean our air and water and breakdown wastes.

Despite having some of the most unique plants, animals and ecosystems on the planet, Australia has become the world leader when it comes to the loss of biodiversity. We are ranked 1st globally for the extinction of mammals and are ranked second for the overall loss of biodiversity. We have had three new extinctions since 2009, the Christmas Island Pipistrelle (*Pipistrellus murrayi*), Christmas Island forest skink (*Emoia nativitatis*), and the Bramble Cay melomys (*Melomys rubicola*); and hundreds more species face potential extinction in coming years. The best available science tells us that at least 19 Australian ecosystems are showing signs of collapse and our national list of threatened species and ecological communities has exploded to more than 2000 with the status of many more species currently unclear and threats to biodiversity left largely unchecked.

The World Economic Forum has identified biodiversity loss and ecosystem collapse, together with climate change as the top three risks for the global economy over the next decade.<sup>4</sup> About half of Australia's GDP relies on natural systems. Many species declines have been rapid, are often

<sup>&</sup>lt;sup>1</sup> Waldron, A, Miller, DC, Redding, D, Mooers, A, Kuhn, TS, Nibbelink, N, Roberts, JT, Tobias, JA & Gittleman, JL 2017, 'Reductions in global biodiversity loss predicted from conservation spending', Nature, vol. 551, no. 7680, pp. 364-36; Woinarski, JC, Burbidge, AA & Harrison, PL 2015, 'Ongoing unraveling of a continental fauna: decline and extinction of Australian mammals since European settlement', Proceedings of the National Academy of Sciences, vol. 112, no. 15, pp. 4531-4540.

<sup>&</sup>lt;sup>2</sup> Woinarski, JC, Garnett, ST, Legge, SM & Lindenmayer, DB 2017, 'The contribution of policy, law, management, research, and advocacy failings to the recent extinctions of three Australian vertebrate species', Conservation Biology, vol. 31, no. 1, pp. 13-23.

<sup>&</sup>lt;sup>3</sup> Bergstrom, DM, Wienecke, BC, van den Hoff, J, Hughes, L, Lindenmayer, DB, Ainsworth, TD, Baker, CM, Bland, L, Bowman, DMJS, Brooks, ST, Canadell, JG, Constable, AJ, Dafforn, KA, Depledge, MH, Dickson, CR, Duke, NC, Helmstedt, KJ, Holz, A, Johnson, CR, McGeoch, MA, Melbourne-Thomas, J, Morgain, R, Nicholson, E, Prober, SM, Raymond, B, Ritchie, EG, Robinson, SA, Ruthrof, KX, Setterfield, SA, Sgrò, CM, Stark, JS, Travers, T, Trebilco, R, Ward, DFL, Wardle, GM, Williams, KJ, Zylstra, PJ & Shaw, JD 2021, 'Combating ecosystem collapse from the tropics to the Antarctic', Global Change Biology, vol. 27, no. 9, pp. 1692-1703.

<sup>&</sup>lt;sup>4</sup> https://www.weforum.org/publications/global-risks-report-2024/digest/



irreversible, and will continue to have far-reaching consequences for agriculture, water quality, culture, economy and health. The Commonwealth's 2021 State of the Environment report states:

Overall, the state and trend of the environment of Australia are poor and deteriorating as a result of increasing pressures from climate change, habitat loss, invasive species, pollution and resource extraction. Changing environmental conditions mean that many species and ecosystems are increasingly threatened. Multiple pressures create cumulative impacts that amplify threats to our environment, and abrupt changes in ecological systems have been recorded in the past 5 years.

There is an urgent and existential need to tackle Australia's extinction crisis. This will involve addressing the drivers of decline through strengthened regulatory approaches and investing sufficient funding to tackle major threats and restore ecosystems and wildlife populations. Without a significant boost in direct investment in conservation, Australia is likely to continue to lead the world in the loss of biodiversity with associated negative impacts for society.

## Bolstering Australian Government investment on biodiversity conservation

Australia's biodiversity is unique and exceptionally diverse, with many species of plants and animals existing nowhere else on the planet. Yet Australia has consistently under-invested in the protection and recovery of its native biodiversity and its biodiversity conservation has been ranked as one of the most underfunded when compared to other developed nations.<sup>5</sup>

Historically the primary vehicle for the delivery of administered biodiversity conservation expenditure from the Commonwealth has been the Natural Heritage Trust (NHT) Special Account. Whilst there are other programs that sit outside of this special account, the NHT usually makes up the bulk of administered appropriations. As outlined in the 2021 State of the Environment report (see Figure 1 below), spending on biodiversity protection through the environment portfolio has generally oscillated between \$300 million and \$420 million per year over the past decade, with a notable exception in the 2017/18 budget year due to the half-billion dollar grant to the Great Barrier Reef Foundation.

While it can be very challenging to accurately understand total Commonwealth funding on biodiversity conservation, administered program and special account spending in portfolio budget outcome 2.1, which constitutes the bulk of funding provided by the Commonwealth for biodiversity conservation measures, over the forward estimates is forecast to go from \$407m in 2023-24 to a peak of \$433 in 2024-25 to a low of \$358 in 2026-27.6 Of this spending, there is a very limited pool of funding available through the saving native species fund which targets threatened species recovery. There are also a number of legacy contractual obligations through discontinued programs (such as the Environmental Stewardship Program). The bulk of funding from the environment portfolio for biodiversity

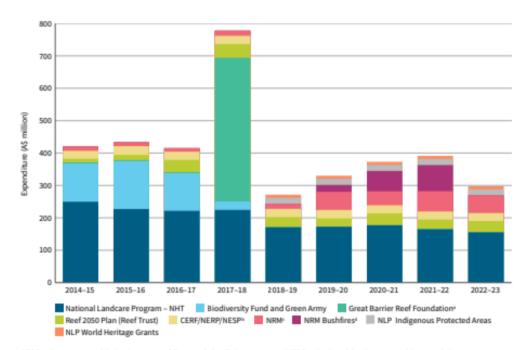
<sup>&</sup>lt;sup>5</sup> Waldron, A, Miller, DC, Redding, D, Mooers, A, Kuhn, TS, Nibbelink, N, Roberts, JT, Tobias, JA & Gittleman, JL 2017, 'Reductions in global biodiversity loss predicted from conservation spending', Nature, vol. 551, no. 7680, pp. 364-36; Waldron, A. et al. 2013, Targeting global conservation funding to limit immediate biodiversity declines'. Proc. Natl Acad. Sci. USA 110, 12144–12148.

<sup>&</sup>lt;sup>6</sup> The 2023/24 budget merged other parts of the budget into budget outcome item 2.1. These figures do not include expenditure on corporate entities AIMS or DNP.



conservation over the forward estimates continues to be for the NHT and Great Barrier Reef related expenditure measures.

Comparing the current government investment to the amount that is estimated to be needed for the protection and recovery of Australia's ecosystems and wildlife - see key recommendations below - highlights the significant shortfall in Commonwealth funding for nature protection nationally. While it is acknowledged that States and Territories also need to contribute spending towards biodiversity conservation, the Commonwealth Government has primary responsibilities to fund implementation of international and national environmental laws<sup>7</sup> and national biodiversity conservation strategies<sup>8</sup>.



CERF = Commonwealth Environmental Research Facilities program; NERP = National Environmental Research Program; NESP = National Environmental Science Program; NHT = National Heritage Trust; NLP = National Landcare Program; NRM = national resource management

- a Includes funding the foundation, and water quality and crown-of-thorns control funding.
- b Includes NERP (to 2014-15) and NESP (2015-23), which are not funded through the Biodiversity Conservation Division.
- c Includes NRM Planning for Climate Change Stream 1 and 2; NRM programs for Improving Your Local Parks and Environment, environmental accounts capital, Communities Environment Program and Environment Restoration Fund; and NRM Oceans Leadership Package and NRM Raine Island Recovery Project.
- d Includes NRM Bushfire Wildlife and Habitat Recovery programs and Bushfire Recovery for Species and Landscapes programs.

Note: Excludes most funding outside the Biodiversity Conservation Division (with the exception of CERF/NERP/NESP funding). Source: Department of Agriculture, Water and the Environment, May 2021

Figure 53 Expenditure on biodiversity conservation and research programs by the Department of Agriculture, Water and the Environment, 2013–14 to 2022–23

**Figure 1 - Expenditure on conservation from 2013/14 to 2022/23** (Australia State of the Environment: Biodiversity, 2021)

<sup>&</sup>lt;sup>7</sup> Note: The main international biodiversity law is the Convention on Biological Diversity under which the 2023 Kunming-Montreal Global Biodiversity Framework (**GBF**) was agreed. The main national biodiversity law is the *Environment Protection and Biodiversity Conservation Act 1999* (Cth).

<sup>&</sup>lt;sup>8</sup> Note: National biodiversity strategies include the Biodiversity Conservation Strategy, the NRS Strategy, the National Climate Resilience and Adaptation Strategy, the Threatened Species Action Plan and the Nature Positive Plan and *could include* a new National Restoration Strategy.



## There is strong public support for more investment in the environment

Since its formation, the Biodiversity Council has conducted two annual surveys investigating Australians' concern for nature. 9,10 Both surveys have found that 97% of Australians want more action to protect nature, and the most recent survey, surveying over 3400 Australians in December 2023, found that 95% of Australians want more money spent to support these actions. Most Australians (77%) currently believe that at least 1% of the Federal budget is being spent on nature protection. When our survey participants were told that the real figure was less than 1%, almost all participants (95%) felt that more should be spent on nature. Two in five Australians (39%) indicated that 5% or more of the federal budget should be spent on the environment.

Australians also believe that more money is needed to protect and recover more species. There are approximately 2000 species listed nationally as threatened with extinction and the list continues to grow. Current environmental policies aim to protect only 5% of these species (110 species). More than nine in ten Australians (92%) believe at least 10% or more of these species should be protected. Almost half (46%) of Australians believe that the Federal government should aim to protect and recover all 2,000 species listed nationally as threatened with extinction.

Six in ten 10 Australians (61%) believe that Federal, State and territory and Local governments are most responsible for taking action to protect Australia's natural environment. For 35% of Australians, this influence is 'strong' or 'very strong'. In our recent survey, the performance of the Australian Government in protecting nature was rated higher by Australians in 2023 compared to 2022. However, most Australians believe more action needs to be taken, including increasing spending, protecting more species, and upholding Australia's international commitments.

## Aligning investment to International Commitments

Investing in saving Australia's at risk species and ecosystems would give back to our economy – through tourism, clean water, healthy soils, pollination and much more. And it would make our communities healthier, happier and more resilient. But it will take concerted effort and investment to reap these benefits. To match the level of funding that comparable nations invest to save their species, Australia would need to significantly increase investment.

In December 2022 Australia endorsed the Kunming-Montreal Global Biodiversity Framework (**GBF**) under the United Nations Convention on Biological Diversity. The agreement included - amongst others - 4 goals for 2050 and 23 targets that aim to tackle the major threats to biodiversity and put nature on a path to recovery by 2030.<sup>11</sup>

The primary vehicle for domestic implementation of the GBF is the National Biodiversity Strategy and Action Plan (NBSAP). In January 2024 the Commonwealth announced that it would be updating

<sup>&</sup>lt;sup>9</sup> Borg, K., Smith, L., Hatty, M., Dean, A., Louis, W., Bekessy, S., Williams, K., Morgain, R. & Wintle, B. Biodiversity Concerns Report: 97% of Australians want more action to protect nature. The Biodiversity Council, June 2023.

<sup>&</sup>lt;sup>10</sup> Borg, K., Hatty, M., Smith, L., Dean, A., Louis, W., Bekessy, S., Williams, K., Morgain, R., Trezise, J., Gregg, E., Wibisono, S., Klebl, C., & Fielding, K. Biodiversity Concerns Report 2023. BehaviourWorks Australia, Monash Sustainable Development Institute, Monash University, January 2024.

<sup>11</sup> https://www.cbd.int/gbf/



Australia's NBSAP, currently titled Australia's Strategy for Nature 2019-2030.<sup>12</sup> The updated strategy will need to reflect policy directions and regulatory systems that will equip Australia to meet its 2030 targets.

Australia has identified a number of priority targets under the GBF. Meeting these targets will involve a step-change in Commonwealth investment in nature protection and restoration. Whilst recent investments in the environment portfolio and the establishment of a Nature Repair Market are welcome, without significant injection of funds from the federal budget, they are unlikely to meet the targets set out in the GBF. The Budget should explicitly address how the expenditure will meet Australia's recently agreed international commitments under the GBF.

Alongside this general recommendation, the Biodiversity Council identifies 6 areas of priority investment for the Australian Government to spend to save and address the extinction crisis.

Recommendation 1: The Australian Government should include a statement in the 2024-25 budget on total expenditure committed that will contribute to the delivery of the Kunming-Montreal Global Biodiversity Framework.

 Stopping extinctions and recovering threatened species and ecosystems

Target 4 of the GBF calls for the halting of species extinction, recovery and conservation of species, in particular threatened species, to significantly reduce extinction risk, as well as to maintain and restore genetic diversity. This is arguably one of the most important but also challenging targets of the GBF that requires significant investment in the recovery of threatened species and management of key threats. It is within this context that regulatory responses will be particularly important (see further discussion below on national environmental law reform below). Analysis of the amounts of spending in the United States has found that targeted investment has delivered significant success in stopping and reversing declining trajectories of native wildlife, with the United States having delisted 39 species due to recovery. To rexample, the bald eagle (Haliaeetus leucocephalus) was removed from the US endangered species list in August 2007 because their populations had recovered sufficiently.

Research led by Biodiversity Council members investigated median and mean per species costs to recover Australian threatened species based on the United States experience. It found that in 2018 it would cost between \$910m and \$1.68 billion per annum to secure Australia's threatened species and prevent further extinctions. Accounting for increases in threatened species listing and inflation, the upper bound of this figure is now approaching \$2 billion.

<sup>12</sup> https://www.dcceew.gov.au/about/news/updating-australias-strategy-nature-2019-2030

<sup>&</sup>lt;sup>13</sup> Wintle, BA, Cadenhead, NCR, Morgain, RA, Legge, SM, Bekessy, SA, Cantele, M, Possingham, HP, Watson, JEM, Maron, M, Keith, DA, Garnett, ST, Woinarski, JCZ & Lindenmayer, DB 2019, 'Spending to save: What will it cost to halt Australia's extinction crisis?', Conservation Letters, vol. 12, no. 6, p. e12682. See also: https://ecos.fws.gov/ecp/report/species-delisted

<sup>&</sup>lt;sup>14</sup> Ibid. See also here:



The eastern barred bandicoot (*Perameles gunnii*), red-tailed black cockatoo (*Calyptorhynchus banksii*) and southern and northern corroboree frog (*Pseudophryne corroboree, Pseudophryne pengilleyi*) are examples of much-loved Australian species at risk.

The problem of biodiversity loss will not disappear and the costs to recover species are going to grow unless action is taken now. To protect and recover our species at risk of extinction, Australia urgently needs:

- adequate investment
- transparent reporting of funding on protecting species
- legislation and strong governance for species recovery
- monitoring systems that can tell us when species are declining and show how they are recovering
- robust regulation, and
- adequate management of underlying threats such as habitat loss, climate change and introduced species.

Recommendation 2: Invest at least \$2 billion per year to address the extinction crisis by restoring and protecting threatened species populations. This could be channelled through the existing Saving Our Native Species program or an alternate delivery vehicle focussed on implementing threatened species recovery plans and threat abatement plans.

2. Protecting 30 per cent of land and seas by 2030 (30 x 30)

Target 3 of the Global Biodiversity Framework directs the government's efforts toward protecting a minimum of 30 percent of the land, inland waters, and marine/coastal regions by 2030, with a focus on important areas for biodiversity and respecting the rights of Indigenous peoples and local communities. Currently, only 22% of Australia's landmass is protected. By 2030, about 61 million hectares must be added to the conservation estate if Australia is to meet its target.

A recent report completed by a collaboration of environmental organisations has identified four primary pathways for meeting Australia's obligations under this component of the CBD, these include:

- 1. A dedicated fund for conservation land purchase
- 2. Continued investment in the Indigenous Protected Areas (IPA) program
- 3. Expanding permanent private land conservation through direct federal funding to state and territory conservation covenant programs and a commitment to review financial incentives and barriers to private land conservation
- 4. Transitioning public land into conservation tenures<sup>15</sup>

Dedicated funding that supports strategic acquisition and support for private landowners to manage their lands for conservation is desperately needed. This includes continuing investment and building

<sup>&</sup>lt;sup>15</sup> Fitzsimons J, Picone A, Partridge T, Cornish M, (2023). Protecting Australia's Nature: Pathways to protecting 30 per cent of land by 2030. The Nature Conservancy, WWF-Australia, the Australian Land Conservation Alliance and the Pew Charitable Trusts



capabilities and capacity for the development and management of Indigenous Protected Areas (see Box 1).

#### **Box 1. Indigenous Protected Areas**

Studies evaluating the performance of the Indigenous Protected Area (IPA) and Working on Country programs have highlighted the success of the programs across a broad range of outcomes. Not only do IPAs constitute almost 50% of Australia's protected area network and cover almost 11% of the country, they have also delivered significant social and economic outcomes. A 2016 evaluation found that between 2009 - 2015 investment of \$35.2 million from government generated environmental, economic and social benefits of \$96.5 million.¹ Increasing the per hectare spend on IPAs to adequately resource conservation and cultural land management objectives and securing long-term funding for Australia's Indigenous Ranger program to support Indigenous land and sea management organisations - including resourcing of operations, business and administrative support and upskilling career pathways for Indigenous rangers - will be critical to meet the 30 by 30 target. In addition, staffing capacity within government environment agencies needs to be bolstered to support engagement with Indigenous organisations and the delivery of the IPA program. Finally, the location selection of new IPAs needs to be improved so that they more equitably represent biomes and nations; effectively contribute to the 30 x 30 target; and consider financial management capacity in addition to the principles of value for money propositions.

Recommendation 3: Establish a new dedicated \$5 billion fund for the purchase of land of high biodiversity importance to create new public, private or Indigenous Protected Areas.

Recommendation 4: Continue to support the creation of new representative Indigenous Protected Areas (IPAs), including increasing investment on:

- the per hectare spend on IPAs to adequately resource conservation and cultural land management objectives;
- support Indigenous land and sea management organisations including resourcing of operations, business and administrative support and upskilling career pathways for Indigenous rangers; and
- bolster staffing capacity within government environment agencies to support engagement with Indigenous organisations and the delivery of the IPA program.

Recommendation 5: Increase support for the uptake of permanent conservation covenants on privately managed land through direct federal funding support to state and territory conservation covenant programs.



# 3. Effective restoration of degraded terrestrial, inland water, marine and coastal ecosystems

Target 2 of the GBF calls for at least 30 percent of areas of degraded terrestrial, inland water, and marine and coastal ecosystems to be under effective restoration, to enhance biodiversity and ecosystem functions and services, ecological integrity and connectivity by 2030.

Restoration investment must be urgently prioritised for those ecosystems already displaying signs of ecosystem collapse in all or part of their range. 16

Research from the University of Queensland calculates that it would cost approximately \$2 billion per annum to achieve 30% native vegetation coverage of almost all (99.8%) Australia's degraded terrestrial ecosystems on marginal farming land. To Such a significant investment in habitat restoration would also deliver significant carbon mitigation and support climate change adaptation though improved connectivity. Further, the carbon market revenue is estimated to cover up to 111% of the investment required for the restoration.

Noting the development of the government Nature Repair Act in late 2023, there will likely need to be significant upfront investment in the Nature Repair Market to kick start projects and attract other investment. Investment in the Nature Repair Market needs to be accompanied by a funded federal restoration strategy.

Recommendation 6: Invest at least \$2 billion annually to drive ecosystem restoration across Australian degraded lands. Such investment could be - in part - directed to kick start investment in the Nature Repair Scheme, alongside significant investment dedicated towards development and implementation of national restoration strategy.

## 4. Tackling the impact of invasive species

As an island nation, Australia is particularly susceptible to increased incursions from invasive species. Invasive predators have been the primary driver in the decline of Australia's mammal populations and new invasive species, including animals, plants and pathogens, are amongst the biggest threats to our native wildlife. Australia urgently needs to increase its funding for environmental biosecurity.

The Federal Government should also be investing directly in the development and implementation of threat abatement plans to tackle established pests and weeds, such as the Feral Cat Threat Abatement Plan (see Box 2). This funding should be drawn from the Saving Native Species Fund or an alternate delivery vehicle focused on implementing threatened species recovery plans and threat abatement plans.

Recommendation 7: Significant investment is needed to tackle the impact of invasive species across Australia. As an example, the Biodiversity Council is calling for \$88 million to be committed

<sup>&</sup>lt;sup>16</sup> Bergstrom et al. (2021). Combating ecosystem collapse from the tropics to the Antarctic. Global Change Biology, 27(9), 1692-1703. https://doi.org/10.1111/gcb.15539

<sup>&</sup>lt;sup>17</sup> Mappin, B., Ward, A., Hughes, L., Watson, J. E. M., Cosier, P., & Possingham, H. P. (2021). The costs and benefits of restoring a continent's terrestrial ecosystems. Journal of Applied Ecology, 00, 1–12. https://doi.org/10.1111/1365-2664.14008



to cover the costs for a Feral Cat TAP over 5 years, which includes full funding for all very high and high priority actions and supporting Indigenous-led management of feral cats.

## Box 2. Finalising and funding the Feral Cat TAP

The Commonwealth is currently finalising a Feral Cat Threat Abatement Plan (TAP). The Feral Cat TAP clearly indicates priority actions that need to be taken immediately; it also recognises that the management of feral cats and the recovery of native species affected by cats is a long-term challenge that must be met with strategic and long-term secured funding. The Biodiversity Council recommends that the Australian Government commits to full funding for all very high and high priority actions and that it develops a longer-term strategic program that secures sufficient resources over at least decadal scales. Such a program could encompass not only the control of feral cats but also other significant pest species. The table of costs within the plan estimates that around \$12 million per year (or \$60 million over five years) is needed to successfully undertake all the actions in the plan. Additional funds should be allocated to support Indigenous-led management of feral cats, bringing the required funding to \$88 million over 5 years. We call for \$88 million to be committed from the next Federal budget to cover the cost of implementing the plan. Conservation faces a chronic shortfall in funding nationally and many other factors also affect Australian biodiversity. Funding for the cat TAP should not be a redirection of conservation funding from elsewhere. Action to conserve cat-susceptible species should complement rather than re-direct funding for other highly imperilled biodiversity.

## 5. Reforming harmful subsidies for biodiversity

In adopting the 2010 Aichi targets, Australia committed to phasing out or reforming subsidies that are harmful to biodiversity. Unlike many other OECD countries, Australia has not yet conducted a formal assessment of harmful subsidies in Australia, let alone implemented any such reforms. Through the new GBF, Australia has again committed to eliminate, phase out or reform biodiversity harmful subsidies, starting with the most harmful subsidies. There are significant benefits available to the Australian community and the Budget in reforming biodiversity harmful subsidies. Reforms, such as those proposed for fossil fuel tax credits, would deliver a double dividend to the community, reducing the ongoing pressures on our biodiversity and ecosystems while also reducing pressure on the overall budget.

The fuel tax credit scheme currently costs Australian taxpayers approximately \$8 billion annually. 18 Fossil fuel tax credits directly undermine Australia's emissions reduction goals and are out of step with international biodiversity, climate and sustainable development commitments. 19 Whilst there has

<sup>&</sup>lt;sup>18</sup> Grattan Institute: Fuelling budget repair How to reform fuel taxes for business Grattan Institute Report No. 2023-02, July 2023

<sup>&</sup>lt;sup>19</sup> United Nations (2022). Glasgow Climate Pact. <a href="https://unfccc.int/sites/default/files/resource/cma2021">https://unfccc.int/sites/default/files/resource/cma2021</a> 10 add1 adv.pdf. (para 36). Kunming-Montreal Global Biodiversity Framework (2023); United Nations (2015) Sustainable Development Goals.



been significant analysis of the impacts and potential budget and climate benefits of reforming the fuel tax credit scheme, equivalent analysis of further biodiversity harmful subsidies is yet to be undertaken.

The Australian Government should urgently conduct a formal assessment, led jointly by the Treasury and DCCEEW and/or an independent expert panel, of biodiversity harmful subsidies, consistent with the OECD guidelines.<sup>20</sup>

Identified biodiversity harmful subsidies could be eliminated or reformed and resulting savings could be repurposed to fund objectives under the GBF.

Some subsidies could be repurposed within sectors so that the sector continues to benefit by funding biodiversity positive activities rather than biodiversity harmful activities. For example, the Australian Government could consider if it should repurpose subsidies in agriculture, forestry and fisheries portfolio programs (DAFF Outcome 1) to spend more on addressing biosecurity and invasive species issues (via DAFF Outcome 2), which are bad for biodiversity and a major productivity drag on the sector, consistent with the Invasive Species Target (Target 6) of the GBF.

Recommendation 8: Reform Australia's fuel tax credits to meet international climate commitments and deliver associated biodiversity benefits, while also committing to additional reform of harmful subsidies for biodiversity in accordance with the Global Biodiversity Framework.

## 6. Investment in regulatory reform

Australia's species and ecosystems should be protected by the EPBC Act,<sup>21</sup> our primary national environmental law, but it continues to fail in its most fundamental task. For example, between 2000 - 2017, more than 7.7 million hectares of threatened species habitat was destroyed.<sup>22</sup> Investing in the protection and restoration of nature is almost entirely undermined by the destruction of important habitats through under-regulation.

An independent review of the EPBC Act (the Samuel Review), released in 2021, found that the EPBC Act has been failing our threatened plants and animals for the past 20 years, that it does not facilitate the maintenance or restoration of the environment, is not set up to deal with modern environmental challenges, and is neither effective nor efficient in the way it regulates environmental impacts.<sup>23</sup>

<sup>&</sup>lt;sup>20</sup> Matthews, A. and K. Karousakis (2022), "Identifying and assessing subsidies and other incentives harmful to biodiversity: A comparative review of existing national-level assessments and insights for good practice", *OECD Environment Working Papers*, No. 206, OECD Publishing, Paris, <a href="https://doi.org/10.1787/3e9118d3-en">https://doi.org/10.1787/3e9118d3-en</a>

<sup>&</sup>lt;sup>21</sup> Environment Protection and Biodiversity Conservation Act 1999 (Cth)

<sup>&</sup>lt;sup>22</sup> Ward, MS, Simmonds, JS, Reside, AE, Watson, JEM, Rhodes, JR, Possingham, HP, Trezise, J, Fletcher, R, File, L & Taylor, M 2019, 'Lots of loss with little scrutiny: The attrition of habitat critical for threatened species in Australia', Conservation Science and Practice, vol. 1, no. 11, p. E117

<sup>&</sup>lt;sup>23</sup> Samuel, G 2020, Final Report of the Independent Review of the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act), Department of Agriculture, Water and the Environment, Canberra, October, Accessed at: <a href="https://epbcactreview.environment.gov.au/resources/final-report">https://epbcactreview.environment.gov.au/resources/final-report</a>



In 2022, the government announced a Nature Positive Plan<sup>24</sup> which commits to law reform intended to be 'the most comprehensive remaking of national environmental law since the EPBC Act was introduced'. In addition to direct conservation funding, some of which is outlined above, a significant increase in investment is needed to accompany national environmental law reform and associated policies under the Nature Positive Plan.

The Biodiversity Council has determined 10 essential elements necessary for national environmental law reforms to deliver a Nature Positive Australia. This report highlighted the need for domestic laws and policies, and associated goals and targets to align with international commitments made under the GBF.

In addition to the direct conservation funding needs outlined above, key areas of biodiversity investment that arise out of the Biodiversity Council's 10 essential elements report include:

- major and ongoing investments in comprehensive national environmental data and supporting technology systems for public accessibility
- ongoing major investment in Environment Information Australia (EIA) and a well funded
  National Environmental Data Strategy
- investment to bolster the Threatened Species Scientific Committee including to support transition to the new laws, and ensuring adequate resources to support the timely assessment of all at risk species to ensure an up to date threatened species list
- well-funded long-term monitoring programs to support new comprehensive national natural capital accounting
- adequate funding so that regional plans can appropriately address climate mitigation and adaptation priorities

The Biodiversity Council recommendation for the proposed new Environmental Protection Authority (EPA) is that it should be funded through a standing appropriation (indexed to inflation) that can only be reduced by statutory amendment (rather than through the annual budgetary process).

Recommendation 9: Major funding to support Australia's environmental law reform agenda that includes - in addition to direct conservation funding - major investment in environmental data, Environmental Information Australia, the Threatened Species Scientific Committee, monitoring programs and development and implementation of legislative plans that can address climate change and adaptation priorities.

<sup>25</sup> The Biodiversity Council. 2023. Delivering on nature positive: 10 essential elements of national environmental law reform. Biodiversity Council, Melbourne. Accessed at: <a href="https://biodiversitycouncil.org.au/">https://biodiversitycouncil.org.au/</a>

<sup>&</sup>lt;sup>24</sup> Department of Climate Change, Energy, Water and Environment, 2022, 'Nature Positive Plan: better for the environment, better for business', Canberra, December 2022. Accessed at: https://www.dcceew.gov.au/sites/default/files/documents/nature-positive-plan.pdf