


Investing in Private Land Conservation

NSW Biodiversity Conservation Trust
Conservation Management Program
2023-2027

March 2025





Cover image: Colin Elphick
Animal tracks across the sandy soils and traditional lands of the
Murrwarri people in northwest NSW.

Acknowledgement of Country

The NSW Biodiversity Conservation Trust acknowledges the Traditional Custodians of NSW and recognises their ongoing connection to land, waters, biodiversity, and culture.

Private land within NSW often contains significant sites and features in various forms within the landscape. Aboriginal Cultural Values are connected to Country, including waterways, mountains, wetlands, floodplains, hills, sandhills, rock outcrops and the biodiversity within these geological features. Many of these features are known to have cultural value and contain culturally significant sites. These elements of the landscape can be associated with Dreaming stories and ongoing cultural practices and learning.

We pay our respects to Elders past, present, and future and commit to genuinely engage and partner with Aboriginal people in the delivery of our private land conservation programs.

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NSW Biodiversity Conservation Trust

The NSW Biodiversity Conservation Trust (BCT) is a statutory, not-for-profit body established under Part 10 of the *Biodiversity Conservation Act 2016*. Its statutory object, as stated in the Act, is to 'protect and enhance biodiversity'. It does this through conservation agreements that partner with and educate private landholders to manage their land for biodiversity conservation outcomes.

The NSW Biodiversity Conservation Trust's vision is for vibrant private land conservation areas protecting the unique and diverse plants and animals of NSW.

The BCT manages 2,270 conservation agreements with private landholders, who are responsible for protecting more than 2 million hectares, or 2.8 per cent of the state's overall land.

These conservation agreements are part of the total conservation estate of NSW, which includes indigenous protected areas, private land conservation and national parks and reserves.

The BCT invests to support private land conservation, with 165 landholders¹ funded to manage their land for conservation over 161,701 hectares² statewide.

Of the landholders in this program, 70 per cent hold in perpetuity agreements, assuring long-term protection of habitat and species.

Conservation Management Program outcomes*



165
conservation agreements



62
under-represented landscapes protected



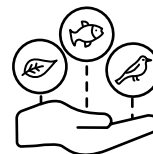
161,701
hectares protected



39
threatened species protected



9
unrepresented landscapes protected



19
threatened ecological communities protected

Conservation Management Program investment



\$70m
invested in 2022/23 to support private land conservation outcomes



\$239m*
in assets held to deliver Private Land Conservation in NSW

* Since 2017

Notes:

1 As at 31 March 2023

2 As at 31 March 2023



Regenerative efforts under an early NSW Biodiversity Conservation Agreement, at the property Moona, in southern NSW, have helped restore important ecological habitat. Credit: Colin Elphick

Conservation goals 2022 – 2025

The NSW Biodiversity Conservation Trust’s Business Plan 2021-22 to 2024-25 will expand biodiversity conservation efforts across the state.



400
conservation agreements



200,000
hectares protected



50
unique under-represented NSW landscapes protected

Conservation Management Program

The purpose of this document is to define where and how the NSW Biodiversity Conservation Trust (BCT) will direct future investment in private land conservation via its Conservation Management Program (CMP), and the timing of that investment. The CMP is an incentive-based scheme that can:

- diversify farm income;
- assist in mitigating the financial impacts of fluctuating markets or climatic conditions;

- open new business opportunities such as marketing sustainable agricultural products or eco-tourism; and,
- enable access to environmental markets with high integrity biodiversity and carbon claims.

The investment priorities of the CMP considers performance outcomes; investment allocation; progress towards Biodiversity Conservation Investment Strategy 2018 targets; progress to building

a comprehensive, adequate, and representative protected area system; biodiversity offset program outcomes; improvements in conservation asset mapping; and, government priorities.

Biodiversity Conservation Investment Strategy 2018

The NSW Biodiversity Conservation Trust's (BCT) investment is guided by the targets, priority investment areas and investment principles set out in the Biodiversity Conservation Investment Strategy (BCIS).

Investment principles

1. Investment in private land conservation should seek to maximise conservation benefits.
2. Investment in private land conservation should seek to promote long-term outcomes – both for landholders and the environment.
3. Investment in private land conservation should complement other government and non-government programs.
4. Investment in private land conservation should support sustainable farming enterprises, promote regional economic benefits, and avoid land use conflicts.
5. Investment in private land conservation should be cost effective, transparent, efficient and make the best use of available mechanisms to deliver investment.

20-year targets

By 2037, private land conservation agreements will protect examples of 90 NSW landscapes not represented within, or inadequately protected in, the protected area system, as at 2022.

By 2037, diversified income and investment streams will improve the financial sustainability of regional and rural communities.

The BCT reviews its activity to ensure alignment with any changes to the BCIS. This review is documented in this document.

1 Private land conservation

The NSW Biodiversity Conservation Trust (BCT) recognises Traditional Custodians peoples have cared for places, plants and animals for thousands of years. Traditional land management, practiced and passed on through traditional ecological knowledge has had, and will always have, an important role in private land conservation.

The private land conservation efforts of the BCT engages Traditional Custodians, individual landholders and communities in sustainable natural resource management using innovative programs designed to achieve cost-effective biodiversity conservation outcomes.

1.1 Benefits of private land conservation

Many threatened ecosystems, plants and animals have much, or all, of their habitat on privately-owned land. With more than 70 per cent of NSW's land managed privately, the opportunity to reverse biodiversity decline, build resilience to climate change and improve landscape connectivity is shared with private landholders.

The conservation of biodiversity and native vegetation is often an integral outcome of private land management, undertaken for practical reasons as well as out of a sense of stewardship and connection to the land. It contributes to personal wellbeing and protects a property's ecological and financial value, providing stability and resilience in the face of external pressures such as weather events or market volatility.

The protection and restoration of native vegetation through conservation programs can:

- enhance property values;
- increase productivity by sheltering livestock, pasture, and crops from extreme weather;
- provide alternative fodder;
- reduce soil erosion; and,
- reduce weed and disease transfer between properties.

Importantly, the flexibility of conservation actions available to private landholders means their participation can often integrate with continued agricultural production or complement other land uses on their property.

1.2 Investment in natural capital programs

The BCT's Conservation Management Program (CMP) is an incentive-based scheme that can:

- diversify farm income;
- assist in mitigating the financial impacts of fluctuating markets or climatic conditions;
- open new business opportunities such as marketing sustainable agricultural products or eco-tourism; and,
- enable access to environmental markets with high integrity biodiversity and carbon claims.

Far from being an isolated activity or program, private land conservation has become a mainstream

practice and a way for landholders, communities and governments to work together to achieve conservation outcomes that deliver benefits for our environments, support productive landscapes, and provide opportunities to local and regional communities.

The BCT's programs are part of an emerging suite of NSW Government natural capital initiatives to recognise the value of nature and to conserve and improve our natural capital asset base.

1.3 Nature-based market opportunities

The market for high-integrity nature-based market solutions with robust biodiversity credentials is growing. Private sector investors are seeking out and trust the work of the BCT to connect them with opportunities across permanent private land conservation opportunities.

There is also a growing global trend to slow and stop biodiversity loss through corporate Environmental, Social and Governance (ESG) commitments, including nature-based impacts reported on through the nature-related financial disclosures of companies and other organisations.

This trend coincides with a national commitment to protect 30 per cent of lands and waters; reverse biodiversity loss by 2030; and, prevent any new extinctions of Australian wildlife by 2030.

Under the CMP, the BCT is collaborating with the private sector to deliver economically viable nature-based investment opportunities that combine biodiversity with carbon and other projects to accelerate private land conservation outcomes.

1.4 Global Biodiversity Framework

Investment in private land conservation is critical to meeting our national and international obligations for the strategic growth of protected areas and the long-term conservation of biodiversity, including targets under the international Convention on Biological Diversity.

The Global Biodiversity Framework calls for the conservation of at least 30 per cent of land and sea areas, globally, delivered as protected areas and other area-based conservation measures.

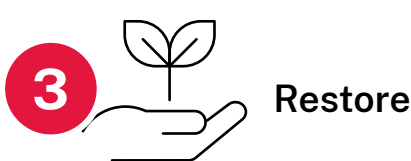
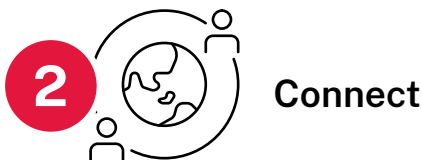
Investment in private land conservation, nationally, contributes to the Australian Government's national '30 by 30' target and, contribute the National Reserve System of recognised protected areas.

2 Conservation Management Program

2.1 Program objectives

The NSW Biodiversity Conservation Trust's (BCT) Conservation Management Program (CMP) provides a unique opportunity for participating landholders to secure an additional revenue stream to protect, restore and manage native vegetation and biodiversity on their land.

The CMP has three key objectives:



These objectives are guided by the investment principles and targets of the Biodiversity Conservation Investment Strategy (BCIS) and strategic goals of the BCT Business Plan (Diagram 1).

The CMP is supported by strong partnerships, financial incentives and innovative science and technology and encourages

landholders to participate in private land conservation in localities identified by the BCIS as 'priority investment areas' or that contain 'priority conservation assets'.

Priority conservation assets include areas that are the most important for mitigating the risks of climate change, such as our least-protected ecosystems, under-protected NSW landscapes and biodiversity corridors.

Priority conservation assets include:



Threatened ecological communities



Wetlands



Threatened species



Littoral rainforests



Over-cleared vegetation types



Koala habitat



Saving our Species sites

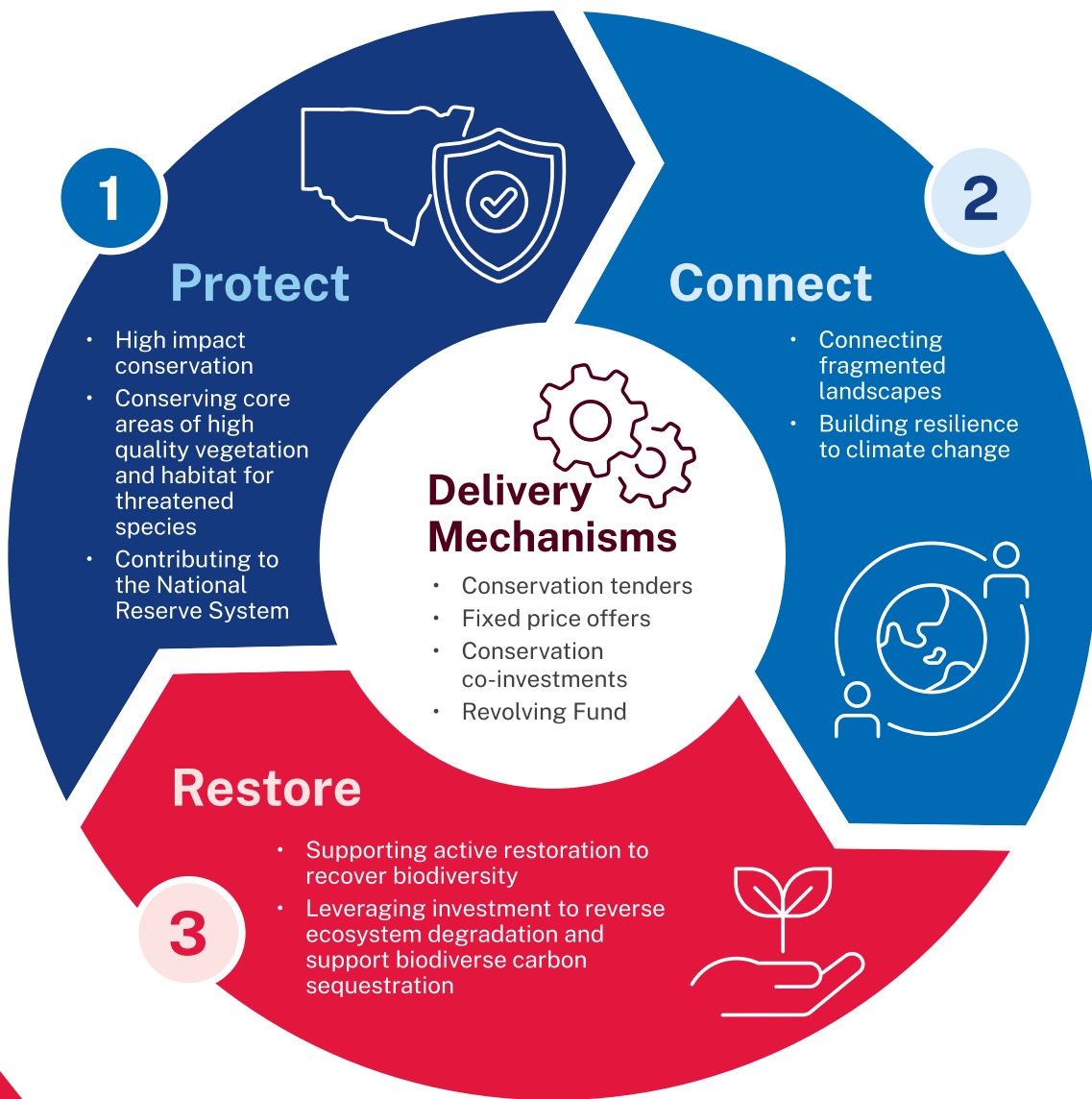


Climate refugia

Landholders who participate in the CMP enter a conservation agreement with the BCT.

This agreement is registered on the land title and landholders receive annual conservation management payments to manage the land in accordance with an agreed conservation management plan, for the term of the agreement. 70 per cent of these funded conservation agreements are in perpetuity.





Biodiversity Conservation Investment Strategy targets and investment principles

The Conservation Management Program is implemented and enabled through:

Science & Technology

- Harnessing scientific research, data and traditional ecological knowledge to support investment decisions
- Driving innovation in private land conservation

Partnerships

- Actively supporting Aboriginal communities and partners to increase participation
- Partnering with the private sector to increase our impact
- Collaborating with government and non-government delivery partners

Investment

- Investing in biodiversity to improve financial sustainability of landholders and regional communities
- Support access to natural capital and biodiversity markets

Diagram 1: Objectives, delivery mechanisms and drivers of the Conservation Management Program



3 Program mechanisms

The NSW Biodiversity Conservation Trust's (BCT) Conservation Management Program (CMP) uses four voluntary mechanisms to encourage and support private land conservation in NSW.

1. Conservation tenders.
2. Fixed price offers.
3. Conservation co-investments.
4. Revolving fund.

3.1 Conservation tenders

The general location and timing of conservation tenders have been identified for the first two years of this document (2023-24 to 2024-25).

To enable CMP investment to be responsive to evolving policy and market changes as well as significant natural events, the BCT has identified potential tender locations for investment in years 3 and 4 (2025-26 to 2026-27). These will be reviewed after the first two years of scheduled tenders.

Conservation tender offers are announced on an annual basis with announcements generally made in autumn for offers to start in the following financial year.

3.1.1 Types of conservation tenders

Conservation tenders (reverse auctions) will target NSW Government investment in the protection and management of conservation priorities identified by the Biodiversity Conservation Investment Strategy (BCIS) and other NSW Government investment priorities for biodiversity conservation (for example, the NSW Koala Strategy).

The BCT calls for landholders in eligible areas to submit an expression of interest (EOI) to participate in a conservation tender.

A focused range of tender formats is used to ensure best value investment for the people of NSW, while providing clear, equitable and diverse options for landholders to participate in private land conservation.



The wetland habitats, birdlife and vegetation of the Gayini Nimmie Cairra Conservation Area in southwest NSW between Balranald and Hay are important internationally, as well as to national and state conservation efforts. Credit: Annette Ruzicka/The Nature Conservancy

Discretionary price format ('pay as bid')

Eligible landholders are invited to submit a confidential bid that sets their own price to conserve and manage native vegetation and biodiversity on their land. The BCT assesses bids on a value for money basis.

Annual conservation management payments are offered to successful landholders, as per their bid, and made for the term of the agreement.

Depending on the eligibility requirements of the offer, landholders can enter an in-perpetuity or term (minimum 15 years) agreement.

Single uniform price format

The same process as for a discretionary price format is followed.

However, the annual conservation management payment offered to successful landholders is a uniform price determined by the BCT using pricing information gathered during the bidding process.

The price is set for the term of the agreement.

Direct offer format

Using price information gathered from a range of sources, including past conservation tenders, management costs, and/or fixed price offers, the BCT makes an offer to eligible participating landholders for the term of their agreement.

This format may also be used in combination with other tender formats in a 'phased' approach to capture conservation assets and scale up private land conservation outcomes.

Special projects

The BCT identifies special projects to increase the numbers of private land conservation agreements that enable the protection and conservation management of new, high-value conservation areas, including under-represented NSW landscapes and areas with high marginal contributions to comprehensive, adequate, and representative (CAR) targets.

Special projects also enable the BCT to activate new investment in private land conservation procured through strategic partners and philanthropic gifts.

3.1.2 Priority conservation assets targeted by conservation tenders

Conservation tenders target priority conservation assets identified by the BCIS subject to significant pressure or threat.

Conservation tenders planned for 2023-24 to 2026-27 are outlined in Table 1.

A review was undertaken to coincide with the end of the business plan cycle (2024-2025). The review outcome resulted in an update to the conservation tenders offered in 2025-26 and 2026-27.

Table 1: Schedule of conservation tenders 2023 to 2027

This schedule is indicative. Tenders timelines will be communicated to landholder networks.

BCT Region	2023-24	2024-25	Review	2025-26	2026-27
South East		Tender 22 Direct offer: Grassy Threatened Ecological Communities ³			
Sydney Hunter	Tender 21 Hunter Valley Woodlands				
North Coast		Tender 25 Threatened species-Big Scrub Rainforest			
Murray Riverina				Tender 27 Mallee Woodlands: Western Riverina	
Northern Inland		Tender 24 Liverpool Plains Cracking Clays			
Central West		Tender 23 Central West Box Woodlands			
Western					
Multi-region				Tender 26 Direct offer: Box Gum Woodlands restoration	Tender 26 Direct offer: Box Gum Woodlands restoration

Notes:

³ Direct offer to landholders who progressed to management plan stage of previous tenders but who a) withdrew or b) were unsuccessful

3.1.3 Conservation tender timelines

Expressions of interest for conservation tenders will open to enable site assessments during spring and autumn.

Conservation tenders will generally be announced, and start, in the year prior to investment in outcomes to ensure sufficient time to engage participants prior to site assessments scheduled through spring.

The BCT may amend the timing or number of conservation tenders to respond to seasonal conditions, significant weather events, government priorities, investment allocation and/or landholder uptake.

3.1.4 Assessing good value-for-money

Conservation tender bids are assessed and ranked with regard to best value for money.

Each site is ranked using a unique Biodiversity Value Score (BVS).

The BVS is divided by the present value (PV) of the bid / offer price to provide a single Biodiversity Value Index (BVI):

$$\frac{\text{Biodiversity Value Index}}{\text{Bid/offer price}} = \text{Biodiversity Value Score}$$

Depending on the tender format, successful landholders are offered annual payments in accordance with their bid (discretionary price format) or the BCT offer (single uniform price, or direct offer format) for the term of the agreement.



A rainbow bee-eater (*Merops ornatus*) perches above the landscape of Gayini Nimmie Caira. The protection of species and habitat by Traditional Custodians is possible through a co-investment partnership with Nari Nari Tribal Council and The Nature Conservancy. Credit: Annette Ruzicka/The Nature Conservancy

3.2 Fixed price offers

Fixed price offer investment is implemented over four years, with a two-year review (Table 2) to ensure investment considers progress towards BCIS targets and progress to building a comprehensive, adequate, and representative (CAR) protected area system.

To better enable private land conservation on Aboriginal-owned land the BCT is piloting a Cultural Lands fixed price offer. Following completion of the pilot in 2024-25 and according to land ownership, the BCT may offer two pathways for Aboriginal landholders to participate in fixed price offers.

3.2.1 About the fixed price offer

The fixed price offer is a standing offer open to all landholders within priority investment areas across NSW, to enter into an in-perpetuity conservation agreement with annual management payments.

A fixed price, per hectare, per annum, targets native vegetation in moderate to good condition within least protected subregions containing threatened ecological communities, habitat for threatened species or important wetlands.

Landholders can express interest, at any time, to enter a funded, in-perpetuity conservation agreement. The BCT batches and assesses applications on a value-for-money basis each year, subject to investment allocation.

Landholders can also apply for an essential conservation infrastructure payment to assist with establishing a conservation area in addition to their annual payment schedule.

The BCT fixed price offer includes a payment for eligible land based on land valuation and may include an incentive for identified threatened ecological communities and/or threatened species habitat.

The schedule of fixed price offers has been developed for each eligible Local Government Area (LGA) informed by land valuation research that identifies average market values for grazing land with consideration of fencing, artificial watering points and pasture improvement. The method does not consider values associated with buildings, fixed plant or irrigation licenses.

Three values are identified for each eligible LGA:

1. High land capability classes (cropping capable – land capability classes 1, 2 and 3);
2. Low land capability class value (land capability classes 4, 5 and 6); and,
3. Limited land capability class value (land capability classes 7 and 8).

A base value is applied to the average market values and factors in a reasonable rate of return, to provide the schedule of fixed price offers.

The BCT Board approves the schedule of fixed price offers. Any updates to the schedule will be made to coincide with the beginning of a new fixed price offer batch period. The schedule of fixed price offers is also subject to periodic review to consider implementation outcomes and other market information.

3.2.2 Priority landscapes and subregions targeted by fixed price offer

The fixed price offer will focus NSW Government investment on progressing a CAR-protected area system by targeting investment in the highest priority investment areas (PIAs 1-3) identified within the BCIS and within the least protected subregions of NSW⁷.

Note: *subregions meeting an 80 per cent 'representativeness' target are not included.*

The identification of priority subregions is an approach developed and documented in supplementary information supporting the BCIS. It enables the BCT to target investment at a subregional scale in those parts of NSW that are least protected, and that have a proportion of high environmental values under significant pressure⁸.

Fixed price offers will continue to be offered in areas of the Northern Inland, Central West, Murray Riverina and Western BCT regions⁹ in 2023-24 and 2024-25. In 2025-26 and 2026-27 this will be extended to priority areas in the South East and Sydney Hunter BCT regions.

Where Interim Biogeographic Regionalisation for Australia (IBRA) subregions meet National Reserve System (NRS) 'representativeness' targets, they will be removed from the fixed price offer to coincide with the next 'batch period'.

Notes:

7 www.environment.nsw.gov.au/research-and-publications/publications-search/biodiversity-conservation-investment-strategy-2018

8 Identifying priority investment areas Supplementary information to the Draft Biodiversity Conservation Investment Strategy 2017–2037, Office of Environment and Heritage (OEH), 2017

9 See **Annexure A** for BCT region map

3.2.3 Priority conservation assets targeted by fixed price offer

Within the priority subregions, the fixed price offer will target investment toward native vegetation in moderate to good condition within BCIS PIAs 1-3, to protect under-represented landscapes in NSW, and important wetlands: that is, Ramsar and Directory of Important Wetlands of Australia (DIWA) classified wetlands.

Ramsar and DIWA wetlands are a priority conservation asset identified within the BCIS, and many of these wetlands occur on private lands. These wetlands provide for migratory and breeding wetland birds, support threatened species and communities, provide critical habitat and refuge, and are internationally and nationally-recognised as having unique conservation and cultural significance.

The fixed price offer will also target threatened ecological communities (TECs) and habitats for threatened species (as identified by the NSW Saving our Species Program); both priority conservation assets within the BCIS.

Additional incentives will be offered to landholders who propose sites within the eligible investment areas that also contain identified threatened species habitat and/or TECs.

3.2.4 Timing of fixed price offer batches

Expressions of interest for fixed price offers are open at any time and will be batched once each year, subject to investment allocation and/or in response to government priorities, natural events, and landholder updates.

Batching will occur at the beginning of March with site assessments conducted during autumn.

The BCT will review the fixed price offer mechanism, including the schedule of fixed price offers periodically, to account for new market information and updates to the protected area system (principally CAR characteristics underpinning eligible area targets).

Any updates to the fixed price offer, such as the schedule of fixed price offers or eligible areas, will coincide with the closing of a batch and apply to the next batch of EOIs.

3.2.5 Cultural Lands fixed price offer

Enabling Aboriginal landholders to engage in private land conservation programs and supporting two-way learning with non-indigenous landholders is a focus of the BCT.

Following feedback from Traditional Custodians regarding the barriers to participation in conservation programs, the BCT will, in 2023-24, initiate the early phase of a targeted fixed price offer pilot for Aboriginal community organisations. The pilot is expected to involve and support the ownership structures and governance arrangements of Aboriginal landowners to better enable participation.

Following completion of the pilot, a standing Cultural Lands fixed price offer will be made available on a rolling basis from 2025-26 for Aboriginal-owned lands within identified priority biodiversity investment areas across NSW. The offer will provide a viable pathway for Aboriginal community organisations, such as Local Aboriginal Land Councils, Prescribed Body Corporates and Aboriginal Corporations, to participate fully in private land conservation programs of the BCT.

The Cultural Lands fixed price offer will target the same conservation assets and, use the existing schedule of fixed price offers (\$/ha/yr), with the option to request costs for essential conservation infrastructure.

Participants may also have the option to request direct costs for cultural activities, such as cultural burning, where these activities also deliver outcomes for biodiversity.

To enable the BCT to respond to biodiversity conservation investment opportunities and support Aboriginal organisations the Cultural Lands fixed price offer may also be offered in BCIS priority investment areas 4-5, where outcomes will protect high conservation or cultural heritage value sites and/or have high marginal contributions to CAR targets.



3.2.6 Assessing good value for money sites

Applications for the fixed price offer are assessed and ranked with regard to best value for money.

Each site has a unique Biodiversity Value Score (BVS) using the BCT's rigorous Assessment Metric.¹⁰ The BVS is divided by the present value (PV) of the annual management payments to provide a single Biodiversity Value Index (BVI):

$$\frac{\text{Biodiversity Value Index}}{\text{Biodiversity Value Score}} = \text{Fixed price offer (PV)}$$

Landholders may apply for an additional payment for essential conservation infrastructure costs to assist with establishing a conservation area. These contributions are in addition to the fixed price payment schedule and where the request is consistent with published fixed price offer guidelines, the BVI will be calculated as such:

$$\frac{\text{Biodiversity Value Index}}{\text{Biodiversity Value Score}} = \text{Fixed price offer (PV)} + \text{essential conservation infrastructure costs}$$

For the Cultural Lands fixed price offer, direct costs for cultural activities are in addition to the fixed price payment schedule and essential conservation infrastructure. Where the request is consistent with

published fixed price offer guidelines, the BVI will be calculated as such:

$$\frac{\text{Biodiversity Value Index}}{\text{Biodiversity Value Score}} = \text{Fixed price offer (PV)} + \text{essential conservation infrastructure costs} + \text{cultural activities}$$

Applications for fixed price offers will be ranked and evaluated to ensure equity and probity, with each cohort of applications grouped according to comparable eligibility criteria, and by offer.

Applications will be grouped within each batch as such:

- Applications for sites within the fixed price offer - Central and Eastern NSW.
- Applications for sites within the fixed price offer - Western NSW.
- Applications for sites within the Cultural Lands fixed price offer.

The types of eligible essential conservation infrastructure and cultural activities will be reviewed regularly against program implementation outcomes and budget. Any updates to eligible conservation infrastructure costs or cultural activities will be made to coincide with the beginning of a new 'batch period'.

Eligible conservation infrastructure costs and cultural activities will be communicated ahead of fixed price offer timelines.

Notes:

¹⁰ See Section 7.2



Table 2: Schedule of fixed price offers and special projects 2023-24 to 2026-27

This schedule is indicative. Timelines will be communicated to eligible stakeholders.

BCT Region	2023-24	2024-25	Review	2025-26	2026-27
South East				FP09	FP010
Sydney Hunter				FP09	FP010
North Coast					
Murray-Riverina	FP07	FP08		FP09	FP010
Northern Inland	FP07	FP08		FP09	FP010
Central West	FP07	FP08		FP09	FP010
Western	FP07	FP08		FP09	FP010
Multi-region	Cultural Biodiversity Conservation FPO pilot				Cultural Biodiversity Conservation FPO

Notes:

Fixed price offer (FPO) is the BCT's standing CMP offer maintained at current annual cycle. A Cultural Biodiversity Conservation FPO is delivered on a two-year cycle to enable extended engagement, consultation, and negotiation with Aboriginal landholding organisations and Traditional Owners.



Working with partners like Nari Nari Tribal Council and The Nature Conservancy supports and expands high value conservation outcomes. Pictured is Gayini Land Manager, Jamie Woods, of Nari Nari Tribal Council. Credit: The Nature Conservancy/Annette Ruzicka

3.3 Conservation co-investments

The BCT can enter bespoke co-investment partnerships with landholders, and one or more co-investors, to invest in significant or large-scale conservation properties.

The core objectives are to deliver long term private land conservation; complement other non/government conservation initiatives; deliver socio-economic outcomes; and, demonstrate value for money.

These initiatives can be realised at any time and the BCT maintains an open call for EOIs throughout the year from partners, landholders, and other co-investors to:

- identify high priority conservation properties
- compile a mutually beneficial capital stack, which may include in-kind contributions.
- achieve permanent private land conservation at scale.

3.3.1 Priority targets for large-scale or significant conservation properties

Investment in large-scale or significant conservation properties is aimed at protecting priority conservation assets identified within the BCIS, where protection of those assets will achieve, high-value conservation outcomes.

3.3.2 Assessing good value for money

Co-investment projects need to demonstrate significant biodiversity conservation value for the BCT's share of investment, when assessed comparatively to BCT investment via other delivery mechanisms.

Business cases are required outlining the proposed financial, or in kind, contributions from the landholder, co-investor(s) and the BCT.

Biodiversity value for money is evaluated using the BCT Assessment Metric. The BCT will also consider overall value for money relative to the co-investment core objectives and contributions of all partners.

A Biodiversity Value Index (BVI) will be used to make a comparative assessment to investment delivered via other mechanisms. This will involve the BCT doing a site assessment to prepare a Biodiversity Value Score (BVS), which will be divided by the present value of the proposed BCT investment.

$$\begin{array}{c}
 \text{Biodiversity Value Index} \\
 = \\
 \text{Biodiversity Value Score} \\
 \hline
 \text{Present Value (PV)}
 \end{array}$$

3.4 Revolving Fund

The BCT's Revolving Fund purchases properties with significant conservation values, then on-sells these properties to buyers on condition they enter into an in-perpetuity conservation agreement, registered on title, over part or all of the property.

The Revolving Fund's 'buy to sell' approach is done in accordance with parameters approved by the BCT Board and focuses on properties with a high prospect of a timely resale to minimise holding costs and maximise opportunities to be secured by future revolving fund purchases.

The BCT will further investigate a 'capital light' approach to the Revolving Fund by identifying property purchasers willing to enter into a conservation agreement as a special condition of the contract for sale between a vendor and purchaser, without requiring BCT capital investment.

3.4.1 Revolving Fund priority targets

Properties are identified to meet BCIS priority investment areas (PIAs) 1-3 with conservation assets targeted by the fixed price offer and conservation tenders. They are geographically found west of the divide through the NSW sheep and wheat belt.

3.4.2 Revolving Fund business case timelines

The BCT will identify suitable properties throughout the year and explore opportunities for co-investment partnerships where the Revolving Fund may be leveraged to secure greater conservation outcomes.

3.4.3 Assessing good value for money properties

The BCT Assessment Metric is applied to conservation agreements on Revolving Fund properties to ensure a value-for-money funding arrangement relative to comparable sites receiving BCT investment through the CMP.



Landholders receive support to monitor and report on conservation outcomes.

4 Program delivery

4.1 Applying the program delivery mechanisms

The NSW Biodiversity Conservation Trust's (BCT) private land conservation programs have been developed to ensure NSW Government investment is aligned to the NSW Biodiversity Conservation Investment Strategy (BCIS).

Alongside the Conservation Management Program (CMP) the Conservation Partners Program (CPP) also provides opportunities for landholders to participate in private land conservation, to varying degrees.

CMP delivery mechanisms are applied to target conservation assets not already being successfully delivered through the CPP.

Under the CPP, landholders can generally apply for a conservation agreement at any time, without guaranteed annual management payments. These unfunded conservation agreement-holders can apply to the BCT for grants that support their conservation management goals within the conservation agreement area.

The CPP focuses effort at a local level to secure specific conservation assets.

Conversely, the CMP's fixed price offers are a standing offer, at state scale, targeting BCIS priority investment areas and conservation assets.

The Revolving Fund is also applied at the state scale and used to purchase properties for sale within priority investment areas or that contain priority conservation assets¹².

Conservation tenders, conservation co-investments and the Revolving Fund target priority investment areas and priority conservation assets at local and regional scales.

Based on delivery experience and decision-support science, a program of offers has been identified to realise the BCT's aims and strategic goals as well as respond to significant events or opportunities.

The delivery mechanisms in this plan have evolved through BCT experience in implementing the previous CMP. For example, the different tender formats detailed are innovations based on delivery experience and market insights gained over the lifetime of the BCT.

These mechanisms, the inclusion of multi-region conservation tenders, special projects and an additional focus on ecological restoration give the BCT the tools to scale delivery as required. This approach to program management will support:

- new partnership and investment opportunities, particularly where the BCT can leverage investment to deliver an additional conservation tender in a given year; or, introduce investment or investors to an existing tender to extend or scale outcomes; and,
- responding to climate variability (significant weather events) and natural disasters; such as modifying the footprint of a multi-region tender.

Opportunities emerging from environmental markets, specifically the Australian Government's Emissions Reduction Fund and the developing Nature Repair Market will also be a focus.

Notes:

¹² The revolving fund may respond to opportunities to secure high value conservation properties outside of fixed price offer eligible areas. In these circumstances an unfunded conservation agreement is placed on the title of the revolved property.

4.1.1 Emissions Reduction Fund

Opportunities to combine CMP agreements with carbon offsets projects of the Emissions Reduction Fund (ERF) in NSW will be explored.

CMP funding can be stacked with revenue from carbon projects through the sale of Australian Carbon Credit Units (ACCUs) to expand protected areas and deliver enhanced restoration outcomes. In addition, CMP agreements stacked over ERF vegetation carbon projects provide a framework for certifying biodiversity co-benefits to carbon projects, which attract a premium on the price of ACCUs.

The BCT will evaluate the pilot biodiversity and carbon tender underway in 2023 to inform future conservation tenders expected to include ERF vegetation carbon projects.

The Clean Energy Regulator (CER), as the ERF administrator, is committed to transparency and facilitation of co-benefits beyond emissions abatements. The BCT will continue to engage with the CER to explore how CMP agreements interact with the CER's co-benefit assessment.

4.1.2 Nature Repair Market

The BCT is exploring how CMP conservation agreements interact with emerging Australian Government legislation, specifically the Nature

Repair Market Bill, to establish tradable biodiversity certificates.

There may be scope for CMP conservation agreements to provide biodiversity certification in the Nature Repair Market. This could potentially increase demand for CMP mechanisms, or provide alternative revenue streams to deliver the CMP.

The BCT has participated in and will continue to engage in the public consultation, development and implementation of a Nature Repair Market.

4.2 Our expertise, program role and responsibilities

Design and delivery of the CMP requires expertise from across the BCT, and where applicable, from our delivery partners.

Some responsibilities are deliberately dispersed across BCT teams (Table 3) to manage potential or actual conflicts of interest and to ensure the highest standards of probity and equity. These high standards of probity and equity are a critically-important feature of all BCT processes under the CMP.

The CMP harnesses local and regional knowledge, capability and expertise, and fosters collaboration and capacity building across BCT staff.

Table 3: CMP delivery roles and lead BCT team

Conservation Management Program role	NSW Biodiversity Conservation Trust lead team
Program design	Private Land Conservation (PLC) Programs
Program evaluation	PLC Programs (with contracted external expertise)
Coordination of CMP implementation statewide	PLC Programs (fixed price offers and conservation tenders) Revolving Fund and Investment Assessments (large-scale or significant conservation properties and revolving fund)
Delivery, operations, and stakeholder engagement	Regional Delivery
Ongoing landholder support after agreements signed	Regional Delivery (see Annexure A)
Technical and spatial services	Agreements and Technical Services
Communications: media, advertising, promotion and publications	Media and Communications
Coordination of <i>Partnerships Framework and Philanthropy Strategy</i>	Partnerships and Investments
Financial planning and management	Finance
Governance frameworks	Governance



5 Complementing other programs

5.1 Building the National Reserve System

The National Reserve System is Australia's network of recognised protected areas. The goal of the National Reserve System is to develop a comprehensive, adequate, and representative (CAR) system of protected areas, to secure the long-term protection of Australia's terrestrial biodiversity.

The Biodiversity Conservation Investment Strategy (BCIS) was developed to align with national agreements and the targets of Australia's Strategy for the National Reserve System 2009–2030 (NRS Strategy).

NRS Strategy targets include:

- Building a **Comprehensive** system of protected areas by protecting examples of at least 80 per cent of all regional ecosystems in each bioregion, with priority given to under-represented Interim Biogeographic Regionalisation for Australia (IBRA) bioregions where less than 10 per cent is protected
- Building a **Representative** system of protected areas by protecting examples of at least 80 per cent of all regional ecosystems in each subregion.

BCIS targets are concerned with the protection of NSW landscapes that will progress a comprehensive, adequate, and representative (CAR) protected area system. The BCIS also progresses **Adequacy** via the priority investment areas, which prioritise NSW landscapes that have less than 17 per cent of their total area in permanent protection.

The Conservation Management Program (CMP) will focus investment in progressing a CAR protected area system by:

- targeting the fixed price offer to those subregions that have not met the 'representativeness' target (along with additional criteria), and to those subregions that have the highest concentration of BCIS high-priority NSW landscapes.
- targeting conservation tenders to NSW landscapes that are not represented, or inadequately reserved, within the protected area system; or those requiring in-perpetuity agreements for conservation tenders in bioregions that have met comprehensiveness targets; or, subregions that have met representativeness targets.
- focussing the revolving fund on areas and assets aligned with the fixed price offers and conservation tenders.



The NSW Biodiversity Conservation Trust is committed to protecting koala habitat on private land as part of the NSW Koala Strategy. Credit: Colin Elphick

5.2 Complementing the NSW National Parks Reserve System

The NSW Government is continuing to build a national parks system that is comprehensive, adequate, and representative (CAR).

The BCIS highlights the importance of the BCT working closely with National Parks and Wildlife Service (NPWS) to build a complementary protected area system across public and private land.

The CMP's private land conservation outcomes complement public protected area outcomes through consideration of CMP proximity to existing protected areas in the selection and assessment of investment. There is potential for the CMP to significantly strengthen the complementarity through alignment of the program's offerings, where possible, with the strategic priorities of the draft *NSW National Parks System Establishment Plan*.

The BCT will continue to work with NPWS to ensure complementarity with the draft *NSW National Parks System Establishment Plan*.

5.3 Delivering outcomes under the NSW Koala Strategy

Koalas in NSW face a range of threats, including habitat loss, fragmentation and degradation, climate change, disease, declining genetic diversity, vehicle strike, bushfire, and dog attack. These mounting pressures, exacerbated by the impacts of the 2019-2020 bushfire season, compounding flood events, and combined with historic declines, mean that without intervention, koalas could be extinct in NSW by 2050.

The NSW Government has set an ambitious goal to double koala numbers in the state by 2050.

The BCT is on track to deliver a commitment to protect 7,500 hectares of koala habitat under in-perpetuity conservation agreements delivered through the CMP and Conservation Partners Program.



Koalas in NSW face a range of threats, including habitat loss, fragmentation and degradation, climate change, disease, declining genetic diversity, vehicle strike, bushfire, and dog attack. Credit: Colin Elphick

5.4 Complementing the NSW Saving our Species Program

NSW has experienced devastating declines and extinctions in a broad array of native plants and animals since European settlement, with almost one-fifth of mammal species in the state now presumed extinct.

Extinctions have also extended to species of plants, birds, fish, and reptile. Currently, NSW has approximately 1000 threatened species and ecological communities at risk.

The Saving Our Species (SOS) program is the NSW Government's leading threatened species conservation program. The program's objectives are to maximise the number of species secure in the wild in NSW in 100 years, and to control the key threats to threatened plants and animals.

Much of the world's threatened biodiversity is found outside the public reserve system and private land conservation efforts play an important role in securing threatened species in the wild and maintaining our invaluable biodiversity into the future.

The BCIS acknowledges the importance of private land in threatened species conservation and identifies SOS sites as one of the priority conservation assets to be targeted by BCT investment.

The CMP considers SOS priorities during assessment of conservation tender sites and has considered SOS data in the selection of targeted CMP offerings.

The planning and assessment of investment in conservation tenders, Revolving Fund and co-investment partnerships will continue to consider SOS threatened entities that are a priority for private land conservation.

The BCT will continue to liaise with Environment and Heritage to identify further opportunities to maximise the complementarity of the CMP with SOS.

5.5 Complementing the NSW Biodiversity Offsets Scheme

The BCT seeks to ensure the CMP complements the NSW Government's Biodiversity Offset Scheme (BOS) via a coordinated approach to program delivery that achieves enhanced conservation outcomes and efficiencies, where possible.

In line with the BCIS, CMP investment will generally not be prioritised in areas where an active market is operating under the Biodiversity Offsets Scheme (BOS). This will avoid interference with the efficient operation of the market.

Nevertheless, there may be situations where it is possible to deliver conservation outcomes and benefits to landholders through strategic CMP offers that complement the BOS.

Ongoing liaison and consultation with the BOS, will be central to identifying strategic opportunities throughout the annual CMP planning and prioritisation process.

5.5.1 Biodiversity Credit Supply Taskforce

The Biodiversity Credit Supply Fund and Taskforce (CST) was established in 2022 to fast-track supply of biodiversity credits by proactively supporting landholders to enter into Biodiversity Stewardship Agreements (BSA) and generate in-demand, priority biodiversity credits.

The BCT is working alongside the CST to enhance conservation benefits by contributing to regional and landscape-scale conservation objectives and integrating private and public land measures to

achieve cohesive biodiversity conservation outcomes for NSW.

5.6 Other programs and initiatives

The BCT will continue to work closely with other NSW Government initiatives in designing and delivering the CMP, including, but not limited to:

- Primary Industries Productivity and Abatement Program.
- Nature Positive Farming Program (formerly Sustainable Farming Program).
- Local Land Services programs that support sustainable land management practices.
- other Natural Capital initiatives.

In delivering the CMP, the BCT also works with local government and non-government partners and will continue to collaborate with members of the Australian Land Conservation Alliance, community groups and non-government organisations involved in private land conservation.

The BCT will continue to build and maintain relationships with delivery and co-investment partners to support and expand delivery of our programs. This will be directed through the BCT's *Partnerships Framework and Philanthropy Strategy*.

The BCT will also seek to enhance delivery of the CMP through expanded partnerships with non-government organisations, such as the BCT's existing relationship with Landcare NSW.

The NSW Government has set an ambitious goal to double koala numbers in the state by 2050. Credit: Colin Elphick



6 Governance and finance

6.1 Financial allocation and investment

Through its Conservation Management Program, the NSW Biodiversity Conservation Trust (BCT) invests in private land conservation and supports landholders with management actions via funded agreements.

Additional funding for the CMP may be raised through the NSW Biodiversity Conservation Trust Public Fund, and by co-investment from other parties, to leverage the Government investment.

CMP investment is made by consistently considering value for money investment across all program offerings.

6.2 Governance and approvals

For conservation tenders and fixed price offers, an evaluation panel is established to provide appropriate governance for the review and recommendation of applications. An independent probity adviser supports the evaluation process and strict confidentiality and conflict-of-interest procedures are followed for all people involved in the process. The panel recommends proposed agreements to the Chief Executive of the BCT.

For conservation tenders, the Chief Executive of the BCT is responsible for making final recommendations to the BCT Board for approval. Under current BCT Board delegations, fixed price offers with a total investment of up to \$5 million are approved by the BCT Executive Committee. Fixed price offers with a total investment above \$5 million require BCT Board approval.

Revolving Fund business cases with a total investment of up to \$5 million are approved by the BCT Executive Committee, under delegation from the BCT Board. Revolving Fund business cases with a total investment above \$5 million require BCT Board approval.

Expressions of interest for conservation co-investments are submitted to the BCT Board for approval and to invite a formal business case from applicants. Business cases must demonstrate the proposal satisfies the core objectives and evaluation criteria for conservation co-investment. Business cases for BCT investment in significant conservation properties requires BCT Board approval.

An overview of the approval arrangements for the investment delivered through the CMP is provided in Table 4 (under current delegations).

Table 4: CMP investment approval arrangements

Delivery mechanism	Approver
Conservation tenders	BCT Board
Fixed price offer - applications up to \$5 million	BCT Executive
Fixed price offer - applications > \$5 million	BCT Board
Revolving fund business cases up to \$5 million	BCT Executive
Revolving fund business cases > \$5 million	BCT Board
Conservation co-investment proposals	BCT Board




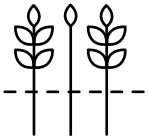
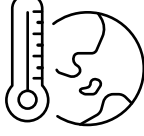

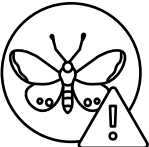
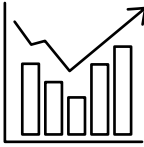



7 Science, data, and technology

7.1 Decision support science

The NSW Biodiversity Conservation Trust (BCT) applies best practice decision science in setting its Conservation Management Program (CMP) investment schedule.

A quantitative, statewide, decision support project, has been designed to maximise return on investment in the delivery of our private land conservation programs. It is used alongside existing data sets to systematically find the best locations across NSW that maximise the multiple values the BCT has identified as important and would achieve program objectives.

These values include:

 Comprehensive, Adequate and Representative (CAR) protected area network	 Koala habitat	 Cost
 Fractional loss of native vegetation	 Climate change impacts	 BCIS priority investment areas
 Threatened species priorities	 Avoided loss of native vegetation	 Restoration and carbon potential
 Threatened Ecological Communities	 Native vegetation connectivity	

Weights are applied representing the relative importance of each of the input values to inform and optimise multiple objectives. The optimal solution (or multiple near-optimal solutions) aggregates these values and corresponds to the CMP's objectives.

Use of the decision support process has allowed the BCT to be explicit and transparent about the values, assumptions and trade-offs involved in making targeted investment decisions. It has helped operationalise priorities and investment principles in the NSW Biodiversity Conservation Investment Strategy (BCIS).

7.2 Assessment Metric

The BCT has developed a rigorous Assessment Metric to determine best value for money sites under the BCT's CMP. The Assessment Metric supports cost effective BCT investment in private land conservation.

The Assessment Metric ranks best value-for-money sites via the generation of a Biodiversity Value Score (BVS) for each site, which is then divided by the price for conservation management of the site, to generate a Biodiversity Value Index (BVI).

Biodiversity Value Score

The Biodiversity Value Score (BVS) represents the biodiversity value achieved from conservation management of a site and is made up of four components.

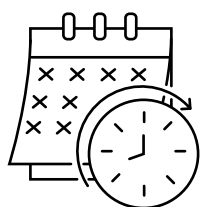


1

Conservation values are assessed and measured

This involves a field officer assessing the ecological condition of the site and the predicted future condition of the site based on:

- proposed management actions;
- the type of environmental values on the property, such as threatened ecological communities, threatened species and important wetlands and,
- the value of the site based on its contribution to conservation in the landscape.



2

Duration

For some delivery mechanisms, landholders have the option to select conservation agreements that have a specified term (minimum of 15 years), through to in-perpetuity. The BVS gives greatest weight to in-perpetuity agreements and greater weight to longer-term agreements relative to shorter-term agreements.



3

Risk

Risks of conservation values being lost or impacted in the future are assessed, having regard to the land and soil capability, class of the site, and/or other suitable surrogate(s).



4

Area

The eligible area of the proposed site to be protected by the Conservation Agreement is measured.

Biodiversity Value Index

Once a BVS is generated, the Assessment Metric calculates a BVI for each site. This is done by dividing the BVS by the price for the conservation management of the site.



Routine monitoring and reporting of conservation management activity is supported by NSW Biodiversity Conservation Trust ecologists and landholder support staff. Credit: Colin Elphick

8 Program evaluation and reporting

The NSW Biodiversity Conservation Trust (BCT) has previously reviewed deliverables of the Conservation Management Program (CMP). It will expand on this work to develop a comprehensive evaluation plan in accordance with NSW Treasury's Program Evaluation Guidelines.

The evaluation plan will be informed by projects aimed at continually improving design and delivery of the CMP already completed, or underway, and that have informed development of this plan. These projects are listed here.

- CMP offer-specific evaluations.
- Cost effectiveness analysis of BCT conservation tenders and fixed price offers.
- Fixed Price Offer optimisation.
- Analysis of price signalling.
- BCT Assessment Metric optimisation.

- BCT Landholder and Program Participant Survey.
- CMP audit.

A review will be undertaken to coincide with the end of the BCT business plan cycle and to accommodate any other changes resulting from changes to the *Biodiversity Conservation Act 2016* and/or the Biodiversity Conservation Investment Strategy (BCIS).

A full program evaluation will be undertaken toward the end of 2026-2027.

Reporting on Conservation Management Program outcomes will include:

- reporting on program key performance indicators;
- quarterly dashboard reporting; and,
- annual public reporting on achievements.

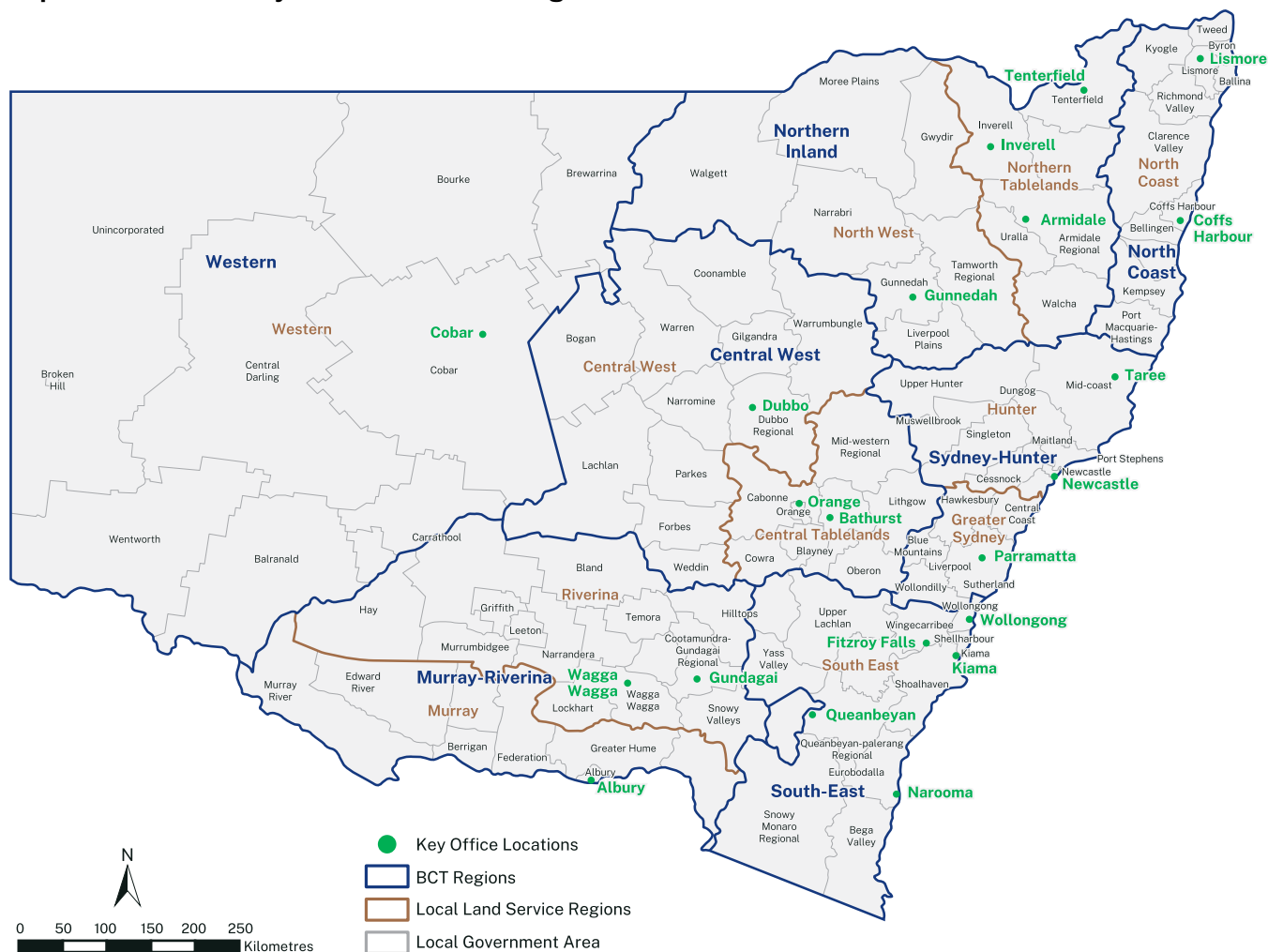
Annexure A:

NSW Biodiversity Conservation Trust regions

The Conservation Management Program (CMP) is delivered statewide by staff located in regional hubs. Regional teams include ecologists, landholder support staff and regional conservation staff, who

deliver frontline services to landholders, including conservation management support, program delivery and agreement monitoring, evaluation and reporting activity.

Map 1: NSW Biodiversity Conservation Trust regions



Annexure B:

Glossary

ACCU	Australian Carbon Credit Unit	LGA	Local Government Area
BCIS	NSW Biodiversity Conservation Investment Strategy	PIAs	Priority investment areas
BCT	Biodiversity Conservation Trust	PLC	Private land conservation
BOP	Biodiversity Offsets Program	NPWS	National Parks and Wildlife Service
BOS	Biodiversity Offsets Scheme	NRS	National Reserve System
BSA	Biodiversity Stewardship Agreements	SOS	Saving Our Species
BVI	Biodiversity Value Index	TECs	Threatened Ecological Communities
BVS	Biodiversity Value Score		
CAR	Comprehensive, Adequate and Representative		
CER	Clean Energy Regulator		
CMP	Conservation Management Program		
CPP	Conservation Partners Program		
CST	Biodiversity Credit Supply Taskforce		
DIWA	Directory of Important Wetlands of Australia		
EOI	Expression Of Interest		
ERF	Emissions Reduction Fund		
FPO	Fixed Price Offer		
IBRA	Interim Biogeographic Regionalisation of Australia		

NSW Biodiversity Conservation Trust

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