



Australian Government

THE TASMANIAN COMMUNITY FOREST AGREEMENT

FOREST CONSERVATION FUND



Fact Sheet 5: Frequently asked question and answers

Who administers the Forest Conservation Fund?

The Forest Conservation Fund (FCF) is an initiative of the Australian Government and was developed as part of the 2005 Tasmanian Community Forest Agreement. It is being administered by the Australian Government Department of the Environment and Water Resources. Tender processes are being managed by a Service Provider (a consortium led by KPMG Tasmania). Once a Conservation Covenant and Nature Conservation Plan are in place they will be managed by the Tasmanian Government Department of Primary Industries and Water.

What is the FCF trying to do?

The FCF seeks to support and recognise private landowners with financial incentives in ensuring that forest types are adequately represented and protected for future generations, and especially in protecting the values found in old growth forests. The FCF recognises that owners may need to alter their management practices in preserving their forest for conservation purposes and invites owners to voluntarily nominate a financial consideration for entering into a Conservation Covenant.

What type of forest is the FCF looking for?

The FCF is looking to protect old growth forests and other forests on private land that are not yet adequately reserved in current protected areas. Examples of under-reserved forest communities for the State of Tasmania are provided in *Fact Sheet 8*. In certain regions, under-reserved forest types may vary, and it is sensible to discuss this in more detail with your Conservation Adviser while they are assessing your property.

I have mixed forest. Do I have to offer only the forest communities you have listed?

Forests of different priority will receive different points towards the Conservation Value Index. You should discuss with your Conservation Adviser how to balance convenience, your plans for your overall property and maximising your score. For example, although you will not receive a high score for the low-priority forest, and including it would reduce the conservation value per hectare of forest, the most important aspects of your tender application will be the total conservation value offered and the total financial consideration you are asking for.

What if I am not sure whether I want to be involved or commit to participate in the FCF?

An expression of interest or site assessment is not binding and you may decide to change your mind after having a site assessment and discussing your options with the Conservation Adviser.

What if I am not sure of the conservation values on my property?

The Conservation Adviser will be able to assess your forested land and discuss the outcomes of the assessment with you. Everyone who participates in the FCF must have the conservation value of their forest assessed by an independent Conservation Adviser.

What is old growth forest?

Old growth forest is ecologically mature forest and has been subjected to negligible unnatural disturbance. This is the definition used in the Tasmanian Regional Forest Agreement.

What are under-reserved communities?

There are national targets for including a proportion of each forest community in protected areas. Under-reserved forest communities have not been sufficiently protected so they have a higher priority for protection. The Conservation Adviser will be able to discuss this in more detail. See *Fact Sheet 8: Forest Communities* for a list of FCF under-reserved forest communities.

How will the FCF work?

The FCF invites you to submit proposals in a competitive tender round to protect your forests for at least 12 years, through entering into a Conservation Covenant. You can nominate the area of the forest you want to protect, any use you still want to make of the land, and what actions you will undertake to manage the area. Proposals are compared on a value for money basis. See *Fact Sheet 3: FCF Tender Application*, for more information on the tender evaluation process.

A successful FCF tender application means you will be paid the approved financial consideration in two payments. The first payment will be made once the Australian Government has signed the financial agreement. The second payment will be made once the Conservation Covenant and Nature Conservation Plan have been executed by the Tasmanian Government Department of Primary Industries and Water (DPIW).

What does 'conservation' of forest mean?

For the purposes of the FCF, conservation means all the processes and actions of looking after an area so as to retain its natural significance.

What is a Conservation Covenant?

"Conservation Covenant" and Nature Conservation Plan are linked documents, which are both required in the FCF. The Covenant is a legal instrument that sets out specific limitations to the use of the land. The Nature Conservation Plan then describes activities that may be conducted under that Covenant. See Fact Sheet 3: FCF Tender Application, for more information on Conservation Covenants and Nature Conservation Plans.

Will I be able to selectively harvest or log my forest after signing a Conservation Covenant?

No. The Conservation Covenant you sign will go onto your property's title to ensure the forest you have nominated is protected for the term of the conservation agreement.

What happens if my family circumstances change such as a family death or divorce?

The conservation agreement will remain on the title and can only be revoked or altered with the agreement of the Tasmanian Minister and landowner. If your family situation alters you will need to contact DPIW to discuss the situation.

Who will see the financial consideration in my tender application?

Your FCF tender application will remain in a sealed box until opened by an independent panel, including a Probity Adviser, when tenders have closed. Only once the panel has ranked the FCF tender applications and the Minister for the Department of the Environment and Water Resources has approved the FCF tender recommendations, will your details be made available to the FCF Service Provider and staff in the Australian and Tasmanian Governments who will prepare the legal documents. At no time before or after the tender process will other landowners, Conservation Advisers or anyone else outside the governments and the Service Provider see the financial consideration you nominated. You will be asked to keep confidential whether your application is successful or unsuccessful.

Should the financial consideration in my tender application be GST inclusive or GST exclusive?

The financial consideration should be GST exclusive.

How long will approval take?

The FCF is aiming to make the process as fast as possible. You should hear whether you have been successful within two months of the closing of tenders.

What length of time do the conservation agreements last?

Under the FCF the duration of the Conservation Covenants are for a minimum of 12 years.

I am a lessee of the property. Am I able to sign a conservation agreement?

No. The owner of the land is the only person able to enter into a conservation agreement.

I am a lessor of the property. Am I able to sign a Conservation Covenant?

Yes. Provided that it does not breach your lease agreement and the lessee agrees in writing to undertake the management activities that are set out in the Conservation Covenant.

How will the management activities and Conservation Covenants be monitored?

The DPIW will provide monitoring and management support to landowners of covenanted land under the FCF.

DPIW will support you in managing your land for conservation purposes, inspect covenanted land and provide advice on, and assistance with, management. They will monitor the impact of the management of the land and may adjust the requirements for how the land is managed (the management prescriptions) in agreement with you. If you need to change a particular management activity (for example during a drought) you can contact DPIW to discuss a change.

DPIW officers will visit a proportion of properties with land covenanted under the FCF each year and make contact with you periodically. These support services will be provided for the life of the Conservation Covenant and are free of charge to you.

Can I withdraw from the tender process?

You can withdraw from the process at any time up to signing the financial agreement. Once the financial agreement is signed it is expected you will proceed through the rest of the covenanting process with DPIW. If the conservation agreement is not finalised, you will be required to repay the financial consideration you received under the financial agreement.

How will I be paid?

You will receive two payments. The first payment will be made when your proposal is accepted and your financial agreement with the Australian Government is signed. A second payment is made when your Conservation Covenant and Nature Conservation Plan is signed by both you and the Tasmanian Minister and lodged on title.

Can I sell the property once the Conservation Covenant has been finalised?

Yes. As the Conservation Covenant is placed on the title of the land, the Conservation Covenant conditions will be transferred to the new owner. This may have tax implications for you. Refer to Fact Sheet 4: Tax Implications.

What happens once a twelve year Conservation Covenant ceases?

Once the covenant lapses you will not be required to undertake any particular management activities. You will be able to manage your land, in accordance with the usual laws and planning restrictions. You may choose to negotiate a new covenant with DPIW, but this will not be part of the FCF.

Are there tax implications?

Yes. See above. Please also refer to *Fact Sheets 4 and 4a*.

Who signs the covenant and Nature Conservation Plan?

These documents will be signed by yourself and the Tasmanian Minister administering the *Native Conservation Act 2002*.

What happens if my protected forest is affected by fire or flood?

You will still be required to manage the area to maintain the conservation values. The covenant and Nature Conservation Plan will include terms and conditions that you can discuss with DPIW. The property may be reassessed, however you will not be liable to pay any money back. No further payments will be made by the Australian Government for losses.

Does the landowner have a reporting responsibility?

As landowner, you are not required to provide reports to the Australian Government Department of the Environment and Water Resources on the management activities undertaken annually. The Tasmanian Government will provide ongoing monitoring and support, including contact by DPIW officers.

Why shouldn't I wait for the 'next' programme?

The Forest Conservation Fund specifically aims to increase the protection of old growth forest and those forest communities, which are currently not adequately protected in existing reserves (under-reserved). At its successful conclusion, it is anticipated more than one million hectares of old growth forest will be protected in Tasmania, and the targets for protection of other forest communities will be substantially met. While not all forest communities will be protected to the nationally agreed standard, it is likely that any possible future programme in Tasmania will have different aims to the FCF, and may not necessarily need your forest to be included to meet specific conservation targets.

What happens when the FCF programme ceases?

The DPIW will continue to monitor the covenants established under the FCF.

How much money is available to landowners?

Due to the competitive nature of the FCF, the budget will not be released.

What if I have land that is of indigenous significance?

If you think that any actions you wish to undertake on your property will affect an area of indigenous significance, you need to consult with appropriate indigenous communities. Please contact the Tasmanian Aboriginal Land and Sea Council (details below) to discuss your circumstances.

Tasmanian Aboriginal Land and Sea Council

Telephone 03 6231 0288 or 1800 079 109

Facsimile 03 6231 0298

Email alct@intas.net.au

Internet www.talsc.net.au