



NATIONAL RESERVE SYSTEM

# Conditions for receiving National Reserve System funding for land purchase

The National Reserve System (NRS) is Australia's system of terrestrial protected areas. One of the ways that the Australian Government strengthens Australia's National Reserve System is by supporting state and territory governments, Indigenous groups, conservation organisations and other landholders to purchase land for inclusion in the National Reserve System.

If your organisation applies for *Caring for our Country* funding to purchase land for inclusion in the National Reserve System (NRS) (an 'NRS grant'), you are successful in your application<sup>1</sup>, and you agree to accept the NRS grant, then (once a contract is negotiated and signed) a number of obligations will arise for you as a 'grantee'.

This document aims to publicise a generalised set of standard conditions to help you (as a potential grantee) to understand the conditions of an NRS grant. NRS grants are administered by the Department of the Environment, Water, Heritage and the Arts (the Department). The Department reserves the right to modify or add to these conditions. The information below includes:

## [Overview of the obligations](#)

The detail:

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<sup>1</sup> The decision-maker is the Minister for the Environment, Heritage and the Arts

## Overview:

NRS grants can only be provided to grantees who agree to:

- purchase the (freehold or leasehold) land that was described in the application
- prepare interim management guidelines<sup>2</sup> for the land, in consultation with a steering committee<sup>3</sup>, and submit them for approval by the Department
- establish a protected area over the land<sup>4</sup>
- prepare a plan of management for the land, in consultation with a steering committee, and submit it for approval by the Department
- manage the land as a protected area:
  - in-perpetuity
  - in accordance with the relevant IUCN Protected Area Management Category (which Grantees nominate in the application process), the interim management guidelines and then the Plan of Management
- provide adequate resources to manage the land as a protected area effectively
- evaluate progress against milestones and report.

## The Detail

### 1. Once you agree to accept grant funding

Once you agree to accept an NRS grant, the Department will begin to draft a formal funding deed. After the funding deed is negotiated with the grantee, it must be executed by both the grantee and then the Department (on behalf of the Commonwealth) *before* any funding can be provided.

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<sup>2</sup> Interim management guidelines will apply until a Plan of Management is approved by the Department

<sup>3</sup> Steering Committees oversight 'how' project milestones are achieved, though Grantees retain the responsibility to deliver (drive) progress toward the achievement of targets. Steering Committees normally include members from the Australian Government, the relevant State or Territory conservation agency, and other organisations as required. Steering Committees are normally required for all non state or territory government grantees, and may be a requirement for state or territory government grantees.

<sup>4</sup> A **protected area** is a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means to achieve the long-term conservation of nature with associated ecosystem services and cultural values. **Preparing the land for formal recognition** as a protected area may include activities such as removing stock, rationalising boundary fencing and access, undertaking the necessary land administration activities, preparing management plans and monitoring and evaluation programs. The act of **formally establishing a protected area in law** varies for different landholders. For local councils and private landholders, this occurs when the landholder registers an in-perpetuity conservation covenant on the title to (or the interest in) the land. For state and territory governments, specific legislation provides for the establishment and management of public protected areas. A **conservation covenant** is a legal mechanism under state/territory law voluntarily entered into by a landholder. The covenant must be registered on the land title (or leasehold interest) for the purposes of protecting some nominated value or condition of the land. **For the purposes of NRS grants**, conservation covenants must be in-perpetuity covenants registered primarily for the purpose of biodiversity conservation.

As a contribution to the process of drafting the funding deed, grantees are required to provide:

- a recent (within the last three months) valuation of the property undertaken by a licensed valuer and
- a signed copy of the 'contract of sale' or 'agreement to purchase' that itemises what is being purchased, its value and the date of purchase, or a 'statement of settlement' for land that shows what has been acquired.

Among other things, the funding deed will note the formal legal process by which the protected area will be established over the land. 'Special Conditions' may be negotiated to reflect the circumstances unique to each 'NRS project'; for example, if native title exists (or may exist) over the land, the grantee may be required to negotiate an Indigenous Land Use Agreement (ILUA) with Traditional Owners.

## 2. Once a funding deed is signed

Once a funding deed is signed:

- The land must be acquired by the grantee.
- Once acquired, the grantee must commence covenant registration and/or gazettal processes.
- Steering committees are normally required; they need to be established.
- The grantee must submit to the Department:
  - evidence of ownership of land (by the grantee, i.e. the funds have been applied to the land acquisition as agreed in the funding deed)
  - a 'MERI plan'<sup>5</sup>
  - geographic information system data
  - images suitable for publication
  - copies of all publicly available information about the project, as it becomes available.
- Grantees may be required to provide security to the Commonwealth. The type of security could include a registered mortgage, a charge or deposit of title deeds. Where appropriate, the Commonwealth may also seek to support its security interest by lodging a caveat. The security will usually be discharged once the protected area is legally established and a plan of management for the land is approved by the Department.

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<sup>5</sup> A MERI Plan is a project management tool that sets out the steps to be followed in monitoring, evaluating, reporting and improving the progress of the project. Where it is required a MERI Plan must be submitted to the Department within 60 days of signing the funding deed. A MERI template will be available to assist in the development of a MERI Plan.

### 3. Preparing the management plan for the protected area

The planning task has initial and ongoing components. All planning must be completed under the guidance of the steering committee (wherever a steering committee is required).

Within three months of the purchase of the property, grantees must develop and submit to the Department for approval a set of interim management guidelines that will apply to and direct the management of the land from the time of purchase until a plan of management is approved by the Department.

Normally, within twelve months of purchase, surveys should be completed to establish baseline information on the natural and associated cultural values of the land.

Plans of management are required within two years from the time of purchase<sup>6</sup>. Most plans of management incorporate a program to monitor and evaluate the natural and cultural values important to the NRS. After they are approved by the Department, a Plan of Management directs management of the land until, as necessary, they are revised and, on approval by the Department, replaced.

### 4. Reporting

Until a protected area is legally established and a Plan of Management for the land is approved and is being implemented by the grantee, grantees are required to report quarterly to the Department (and where applicable the Steering Committee) on:

- the development of the interim management guidelines
- progress towards legally establishing the protected area
- development of the plan of management
- management activities
- issues arising.

Ongoing reporting on the condition and management of the property may also be required.

### 5. Ongoing requirements

Throughout the project the Department must be informed of any significant changes and any new threats or issues that could affect the way the land will be managed or the achievement of the intent of the project. It is a condition of funding that grantees:

- seek Australian Government approval of media releases, property launches, signage and publications concerning the property<sup>7</sup>
- pay all taxes, duties and government charges imposed or levied in Australia or overseas in connection with the project

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<sup>6</sup> Guidelines for preparing a Plan of Management are available through <http://www.environment.gov.au/parks/publications/nrs/pubs/guidemanagement.doc>

<sup>7</sup> The communications products must acknowledge the support of the Australian Government

- comply with any other requirements or obligations arising in connection with the land, including complying with all government regulations and meeting all planning requirements
- keep proper accounts and records of transactions and affairs in relation to the NRS Project and the use of the funding provided, in accordance with accounting principles generally applied in commercial practice and as required by law
- maintain:
  - workers' compensation insurance for an amount required by the relevant state or territory legislation
  - public liability insurance for an amount of not less than ten million dollars
  - insurance of all improvements on the land purchased with the grant for their replacement value (reviewed annually).