

**AUSTRALIA** 

# FEDERAL PRE-BUDGET SUBMISSION 2025-26

# Budget Submission 2025-2026

The World Wide Fund for Nature-Australia (WWF-Australia) welcomes the opportunity to make a submission for the 2025-2026 Federal Budget. WWF-Australia's submission presents practical recommendations, focusing on priority investment areas, that will aid in Australia's transition to a nature positive, net-zero economy, for the benefit of people and nature.

WWF is one of the world's largest and most experienced independent conservation organisations, with over 30 million supporters and a global network active in more than 100 countries. WWF-Australia is part of the WWF International Network and is one of Australia's most trusted conservation organisations. At WWF, we work to protect threatened species and habitats, meet the challenge of climate change, and build a world where people live in harmony with nature.

The unprecedented environmental and ecological challenges of our time represent a critical turning point for humanity. These interconnected crises necessitate a fundamental reimagining of our societal systems, economic models, and individual lifestyles. This document outlines WWF-Australia's investment priorities for the Federal Government to address these challenges and achieve a Nature Positive future. In the Appendix, we have included some project examples that contribute to the proposed investment figures. This isn't an exhaustive list of projects but illustrates where funds could be directed to start delivering on the protection and recovery of nature, climate action and the renewables transition. Each example project has been drafted by experts, grounded by good science, and prioritised due to the value they yield for people, nature and the economy. Detailed action plans and budget requirements based on forward estimates can be provided on further request.

### Areas for Federal Government investment

The first section of this submission presents five key strategic areas for investment:

- 1. First Nations leadership for healthy Country and people
- 2. Invest 1% of the budget to protect and repair Australia's natural environment
- 3. End deforestation to protect the places species call home
- 4. Build the health and resilience of our oceans
- 5. Seize Australia's opportunity to address dangerous climate change and build a renewable energy future.

These investments are essential to help secure a healthy planet for people and nature, and to safeguard Australia's economy.

Please contact Nicole Forrester, Chief Conservation Officer <u>nforrester@wwf.org.au</u> for further information.

## 1. Elevate First Nations Leadership for healthy Country and people

#### 1.1 Expand and fund an Indigenous women rangers' network

Achieving gender equity in the ranger program and embracing the vital role women play in caring for Country needs a dedicated support program and appropriate funding. WWF-Australia calls on the next Australian Government to support the expansion and operation of a truly national Indigenous women rangers' support network. Dedicated investment in women rangers would enable expansion of the network into southern and eastern states by engaging new coordinators and establishing new hubs, provide funding certainty to existing hubs, facilitate a national women Caring for Country forum and governing board, and resource new opportunities for professional development and knowledge exchange.

WWF recommendation:

• Support the expansion and operation of a truly national Indigenous women rangers' support network - \$10 million over four years.

#### 1.2 Establish a Commissioner for Country

WWF-Australia, alongside a collective group of Aboriginal and Torres Strait Islanders representatives from leading NGOs, are calling for a voice of Country to end the ongoing environmental damage to Country.<sup>1</sup> The lack of consideration for Indigenous knowledge in decision-making is why there is a strong need for an independent, authoritative Indigenous voice that guides the protection and management of natural and Indigenous cultural heritage values protected under national law. The Commissioner for Country will be an empowered public champion that provides a geographical voice to protect, restore, manage invasive species, and repair Country - a voice of Country. This voice does not replace or supersede the voice of Aboriginal and Torres Strait Islander communities but elevates and empowers those seeking to care for Country. This position will be an independent voice outside of existing departmental structures but can be supported by departmental staff, similar to the Threatened Species Commissioner.

WWF recommendation:

• Establish a Commissioner for Country - \$42m per annum.

#### 1.3 Include First Nations perspectives in threatened species recovery

First Nations peoples attribute tremendous value to animals, plants and ecological communities, with culturally or spiritually significant species being indicators of healthy Country. Currently there are few funded First Nations identified positions that coordinate cultural knowledge into threatened species recovery. To support the inclusion of First Nations perspectives, the Government should fund First Nations staffing positions that support the integration of First Nations cultural ecological knowledge on threatened species recovery, rather than relying on the goodwill of First Nations people. WWF-Australia calls on the government to commit to integrating First Nations perspectives on Culturally Significant Entities (CSE), by funding Indigenous-led research that highlights the importance of Indigenous-led management of CSE in biodiversity conservation; with a view towards supporting a national CSE baseline data set and the subsequent inclusion of the condition of CSE in State of Environment reporting.

WWF recommendations:

<sup>&</sup>lt;sup>1</sup> Commissioner for Country, <u>https://www.commissionerforcountry.org.au/</u>

- Integrate First Nations' perspectives and knowledge in Australia's threatened species recovery by funding First Nations recovery positions \$35m a year for five years.<sup>2</sup>
- Invest in Indigenous-led research that supports the recognition of culturally significant entities through State of Environment reporting processes to document trends in condition \$3m over five years.

See project example 1 in Appendix for details on 'Right-Way Fire: A nature-based solution for climate', a project that would help elevate First Nations Leadership for healthy Country and people.

<sup>&</sup>lt;sup>2</sup> This would cover 44 recovery coordinator positions who would be responsible for integrating First Nations perspectives into threatened species recovery for the Government's 110 threatened species (approx. 2.5 species per coordinator role) for five years.

### 2. Invest 1% of the budget to protect and repair Australia's natural environment

Australia's ongoing nature crisis is a direct result of decades of insufficient funding for environmental protection. Less than 0.1% of the budget is spent on biodiversity.<sup>3</sup> Meanwhile, the Australian Government is estimated to spend \$26.3 billion – 50 times more - per year on subsidies for activities that are likely to harm nature.<sup>4</sup>

WWF-Australia calls on the Government to significantly increase nature funding to halt and reverse nature loss. WWF-Australia joins calls from scientists and conservation groups for at least 1% of the federal budget to be allocated towards nature protection. While the amount needed to protect and repair nature is far greater than this and will require action from a range of stakeholders, the Government needs to step up and take the lead role in investing in nature's recovery. WWF believes funds should be prioritised to:

#### 2.1 Stop extinctions and recover Australia's threatened species

Australia has committed to no new species extinctions, consistent with Target 4 of the Global Biodiversity Framework (GBF). This is commendable, but in the most recent government budget, no new funding was allocated towards threatened species. The number of listed threatened species in Australia continues to grow, with more species added to the list in 2023 than ever before. And Australia can expect more extinctions over the next 20 years unless the Australian government drastically changes their investment in threatened species.

A step change in species funding is urgently needed to stop species extinctions and recover Australia's unique wildlife. Scientists broadly agree that \$2 billion per year is needed at a minimum to stop the extinction crisis,<sup>5</sup> noting that full recovery of Australia's threatened species is likely to be significantly higher than this.<sup>6</sup> This involves investing in coordinated and inclusive conservation planning, landscape scale management and species-specific recovery actions including habitat restoration, invasive species management, right-way fire and cultural burning and reintroductions. To meet the Government's Threatened Species Action Plan, WWF-Australia recommends specific investment in species recovery teams – the experts and representatives from various stakeholder groups who are responsible for putting together plans to recover threatened species - for the Government's 110 priority species.

WWF recommendations:

- Deliver a threatened species extinction package to halt Australia's ongoing extinction crisis at least \$2bn a year.
- Commit to a specific investment to fund threatened species recovery teams for the Government's 110 priority species \$35m a year for five years.

See project examples 2 & 3 in Appendix for details on projects where species funding could be directed.

<sup>&</sup>lt;sup>3</sup> 30by30, 2024, The Price of Nature, <u>https://30by30.org.au/wp-content/uploads/2024/05/The-Price-of-Nature.pdf</u> <sup>4</sup> The Biodiversity Council, 2024, *Nature-negative – the federal government's subsidies harming biodiversity*, <u>https://biodiversitycouncil.org.au/news/nature-negative-the-federal-government-subsidies-harming-biodiversity</u>

<sup>&</sup>lt;sup>5</sup> Wintle et al. 2019, 'Spending to save: What will it cost to halt Australia's extinction crisis?', *Conservation Letters* <sup>6</sup> Reside et al. 2024. 'The cost of recovering Australia's threatened species'. *Nature ecology and evolution* 

#### 2.2 Address invasive species and create island safe havens

Throughout Australia, the impact of invasive plant and animal species on our unique wildlife has been catastrophic. At least 64 extinctions have been caused by introduced species<sup>7</sup> and more than 40% of Australia's threatened wildlife are vulnerable to invasive species.<sup>8</sup> Australia's >8,000 islands are now critical habitat to one third of Australia's threatened species and need to be carefully managed due to their vulnerability to the impacts of invasive animal species.<sup>9</sup>

Specific investment should be allocated to eradicating invasive species from priority islands and maintaining their pest-free status. Building on this, WWF-Australia supports an inclusive invasive species management funding package that will support threatened species recovery and provide Indigenous rangers with the funding needed to effectively manage Country.

WWF recommendations:

- Allocate more funding to Indigenous Rangers groups to manage their priority invasive species threats \$5m a year for four years.
- Increase funding to better manage invasive species on Commonwealth protected areas, IPAs and coordinate national action on key threats and abatement, including a national islands eradication and recovery fund at least \$101m a year for four years.<sup>10</sup>

#### 2.3 Protect 30% of Australia's landmass

Australia is party to the Kunming-Montreal Global Biodiversity Framework (GBF) and committed to action on Target 3 by setting a national target to protect and conserve 30% of Australia's landmass and 30% of Australia's marine areas by 2030 (the '30x30' target). Australia is making progress towards this target, with approximately 22% of land already protected, and bipartisan political support for a coordinated national approach. A clear pathway is now required to protect at least an additional 60 million hectares of land to meet Australia's target under the GBF in a way that represents the diversity of habitats and species across Australia.

WWF-Australia and partner organisations are calling for the establishment of a new dedicated \$5 billion fund for the purchase of land of high biodiversity importance to create new public, private or Indigenous protected areas. A dedicated federal fund for conservation land purchase, leveraged with funding from the state and territory governments, philanthropy and corporate investment, is a critical means of achieving a comprehensive, adequate and representative protected area system that delivers our national '30x30' target.

WWF recommendation:

• The establishment of a new dedicated fund for the purchase of land of high biodiversity importance to create new public, private or Indigenous protected areas - \$5 billion

#### 2.4 Resource Indigenous Protected Areas

Indigenous Protected Areas (IPAs) and Indigenous rangers are the foundation of effective and equitable nature conservation in Australia. They have catalysed the development of an Indigenous land and sea-based economy, empowering Indigenous landowners to manage their Country in

<sup>&</sup>lt;sup>7</sup> DCCEEW, 2021, Australia State of Environment 2021

<sup>&</sup>lt;sup>8</sup> Ward et al, 2021, 'A national-scale dataset for threats impacting Australia's imperiled flora and fauna', *Ecology* and *Evolution* 

<sup>&</sup>lt;sup>9</sup> Invasive Species Council, *Islands Conservation*, <u>https://invasives.org.au/our-work/islands/#:~:text=rigorous%20recovery%20plans.-</u>

<sup>,</sup>Islands%20are%20critical%20habitat%20for%20around%20one%2Dthird%20of%20Australia's,slipped%20through%20our%20quarantine%20system.

<sup>&</sup>lt;sup>10</sup> Invasive Species Council, 2024, Transformative federal funding proposals – June 2024

accordance with their priorities. Australia's IPA program has delivered demonstrable social, cultural, health and economic benefits, while forging more collaborative caring for Country. While funding has been insecure, this work has benefited from bipartisan political support.

IPAs now make up the majority of Australia's protected areas on land and are an integral contribution towards Australia's commitment to protect 30% of lands and oceans by 2030. While the size and growth of land IPAs is encouraging, Sea Country IPAs will need to similarly expand to contribute to this target given many of the current marine protected areas require further protection to meet global standards. Further, the continued growth and reach of IPAs requires long-term funding and more engaged government support structures. Funding for IPAs on a per-hectare basis is much lower than on the rest of the National Reserve System (NRS),and is insufficient to meet management requirements. Scaling-up government investment in and cooperation on IPAs is critical for IPAs to deliver genuine benefits to First Nations communities.

WWF recommendation:

• Increase investment for effective management of Australia's IPAs so funding is shared equitably across the NRS.

#### 2.5 Restore degraded landscapes

The restoration of degraded landscapes has significant benefit for people and nature, contributing to soil fertility, drinking water, climate change mitigation and species habitat, while potentially providing a revenue stream for private landholders. Landscape scale restoration is a critical complement to the protection of intact areas if we want to stop extinctions and promote recovery of threatened species in the longer-term.

We are almost half-way through the UN Decade on Ecosystem Restoration that calls for efforts to prevent, halt and reverse the degradation of ecosystems on every continent and in every ocean. Australia has committed to GBF target 2 which calls for restoration across "at least 30 per cent of areas of degraded terrestrial, inland water, and coastal and marine ecosystems". To achieve this in a way that supports rather than impacts on agricultural values, it is estimated to cost \$2 billion per year for 30 years.<sup>11</sup> A commitment to a scaled-up landscape restoration program commencing this year is an imperative to ensure that Australia can repair the environment back to a healthy state and as a result continue to enjoy a prosperous economy. While the Australia Government has committed to identifying priority degraded areas for restoration as a first step<sup>12</sup>, the allocated funding for systematic restoration remains to be seen.

WWF recommendation:

• The establishment of a new dedicated program to systematically restore Australia's degraded lands for the benefit of agriculture, species and the climate. - \$2 billion/year.

See project example 2 in Appendix for details on Koala Friendly Carbon where restoration funding could be directed.

<sup>&</sup>lt;sup>11</sup> Mappin, 2021. 'The costs and benefits of restoring a continent's terrestrial ecosystems', Journal of Applied Ecology

<sup>&</sup>lt;sup>12</sup> Australia's Strategy for Nature 2024–2030

## 3. End deforestation to protect the places species call home

#### 3.1 End native forest logging and transition to plantations in Australia

Native forest logging carries profound negative repercussions for our environment and economy. It disrupts ecosystems that are home to unique and often threatened species and has put iconic animals like the endangered koala and greater glider at risk, pushing them closer to extinction.

The next Australian Government must work with the remaining logging states – NSW, Tasmania and Queensland – to provide structural adjustment packages to assist communities transition to a fully plantations-based timber and fibre sector. Support should include infrastructure investment (e.g. upgrade mills to harvest softwood plantation timber, wood manufacturing plants, tourism facilities in former state forests), reducing supply chain requirements (e.g. expansion of plantations, value-adding through diverting woodchips to engineered wood, forest fire management, seed production) and developing high-integrity carbon and biodiversity markets.<sup>13</sup>

WWF recommendation:

• Investment to end industrial native forest logging by 2030, to complete the transition from industrial logging to a plantations-based timber and fibre industry - *\$2bn over 5 years.* 

# 3.2 End deforestation to protect the places species call home and improve data and transparency to detect deforestation

There is an urgent need for a monitoring and reporting system on native vegetation loss and regrowth in a timely and nationally consistent way. The Commonwealth is mapping land use change for carbon accounting through the National Carbon Accounting System (NCAS). However, when compared with monitoring undertaken by some states, such as Queensland's Statewide Landcover and Trees Study (SLATS), the degree of inaccuracy is significant. This risks substantial under-reporting of land sector emissions, deforestation and habitat loss.

Habitat loss and clearing are the second most significant causes of extinction of Australian species.<sup>14</sup> The NCAS mapping does not reflect how land use is modifying native vegetation habitat, and there is a lack of clarity about the extent of and reasons for the clearing. Regular, transparent and rapid monitoring of human-induced changes to native vegetation across Australia would accurately report on the impact land clearing is having on Australia's emissions and biodiversity, measure progress towards national goals and international commitments, and support Australian farmers to verify that their produce has not been produced on deforested land.

WWF recommendation:

• Work with ANU to establish a national native vegetation mapping and monitoring system - \$10 million over four years

See further detail on this proposal in project examples 4 in Appendix.

<sup>&</sup>lt;sup>13</sup> The federal government has previously supported such initiatives, notably in 2011 via the 'Tasmanian Forests Intergovernmental Agreement', <u>https://www.agriculture.gov.au/agriculture-land/forestry/national/aus-govt-tas-forests#:~:text=Under%20the%20agreement%20%24277%20million,to%20exit%20native%20forest%20harvesting</u>

ng <sup>14</sup> DCCEEW, 2021, Australia State of Environment 2021

## 4. Build the health and resilience of our oceans

#### 4.1 Protect at least 30% of Australia's oceans

Australia is making progress towards Target 3 of the GBF (see section 2.3 above), but despite nearly half of our oceans having some protection, less than one quarter is fully protected from all extractive activities. This leaves swathes of vulnerable and precious ecosystems and habitats lacking in sufficient protection, risking further degradation and nature loss. Approximately 80 per cent of all marine species in Australian waters are found nowhere else on Earth; we have a grave responsibility to protect these species from further decline.

WWF-Australia and partner organisations are calling for funding to support science-based reviews of Australia's marine parks network, including funding to support First Nations engagement and capacity; comprehensive stakeholder engagement; fisheries related grant programs; research; and the continuation of existing programs to advance effective management sustained funding to support Sustained funding will be essential to achieving a comprehensive, adequate and representative protected area system that delivers our national '30x30' marine targets.

WWF recommendation:

• Establish a marine parks package to support inclusive and science-based decision-making and management of Australia's marine park network - \$150 million.

#### 4.2 Establish a Western Pacific 'blue corridor' for whales

WWF-Australia recommends the government prioritise the protection of critical habitats and migration routes for whales and dolphins through establishment of a Western Pacific 'blue corridor' for whales. Blue corridors are migration superhighways for marine megafauna like whales and link ecologically interconnected areas - often global - where they breed, feed, socialise and migrate, and are essential for their survival.

A Western Pacific blue corridor would create a network of protection for whales and other key ocean species from the Pacific, through Australian waters and down to Antarctica. It would help address the key threats that whales and other marine species face including major hazards from fisheries bycatch to impacts of overfishing; ship strikes; chemical, plastic and underwater noise pollution; habitat loss, unsustainable use; illegal trade; irresponsible marine tourism, and climate change.

WWF recommendation:

• Establish a 'blue corridors' fund to address knowledge gaps for data-poor marine species' habitats and migratory pathways, including turtles, rays, sharks and cetaceans - \$10 million.

#### 4.3 Protect the Great Barrier Reef from further decline

2024's coral bleaching event was the most widespread seen on the world's biggest reef system. The initial data on coral mortality are sobering – the area around Cooktown and Lizard Island lost more than a third of its live hard coral – the biggest annual drop in 39 years of monitoring. New data from the Australian Institute of Marine Science highlights a decline in coral cover on >60% of reefs surveyed between Lizard Island and Cardwell following the climate-induced disturbance events (mass bleaching, cyclones and flooding) of 2023-2024 summer. WWF is deeply concerned that the complete Reef-wide survey data to be released in 2025 will show similar levels of bleaching across the entire World Heritage Area. Coupled with the extreme heat warnings from the Bureau of Meteorology for the 2024/2025 summer, especially in our oceans, this means the need for new and bold government action has never been more compelling.

WWF recommendation:

• Formulate an emergency coral bleaching and cyclone response plan ready for the 2024/2025 summer with clear actions and funding - \$100 million.

# 5. Seize the opportunity to address dangerous climate change and build a renewable energy future

#### 5.1 Power our economy by 100% renewable energy by 2035

The Australian Government has a key role to play in accelerating the deployment of renewable energy and helping our electricity system reach as close to 100% renewable energy by 2030 as possible and our broader economy by 2035. There is a strong need to decarbonise other economic sectors such as transport, built environment, industry and resources through investments and enabling policies in energy efficiency and electrification. The Australian Energy Market Operator forecasts that all coal plants in Australia will be retired by 2038, yet Australia is one of only five OECD nations to not have an official coal phaseout timeline or plan. Shifting to 100% renewable energy sources as soon as possible is the cheapest, and most reliable way to deliver energy for Australia going forward. However, this needs government support and intervention to realise.

#### WWF recommendations:

Commit to a comprehensive investment package to power our economy by 100% renewable energy by 2035 with a mix of programs, incentives and policies including:

- \$50 billion over the next 10 years to repower Australian homes and communities with rooftop solar, batteries, electric appliances and thermal improvements.
- Continuing the \$20 billion Rewiring the Nation program to modernise our electricity grid and deliver new and upgraded transmission infrastructure to build the grid we need.
- \$10 billion to support electrification, fuel switching and energy efficiency in other sectors of the economy.

#### 5.2 Become a key player in green iron for export

A vital element of Australia's export opportunity is transitioning to green iron and steel production. The steel sector alone is responsible for up to 9% of global greenhouse gas emissions.<sup>15</sup> Iron ore is Australia's most valuable export commodity and Australia remains well-placed to become a major green iron producer with the right policy support and investment. Australia could forge a 'green iron key' to help our major trading partners decarbonise their steel supply chains through the joint planning and investment of a new green iron industry in Australia. It requires a blend of sophisticated green energy statecraft, R&D collaboration and investment strategies that shows we understand the future needs of our trading partners, and that future-proofs Australia as the strategic partner of choice. WWF-Australia is calling for a green iron program with a domestic support package to decarbonise the existing iron ore and steel industry and prioritise the development of export-focused green iron projects.

WWF recommendation:

- Establish a domestic support package to decarbonise Australia's iron ore and steel industry \$10 billion.
- Ensure research and development funding continues for CSIRO and ARENA \$500m for potential pilot plants and technology and innovation.

#### 5.3 Prioritise nature-positive outcomes from the energy transition

To achieve the emissions reductions needed to address the impacts of climate change on nature, communities and our economy, Australia needs lots of large-scale, clean energy infrastructure. Our

<sup>&</sup>lt;sup>15</sup> World Steel Association, 2021, Climate change and the production of iron and steel, https://worldsteel.org/ publications/policy-papers/ climate-change-policy-paper/

energy transition needs to be fast to respond to the climate crisis, fair, to ensure it does not leave anyone behind, and ecologically sound so that it does not worsen the nature crisis

WWF recommends the Government strengthen environmental assessments based on national environmental standards and increase resourcing to undertake these thoroughly but efficiently. Strategic planning and assessment will be needed to facilitate Australia's energy transition including in Renewable Energy Zones and for critical minerals development. To enable these strategic approaches to be undertaken efficiently and produce nature-positive outcomes, new investment in data and mapping will also be critical.

The significant levels of investment occurring in regional Australia through the energy transition are a critical opportunity to be harnessed and directed towards both 'protecting what's left and restoring the rest'. This means moving beyond projects working in isolation to identify offsets for their impact, which is often leading to a no net loss or worse a net loss situation. Through coordination and incentives, there is a potential for the Federal Government to bring together developers and communities to deliver landscape scale 'net gain' environmental outcomes.

WWF-Australia recommends a 'renewables for nature' grant program to support pooled regional environmental outcomes within Renewable Energy Zones. This would provide financial incentives for developers to go beyond what is required to meet their planning and environmental approvals including offset obligations. This could be best provided by an \$100m funding program for companies to access that would be co-funded. Critically access to this funding should require strong local partnerships such as with First Nations organisations, NRM groups and Landcare. This would provide broader community benefits, help to grow the capacity and skills Australia needs to meet its GBF targets and ensure that local ownership improves the longevity of these environmental outcomes.

The energy transition also needs to build stronger social license. The most effective way to do this is to empower local communities to have the capacity to engage with new projects in their region through Local Energy Hubs. This would see the Federal Government fund 50 independent local outreach centres in regional areas that supports communities with the right information and capacity to engage with the transition to renewables.

WWF recommendations:

- Strengthen and resource environmental assessment processes for renewable energy infrastructure and energy projects including investing in at least \$500 million in data and mapping to facilitate strategic environmental assessment and regional planning for Renewable Energy Zones and critical minerals.
- Establish a dedicated \$100 million renewables for nature grant program to deliver long-term landscape-scale priority conservation projects within Renewable Energy Zones.
- Invest \$88.5 million over four years to fund an initial 15 Local Energy Hubs in key renewable energy zones.

# 5.4 Support sustainable procurement and uptake of low embodied carbon materials in infrastructure projects

New renewable energy and green industry projects will create significant demand for building and construction materials. The demand could be leveraged to drive the uptake of low embodied carbon materials with a particular focus on concrete, steel, aluminium, engineered timber, other construction materials including composite materials and build new industries for recycled and circular materials. Material suppliers are preparing their businesses to respond to higher decarbonisation ambitions. The Materials and Embodied Carbon Leaders' Alliance (MECLA) provides support and encourages greater collaboration across the demand and supply side of the building and construction industry and should be further supported to scale up addressing embodied carbon materials. Direct government investment towards this collaboration would help mainstream embodied carbon requirements across all levels of government, across all jurisdictions and support the development of new industries. MECLA supports industry to get ready for this transition through our events program and cross-sectoral systems wide engagement.

WWF recommendation:

• Invest in MECLA to further the uptake of low embodied carbon materials - \$250,000 per year for 4 years.

#### 5.5 Support a nature-positive, climate resilient Asia-Pacific region

How the Australian Government responds in our region and globally in the next Parliament will have direct consequences for communities and countries on the frontlines of the climate crisis. To achieve the urgent increase in climate action needed to keep global heating to 1.5°C and to support poverty alleviation and sustainable management of global biodiversity, Australia must substantially increase its ambition. This means urgently meeting fair shares of the existing USD \$100 billion climate finance goal<sup>16</sup> and growing financing to meet its fair share of the new USD \$300 billion global finance goal agreed at COP29 in Baku.

While the recent pledge of AUD \$50 million to the Fund for Responding to Loss and Damage is a welcome commitment, Australia's global climate finance commitments continue to fall well short of its fair share, which puts vulnerable communities at risk. We ask that the next Parliament supports developing countries and their communities through needs-based predictable, transparent, and accessible public finance that unleashes climate action and delivers on a 1.5°C compatible plan.

Hosting COP31 in partnership with the Pacific is an opportunity to set Australia and the world on the right path towards stabilising global heating at 1.5°C above pre-industrial levels. To be a worthy host of COP31, Australia needs to urgently course correct to join global climate leaders and be a convenor for greater decisive climate ambition, bringing together all stakeholders in ways that are inclusive, open and informed by community voices.

This is essential if Australia is to continue to build genuine and respectful partnerships across the Indo-Pacific region, to foster trust in global negotiations and institutions, to support community and economic resilience, and restore the ecosystems upon which all of society depends.

WWF recommendations:

- Grow Australian climate finance to developing countries in line with our fair share of the new USD \$300 billion global finance goal agreed at COP29 in Baku, including funding for mitigation, adaptation, and loss and damage.
- Commit to increasing Australian Official Development Assistance to 1% of the Federal Budget in the first budget, with a crosscutting commitment to mainstream community-led nature-based solutions and nature-positive development into the development program.
- Establish a dedicated civil society funding window of at least \$100m over a ten-year period to help communities in least developed countries to strengthen their social, economic, and ecological resilience through high-integrity, community-led nature-based solutions to climate change. This should include a strategic focus on ensuring that women, youth, children, people living with disabilities, and other at-risk groups are supported to lead and equitably benefit from nature-based solutions.
- Work with the COP31 Collaboration Group to ground COP31 in strong engagement across governments, business, community groups, First Nations and Pacific peoples - \$35.5 million per annum (see COP31 Collaboration Pre-budget Submission)

See project examples 5 in Appendix for details on projects where nature-positive development funding could be directed.

<sup>&</sup>lt;sup>16</sup> Meinshausen, M. and Nicholls, Z., 2023, *Updated assessment of Australia's emission reduction targets and* 1.5°C pathways. Independent expert report commissioned by WWF-Australia, https://www.climate-resource.com/reports/wwf/20230612 WWF-Aus-Targets.pdf

# **APPENDIX - Project examples**

The table below summarises project examples that contribute to the proposed investment figures above, the relevant department and the total funding commitment over the forward estimates. This is not an exhaustive list of projects but illustrates where funds could be directed to start delivering on the protection and recovery of nature, climate action and the renewables transition.

No.	Proposal	Department/Agency	Funding
1	Right-Way Fire: A Nature- Based Solution for Climate	Department of Climate Change, Energy, the Environment and Water	\$5.4m over 4 years
2	Koala Friendly Carbon Initiative	Department of Climate Change, Energy, the Environment and Water	\$9m over 4 years
3	Greater Glider Conservation	Department of Climate Change, Energy, the Environment and Water	\$7.9m over 4 years
4	National Vegetation Monitoring and Mapping	Department of Climate Change, Energy, the Environment and Water	\$10m over 4 years
5	Climate Resilient by Nature (Phase 2)	Department of Foreign Affairs and Trade Department of Climate Change, Energy, the Environment and Water	\$32m over 4 years

#### Project example 1 - Right-Way Fire: A Nature-Based Solution for Climate Overall Investment over four years: \$5.4m

Northern Australian Right-Way Fire management is a Nature based Solution for Climate (NbS4C). It combines Indigenous ecological knowledge with cutting-edge fire science to burn landscapes in a way that protects wildlife, reduces greenhouse gas emissions, increases carbon sequestration, and has substantial and numerous cultural and socio-economic benefits.

The project aims to engage stakeholders in collectively developing and refining a groundbreaking NbS4C approach that is high integrity, innovative, efficient, and cost-effective. The approach assesses biodiversity outcomes from fire management to avoid tipping points beyond which ecosystems cannot recover. The proposed NbS4C project will advance this approach under Traditional Owner leadership to apply it to the unique environment of the Kimberley in Western Australia thereby informing a regional framework aligned with the emerging Nature Repair market, scalable across Australian savannas encompassing one quarter of the continent. By incorporating aspects of biocultural conservation, this innovative climate adaptation approach will improve bushfire management to ensure development of a culturally led, sustainable, climate-appropriate strategy with substantial benefits for people, climate, and nature.

WWF-Australia has fostered long-term relationships with Traditional Owners, Healthy Country teams and rangers in the Kimberley over the past twenty years. This project builds on foundational work in the North Kimberley bioregion funded by WWF-Australia and Lotterywest investment, where tools were developed to map fire and habitats at a fine scale over the largest area of landscape in the world. Commencing in the Kimberley, the next phase of the project will support the development of nature-positive methods and mechanisms to heal Country and strengthen sustainable Indigenous-led Country management through Right-Way Fire, while influencing and accessing nature-based economic opportunities for Indigenous communities according to self-determined priorities. In this way, Traditional Owners lead the way forward, catalysing systems change in world-leading bushfire management through sustained cultural practice.

#### Project example 2 - Koala Friendly Carbon Initiative (KFCI) Overall Investment over four years: \$9m

KFCI is a collaboration between WWF-Australia and Climate Friendly. This project proposal presents an opportunity for the Australian Government to deliver high-impact, verified restoration of koala habitat across eastern Australia. KFCI aims to provide financial returns for land managers, empower Aboriginal and Torres Strait Islander communities, and leverage investment for sustained impact beyond initial funding. KFCI employs a world-leading approach to scaling restoration activities by using carbon farming and the generation of Australian Carbon Credit Units (ACCUs) and nature repair certificates (or equivalent). This model supports the development of a 'premium' land sector for koalas, offering integrated environmental, social, economic, and First Nations cobenefits.

KFCI addresses key barriers to habitat restoration, including high upfront costs, limited commercial returns, over-reliance on grant funding, and limited technical expertise. KFCI's business model provides capital and expertise for land managers to plant koala habitat. The returns from premium carbon credits (ACCUs) with verified nature repair benefits are reinvested into a revolving planting fund over a 10-year period, creating a self-sustaining funding mechanism that departs from traditional grant-based models and leverages private capital.

Successful pilot phases have validated the model and attracted interest from early-stage investors. A Special Purpose Vehicle will be established to manage a revolving planting fund, aiming to deliver 10,000 hectares of certified koala habitat and achieve more than 8 million tonnes of carbon abatement. The government can support this with an investment of \$9 million: \$8 million which will go directly toward the cost of planting koala habitat, representing the first year of plantings - 1,000 hectares; plus \$1 million to support capability and capacity building for Indigenous owned and run businesses to deliver planting activities.

#### **Project example 3 - Greater Glider Conservation** Overall Investment over four years: \$8m

Conservation action to save the greater glider (one of at least 10 species of cultural significance that WWF-Australia works on) from extinction is urgently required, but currently, there is no recovery team or recovery plan in place to guide recovery actions. Recovery teams are a collaboration of partners brought together with the common objective of coordinating the implementation of a conservation plan for a threatened species. WWF-Australia proposes to contribute to robust conservation action by establishing a national Greater Glider recovery team.

The proposed Greater Glider recovery team would consist of glider experts, land management practitioners, members of non-government organisations, State/Territory and Commonwealth government officers, Traditional Owners and local community members. This recovery team would lead the development and implementation of the Greater Glider recovery plan, which would aim to maximise the long-term persistence and recovery of Greater Gliders in the wild. Furthermore, the recovery team would be tasked with developing the recovery plan, which would advise on priority recovery actions for the Greater Glider which may include: protecting and maintaining sufficient areas of suitable habitat, especially in the aftermath of disturbances such as wildfires and logging; revising prescribed burning practices; protecting hollow-bearing trees on private property and in roadside reserves; and considering the use of supplementary habitats such as nest boxes and artificial hollows that may assist in the species persistence and recovery.

In summary, the proposed project would contribute to achieving the following outcomes: -Establish a Greater Glider recovery team comprised of glider experts, land management practitioners, members of NGOs, State/Territory and Commonwealth government officers, Traditional Owners and local community members

-Develop and implement a recovery plan to maximise the long-term survival of Greater Gliders in the wild

-Suggest and implement improved, coordinated recovery actions, including protection and maintenance of critical habitat following disturbances (e.g. bushfire and logging) in both public and private lands, installation of nestboxes and artificial hollows, and improvements to prescribed burning practices.

#### Project example 4 - National Vegetation Monitoring and Mapping Program Overall Investment over four years: \$10m

The National Vegetation Monitoring and Mapping Program aims to develop a highly accurate national vegetation monitoring and mapping program. The project proposes the establishment of Australia's first national-scale native vegetation mapping and monitoring system to produce a timely and transparent national account of native vegetation, including vegetation extent, loss, gain, condition, and attribution of that loss or gain to assist the Australian Government in its decision-making. This mapping project will allow the Australian Government to monitor progress against its national and international commitments (e.g., Glasgow Leaders' Declaration on Forests and Land Use, Global Biodiversity framework, Leader's Pledge for Nature and EPBC Act) to stopping deforestation and degradation and ensuring restoration, as well as enabling the Government to support Australian beef producers to maintain market access to a growing deforestation-free market.

Regular, transparent and rapid monitoring of vegetation changes is needed to ensure accurate information for reporting progress towards national and international commitments. States and territories that publish the information do so on an ad-hoc basis, sometimes years after the change has occurred. A national approach would support the states and territories in developing a consistent, coordinated approach while reducing the duplication of effort. The Australian National University, working with WWF-Australia, has developed a methodology for nationally consistent forest loss mapping. A prototype online platform for users to access the mapping has also been developed. Further investment is required for methodology refinements, quality assurance through

on-ground testing of the mapping developed to date, and ongoing annual updates, A review and identification of governance arrangements is also required. This may involve support for establishing a collaborative expert group to provide ongoing oversight, and coordination of data infrastructure provided by ANU and capability to ensure its long-term success.

#### Project example 5 - Climate Resilient by Nature (CRxN) Phase 2 Overall Investment over four years: \$32m

Climate Resilient by Nature is a partnership between the Australian Government and WWF-Australia, advancing high-integrity, equitable nature-based solutions to climate change in the Indo-Pacific. Nature-based Solutions (NbS) offer opportunities for climate change mitigation, adaptation, and resilience, and help communities that are the most vulnerable to climate change while protecting the ecosystem services upon which they and their countries' economies depend. CRxN is managed by WWF-Australia with implementation by WWF offices in the Pacific and Southeast Asia, as well as other Australian international development NGOs and their local partners. While each project focuses on different ecosystems and seeks to address different climate challenges, they all support the development and climate resilience aspirations of local communities and contribute to a shared, growing understanding of nature-based solutions to climate change.

Since its launch in late 2021, CRxN has yielded valuable lessons about the challenges and opportunities to achieve climate and development objectives through nature-based solutions. CRxN (Phase 2) will build on the successes, early impact, and learning from the first phase. It will include both 'expansion' and 'challenge' components, like Phase 1, to scale up and trial effective NbS approaches. It will support organisations, partners, and communities to develop and deepen their understanding and action in NbS. This will foster good practice NbS program interventions and mainstreaming of NbS in the program and beyond. Additionally, alongside the engagements facilitated by the Knowledge Hub, it will also support research, learning, and influencing to ensure NbS is recognised as a mainstream approach to support climate resilience in international development, with sustainable outcomes for both people and nature.