



Australian Government

Department of the Environment,
Water, Heritage and the Arts

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NEW ENGLAND



IMPROVING ECONOMIC ACCOUNTABILITY WHEN USING DECENTRALISED, COLLABORATIVE APPROACHES TO ENVIRONMENTAL DECISIONS

A project funded by the Australian Government's
Commonwealth Environmental Research Facilities (CERF) program.

BULLETIN NO. 1

August 2008

This is the first of a series of bulletins we will issue over the three-year term of the project. The bulletins seek to spread awareness of the project among stakeholders and provide updates on its progress.

About the project

Australia is at the forefront in implementing decentralised community-based approaches to environmental governance. These approaches acknowledge the importance of collaboration among key stakeholders (including community, industry and government) in planning and implementing integrated solutions to the complex natural resource problems we face. The 'regional delivery model' for public funding of on-ground investments in natural resource management (NRM), which is now resourced through the Australian Government's *Caring for our Country* program, State Government programs, and other avenues, exemplifies this new approach to governance.

When the regional delivery model was established, economic evaluation was identified as having a key role to play in keeping regional NRM bodies accountable to their communities and to investors. However, economists have struggled in developing methods of economic evaluation that are, firstly, consistent with the reasons for adopting this model (e.g., closer matching of investment decisions to the values, norms, socio-economic conditions and environmental circumstances of each locality; achieving greater voluntary adoption of conservation practices by fostering trust and reciprocity) and, secondly, feasible to apply given the resourcing constraints and decision timelines faced by regional bodies. The project seeks accordingly to develop and test a cost-effective method of economic evaluation that is consistent with the rationale of the regional delivery model and other collaborative community-based approaches to environmental governance.

The project will focus on three NRM regions in NSW for which the regional NRM bodies are, respectively, the Border Rivers-Gwydir Catchment Management Authority (CMA), Namoi CMA, and Northern Rivers CMA. Regional Working Groups are in place for each region to ensure that the economic method proposed by the project is useful and feasible at the regional level. A Project Reference Committee has been established to ensure that the proposed method helps to establish the accountability of regional decisions from a government perspective. The members of this Committee are: Alison Archer (Director, NSW Section, Australian Government NRM Team), Bruce Brown (General Manager, Namoi CMA), Dianne Bentley (Assistant Commissioner, NSW Natural Resources Commission), Jim Booth (Executive Director, Landscape Investment, NSW Department of Conservation and Climate Change), Alex McMillan (Executive Director, NSW Natural Resources Commission), Warren Musgrave (Emeritus Professor, University of New England), and Ruth Thomason (Senior Project Officer, NSW Department of Primary Industries).

The project commenced early in 2008 and is due for completion in December 2010. The first steps of the project, currently underway, are to (i) scope the circumstances of investment decision-making in each of the three regions (as a basis for developing an economic method that is feasible and useful under these circumstances) and (ii) review how economic accountability of decentralised collaborative environmental governance has been maintained elsewhere, what has been learned from these experiences, and whether other methods exist that might be considered for application in the project.

Contact

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