

Co-Investment Partnerships

A NSW Biodiversity Conservation Trust Prospectus

Biodiversity
Conservation
Trust





Our purpose is partnering with landholders to enhance and conserve biodiversity across NSW.



Our vision is vibrant private land conservation areas protecting our unique and diverse plants and animals.

Get in touch

Interested in co-investing or want more information? Visit www.bct.nsw.gov.au/info/partnerships or contact our CEO, Paul Elton directly at giving@bct.nsw.gov.au to start the conversation.

NSW Biodiversity Conservation Trust (BCT)

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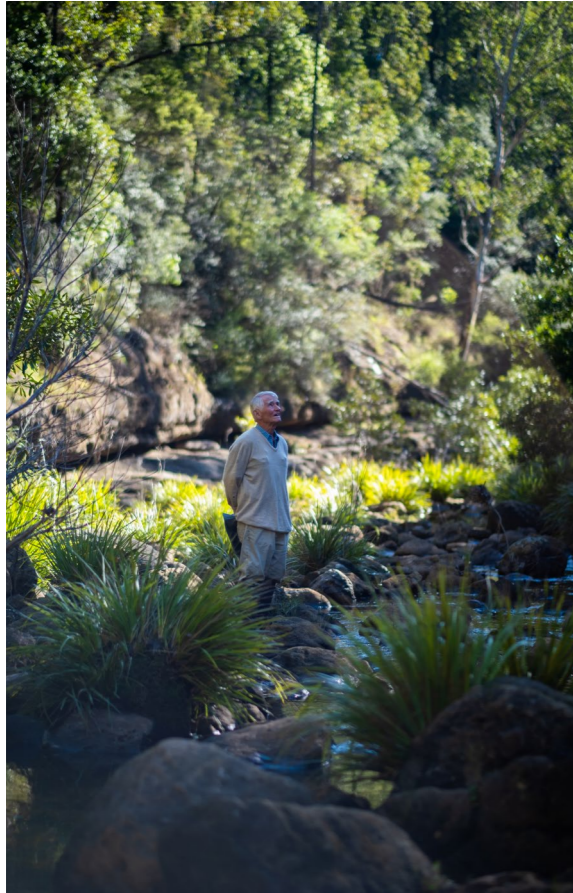
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Acknowledgment of Country

The NSW Biodiversity Conservation Trust acknowledges the Traditional Custodians throughout NSW and recognises their ongoing connection to land, waters, biodiversity and culture. We pay our respects to their Elders past, present and emerging, and commit to genuinely and collaboratively engage and partner with Aboriginal people in the delivery of our private land conservation programs.

Private land within NSW often contains various forms of significant sites and features 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 cultural learning.



Become a partner in conservation

The BCT is seeking partners who share our commitment to addressing the linked crises of nature loss and climate change. We wish to build co-investment partnerships with the private sector to accelerate private land conservation and biodiverse carbon sequestration in NSW.

The NSW Government is inviting the corporate and philanthropic sectors, and the Australian Government, to co-invest with the BCT in private land conservation and biodiverse carbon projects.

The BCT offers unique, high-integrity mechanisms to secure permanent biodiversity conservation outcomes on private land, including an accumulating endowment fund, statutory contracts, covenants on title and in-perpetuity funding.

We have a proven track record of engaging private landholders through a diverse range of mechanisms to achieve environmental outcomes, including grants, fixed price offers, conservation tenders, a revolving fund and co-investment partnerships. The BCT Public Fund enables tax deductible private funding to expand existing BCT activities.

We are seeking both one-off and long-term annual commitments. Partnerships can be bilateral or multi-party. Multi-party partnerships could include nature conservancies, Indigenous organisations, or other parties such as members of the Australian Land Conservation Alliance.



The need for investment in private land conservation

Nearly 1000 native plants and animals are at risk of extinction in NSW.

Our economies, livelihoods and wellbeing rely on the conservation and sustainable use of our natural capital.

Australia is committed to implementing the global biodiversity framework and the national reserve system. We must accelerate investment in private land conservation if we are to contribute to these emerging international goals in NSW.

Achieving a comprehensive, adequate and representative national reserve system means establishing more national parks, Indigenous protected areas, and privately protected areas, including by leveraging investment in carbon projects.

This is consistent with frameworks, aspirations and targets emerging nationally and internationally, such as the Australian Government Strategy for Nature, the Our Natural Legacy coalition, the International High Ambition Coalition for Nature and People, the post-2020 global biodiversity framework and the Global Goal for Nature.



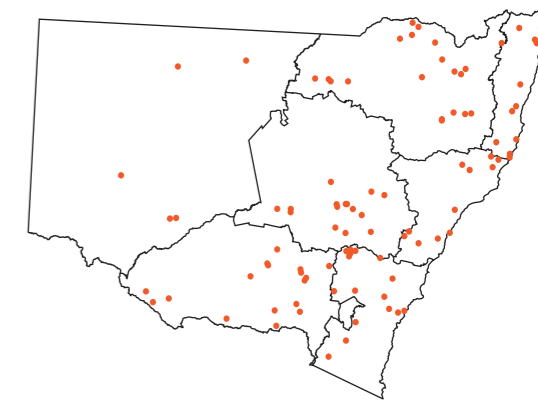
Co-invest with the BCT

The BCT offers high-integrity mechanisms to conserve nature and biodiversity. By working directly with landholders, we facilitate access to private land with high biodiversity values and viable nature-based carbon solutions.

Our governance model assures high-integrity outcomes, including:

- | Statutory contracts and covenants on title providing permanent protection for ecological assets.
- | Certainty for landholders and investors with in-perpetuity, inflation-indexed annual payments for conservation management.
- | A statutory trust with a governing Board, operating an accumulating endowment fund to ensure the integrity of investments in conservation areas in-perpetuity.
- | A comprehensive ecological monitoring program.
- | The BCT Public Fund has deductible gift recipient status.
- | 90% plus passes through to on-ground investment.

Co-invest alongside the NSW Government in **world-leading, high-impact conservation projects:**



- | Landscape scale biodiversity projects
- | Aboriginal landholder led private land conservation
- | High-impact conservation projects
 - wetlands
 - threatened species
- | Nature-positive projects to improve climate refugia at scale



Co-investment opportunity: biodiversity plus carbon projects

There is increased scrutiny on the integrity of carbon credits and their impact on nature. The market for high integrity carbon offsets with co-benefits and robust biodiversity credentials is growing. The BCT has options to meet this demand. We are exploring ways to link private sector investment in nature-based solutions with BCT investment in permanent private land conservation.

The BCT's objective is to co-locate BCT investment in conservation areas with private sector investment in carbon projects. By stacking biodiversity and carbon payments, the economic viability of conservation and restoration projects is improved. BCT conservation agreements provide the opportunity for carbon projects to have high integrity biodiversity claims.

Investment from private sector partners could support initial costs of carbon projects and/or commitments to purchase resulting carbon credits. This would encourage participation and drive a larger volume of biodiversity conservation and carbon sequestration outcomes. Private sector partners may also consider investing in biodiversity management to contribute to corporate nature-related targets or commitments.



Co-investment opportunity: supporting Aboriginal landholders

The BCT is seeking co-investment to support Aboriginal landholders participate in private land conservation.

The BCT recognises that Aboriginal people's cultural obligation of caring for Country overlaps with our core business of biodiversity conservation. BCT programs offer a unique opportunity for Aboriginal landholders to access ongoing financial support for conservation management. Private sector investment in combined BCT and carbon projects could further increase economic opportunities.

The BCT will be piloting a program with Aboriginal landholders during 2022-23. Investors could fund additional technical and administrative support to build capacity and assist communities to participate in the program. There is also the opportunity for investors to scale up the program, such as supporting a cultural flow event and enabling Aboriginal aspirations in water ownership.

Investors may also consider partnering with Aboriginal stakeholders as part of a landscape-scale co-investment partnership or partnering with BCT and Indigenous Land and Sea Corporation to purchase and move land and water into Aboriginal ownership to support economic, social, cultural and environmental outcomes.



Co-investment opportunity: real property, real conservation

The BCT invests in real property and ‘revolves’ these properties by selling to buyers willing to sign a conservation agreement. The average investment is in the order of \$2 to \$3 million.

Philanthropic investment in the BCT’s revolving fund would enable the BCT to accelerate investment in private land conservation. The capital would be used to buy properties. Sale proceeds would be reinvested in the revolving fund and used on an ongoing basis to bring more properties into private land conservation. The BCT would complement this investment by providing the funding to support the ongoing conservation management in-perpetuity.

Our revolving fund is in a unique position to maintain philanthropic investment as BCT land acquisition, lease and disposal are exempt from the *Duties Act 1997*.



Co-investment opportunity: large-scale conservation properties

The BCT can enter bespoke co-investment partnerships with landholders and one or more co-investors to invest in large-scale high-conservation-value ecosystems on private land.

The BCT is working towards entering our first landscape-scale co-investment partnership with an Aboriginal landholder and a major nature conservancy during 2022. This partnership would secure a very large and ecologically significant site in NSW under a funded conservation agreement. This investment may exceed \$30 million from the BCT.

The BCT is seeking philanthropic partners, landholders and other co-investors to identify high priority conservation properties, to compile a mutually beneficial capital stack and to achieve permanent private land conservation at scale.



Co-investment opportunity: protecting endangered species and ecosystems

The BCT is seeking philanthropic investments in the order of \$10 million per offering to conduct additional conservation tenders for the highest priority conservation projects across NSW. With a long-term partner, the BCT could gear up to deliver up to three additional \$10 million tenders each year.

The NSW Biodiversity Conservation Investment Strategy (BCIS) lists high priority assets, which include highly threatened species and ecological communities, important wetlands, littoral rainforests, koala habitat, corridors and climate refugia.

We are interested in working with philanthropic partners willing to invest in high-integrity and permanent conservation of endangered or critically endangered species or ecological communities.

Contact us to discuss how any such investment would be used, where the money would be invested and what conservation assets could be pursued.

Learn more at www.bct.nsw.gov.au/conservation-tenders



Who we are

The BCT is the principal enabler of formal private land conservation in NSW.

We partner with landholders to enhance and conserve biodiversity across NSW. Our vision is vibrant private land conservation areas protecting our unique and diverse plants and animals.

We are managed by an independent and skills-based governing Board. Find out more about BCT Board and committee members and the BCT Executive on our website.

Our Partnerships and Investments team will lead our engagement with the corporate and philanthropic sectors.



What we do

The NSW Government, via the BCT, is investing \$70 million per annum.

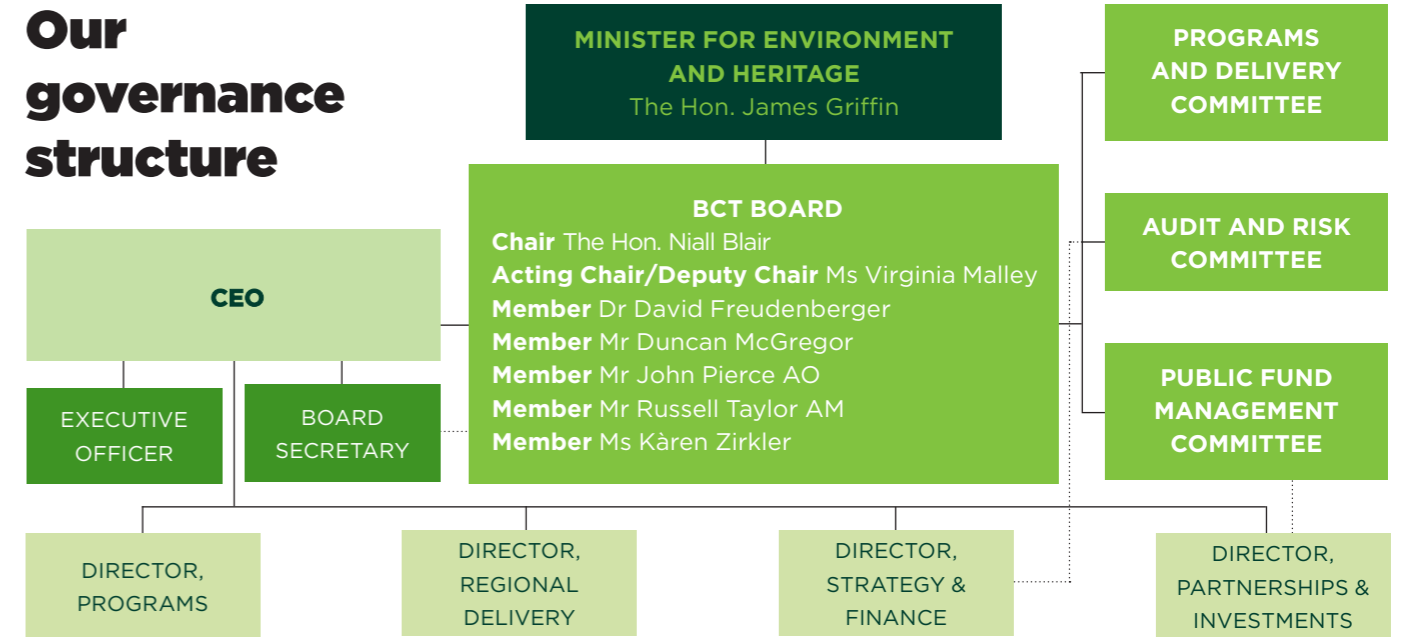
We fund conservation agreements with private landholders. We conduct three conservation tenders and a fixed price offer each year. We also offer grants to landholders, run education programs and provide landholder support.

We purchase land with high conservation value and revolve those properties to buyers willing to manage a funded conservation agreement. We also pursue property-scale co-investment partnerships with landholders and one or more additional co-investors.

We invest approximately \$45 million each year in long-term or in-perpetuity funded conservation agreements. Eighty per cent of our investment flows into permanent conservation agreements (statutory contracts) and covenants on title.

Funds committed to conservation are held in trust by the BCT and invested in the NSW Treasury Corporation to make inflation-hedged returns to support annual management payments to agreement holders. The BCT is in effect building up an endowment fund over time.

Our governance structure





Role of the BCT Public Fund

The BCT manages the BCT Public Fund established under Part 10 of the *Biodiversity Conservation Act 2016*. The fund is not-for-profit. Money and property held in the fund can only be used by the BCT to support its principal purpose to enhance biodiversity.

The BCT Public Fund was registered as an Environmental Organisation in Australia on 17 November 2021 and is eligible to receive tax deductible donations. Donations to the Public Fund of \$2.00 or more are tax deductible in Australia provided they are made voluntarily and the donor receives no material benefit for the donation.

This means philanthropic investment in a BCT private land conservation project could flow through the BCT Public Fund, with the added benefit of tax deductibility.



Our impact

Since its creation in 2017, the BCT has invested in 257,000 hectares of conservation areas on private land. This investment flows to our regional communities, creating jobs, building social capital and driving conservation outcomes.

Our landholders can receive financial support through annual payments or access to grants. The BCT is investing more than \$158.3 million to support agreements.

Including pre-existing agreements transferred to the BCT in 2017, we now manage and support more than 2,000 private land conservation agreements over more than 2.2 million hectares. This represents over 2.8 per cent of the landmass of NSW and continues to grow.

We work on the ground directly with landholders to deliver long term biodiversity outcomes. Visit www.bct.nsw.gov.au/private-land-conservation-outcomes to find out more about our outcomes, how we are investing in priority landscapes, protecting threatened species, and diversifying incomes.

Explore www.bct.nsw.gov.au to find out more about biodiversity conservation in NSW and why it's important.

“It’s putting a dollar value on conservation. It’s saying conservation is a real land use.”

Greg Rummery (pictured), agronomist and BCT agreement-holder near Walgett, NSW.



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