

PROJECT AGREEMENT FOR PEST ANIMAL AND WEED MANAGEMENT IN DROUGHT-AFFECTED AREAS

An agreement between:

- the Commonwealth of Australia; and
- the States of
 - ◆ New South Wales,
 - ◆ Victoria,
 - ◆ Queensland,
 - ◆ Western Australia, and
 - ◆ South Australia.

The outputs of this project will be activities to improve pest animal and weed management in drought-affected areas.

Project Agreement for Pest Animal and Weed Management in Drought-Affected Areas

OVERVIEW

1. This Project Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA FFR.

Purpose

2. This Agreement will support activities to reduce weed incursions and reduce total grazing pressure and predation of livestock in drought-affected areas due to pest animals.

Reporting Arrangements

3. The States will report annually against the agreed milestones during the operation of this Agreement, as set out in Part 4 – Project Milestones, Reporting and Payments and the Schedules to this Agreement.

Financial Arrangements

4. The Commonwealth will provide an estimated total financial contribution to the States of up to \$25 million, exclusive of GST in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

PART 1 – FORMALITIES

5. This Agreement constitutes the entire agreement for this project.

Parties to this Agreement

6. This Agreement is between the Commonwealth of Australia (the Commonwealth) and New South Wales, Victoria, Queensland, Western Australia and South Australia (the States).

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and one other Party sign it and will expire on 30 June 2019 or on completion of the project, including final performance

reporting and processing of final payments against milestones. This agreement may be terminated earlier or extended as agreed in writing by the Parties.

PART 2 – PROJECT OUTPUTS

Outputs

8. The outputs of this Agreement will be:
 - (a) delivery of pest animal management activities in drought-affected areas, which:
 - (i) reduce total grazing pressure on farms, and/or
 - (ii) reduce predation of agricultural livestock from pest animals; and
 - (b) delivery of weed management activities in drought-affected areas, which reduce weed incursions through containment, prevention and eradication.
9. Pest animal and weed management activities under this agreement are to:
 - (a) be designed to effectively control pest animals and weeds and provide maximum benefit to farmers affected by drought;
 - (b) be consistent with the principles of the National Wild Dog Action Plan and other existing science-based pest animal and weed management programs;
 - (c) not receive funding from other Commonwealth programmes;
 - (d) be developed in consultation with communities, producers and landholders;
 - (e) adhere to existing animal welfare legislation and voluntary or mandatory Codes of Practice and Standard Operating Procedures for the management of relevant pest animals and weeds, as well as federal and state/territory environmental legislation and regulations; and
 - (f) not include general on-farm maintenance, stockpiling fencing and/or chemical supplies by farm business; general maintenance and repair programs, or existing planned capital expenses by local councils.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

10. The Commonwealth will be responsible for:
 - (a) monitoring and assessing achievements against milestones in the delivery of the pest animal and weed management assistance under this Agreement to ensure that outputs are delivered within the agreed timeframe; and
 - (b) providing a consequent financial contribution to the States to support the implementation of this Agreement.

Role of the States

11. The States will be responsible for:
 - (a) determining priority drought-affected areas in their State and proposing the pest and weed management activities to be conducted in these areas, including details of delivery arrangements and organisations and, where relevant, State funding allocations;
 - (b) notifying the Commonwealth if priority drought-affected areas and the pest and weed management activities conducted in these areas change;
 - (c) providing a financial and/or in-kind contribution to support the implementation of this Agreement, where appropriate, noting preference is given to projects that receive State co-investment and co-contribution;
 - (d) all aspects of delivering on the project outputs as set out in this Agreement and its Schedules; and
 - (e) reporting on the delivery of outputs as set out in Part 4 - Project Milestones, Reporting and Payments and Schedules to this Agreement.

Shared roles

12. The Parties will meet the requirements of Schedule E, Clause 26 of the IGA FFR, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.
13. The Commonwealth and the States will be jointly responsible for developing and agreeing bilateral Schedules, in accordance with Schedule A to this Agreement.

PART 4 – PROJECT MILESTONES, REPORTING AND PAYMENTS

14. Milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments are outlined in bilateral Schedules to this agreement. The Commonwealth will make payments subject to the annual performance report demonstrating the relevant milestone has been met.
15. If a milestone is met in advance of the due date, where the relevant performance report demonstrates that the milestone has been met, the Commonwealth may make the associated payment earlier than scheduled provided it falls within the same financial year as the original milestone date.

Reporting arrangements

16. The States will provide progress reports in accordance with bilateral Schedules during the operation of the Agreement. Each progress report is to contain an assessment of actual performance in the period to date against the project milestone. The assessment will include, where applicable:
 - (a) the locally based regional bodies engaged in projects;
 - (b) the number of landholders involved and/or the number of properties engaged in projects;

- (c) the amount of area fenced;
- (d) the number of feral animals controlled or the amount of control measures used or both;
- (e) the total area of feral animal control; and
- (f) the total area of weed control and eradication.

PART 5 – FINANCIAL ARRANGEMENTS

- 17. The Commonwealth will provide an estimated total financial contribution to the States of \$25m in respect of this Agreement. All payments are GST exclusive.
- 18. The Commonwealth's funding contribution will not be reduced where the States secure funding from other activity partners.
- 19. The Commonwealth's and the States' estimated financial contributions to the operation of this Agreement, including through National Partnership payments to the States paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 1.

Table 1: Estimated financial contributions

(\$ million)	2015- 16	2016-17	2017-18	2018- 19	Total
Estimated total budget	15.0	4.0	4.0	2.0	25.0
Less estimated National Partnership Payments	15.0	4.0	4.0	2.0	25.0
Balance of non-Commonwealth contributions ^(a)	0.0	0.0	0.0	0.0	0.0

^(a) Commonwealth funding is not contingent on co-contributions from the states but preference is given to projects to which they make a co-contribution.

- 20. Recognising that drought conditions change, annual Commonwealth contributions to each State for each out year (2016–17 to 2018–19) will be determined in consultation with the States prior to the end of the preceding financial year. Contributions will be determined using various factors, including:
 - (a) amount of State co-investment or co-contribution; and
 - (b) State progress, as outlined in their annual progress report provided in accordance with the relevant bilateral Schedules.
- 21. Annual Commonwealth contributions will be listed in the relevant bilateral Schedules, as they are determined.
- 22. Having regard to the agreed estimated costs of projects specified in this Agreement, a State will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project. Similarly, the States bear all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the States to deliver projects cost effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

23. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

Variation of the Agreement

24. The Agreement may be amended at any time by agreement in writing by all the Parties.
25. Additional states may become party to the agreement at any time by agreement in writing by the relevant Commonwealth and State portfolio ministers.
26. Bilateral Schedules to this Agreement that have no impact on other Parties may be amended at any time by agreement in writing by the relevant Commonwealth and State portfolio ministers.
27. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all Parties in writing.

Delegations

28. The Commonwealth Minister may delegate the assessment of performance against milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

Dispute resolution

29. Any Party may give notice to other Parties of a dispute under this Agreement.
30. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
31. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

The Parties have confirmed their commitment to this agreement as follows:

*Signed for and on behalf of the Commonwealth
of Australia by*



The Honourable Barnaby Joyce MP
Minister for Agriculture

30-3-2015

*Signed for and on behalf of the
State of New South Wales by*

The Honourable Niall Blair MP
Minister for Primary Industries

2015

*Signed for and on behalf of the
State of Queensland by*

The Honourable Leanne Donaldson MP
Minister for Agriculture and Fisheries

2015

*Signed for and on behalf of the
State of South Australia by*



The Honourable Leon Bignell MP
Minister for Agriculture, Food and Fisheries

15/2/2015

*Signed for and on behalf of the
State of Victoria by*

The Honourable Jaala Pulford MLC
Minister for Agriculture

2015

*Signed for and on behalf of the
State of Western Australia by*

The Honourable Ken Baston MLC
Minister for Agriculture and Food; Fisheries

2015

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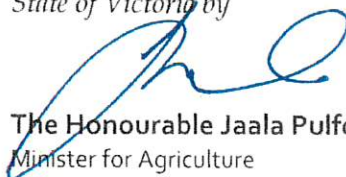
5-5-2015

*Signed for and on behalf of the
State of New South Wales by*

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Minister for Primary Industries

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Minister for Agriculture and Food; Fisheries

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Minister for Agriculture, Food and Fisheries

2015

Project Agreement for Pest Animal and Weed Management in Drought-Affected Areas

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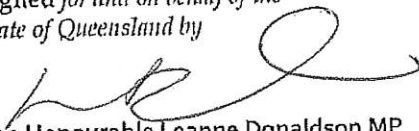
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The Honourable Leanne Donaldson MP
Minister for Agriculture and Fisheries

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Minister for Agriculture, Food and Fisheries

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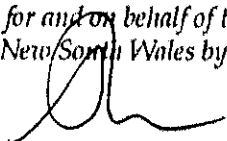
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The Honourable Barnaby Joyce MP
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2016

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State of New South Wales by*



The Honourable Niall Blair MP
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2016

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State of Victoria by*

The Honourable Jaala Pulford MLC
Minister for Agriculture

2016

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Minister for Agriculture and Fisheries

2016

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State of Western Australia by*

The Honourable Ken Baston MLC
Minister for Agriculture and Food; Fisheries

2016

*Signed for and on behalf of the
State of South Australia by*

The Honourable Leon Bignell MP
Minister for Agriculture, Food and Fisheries

2016