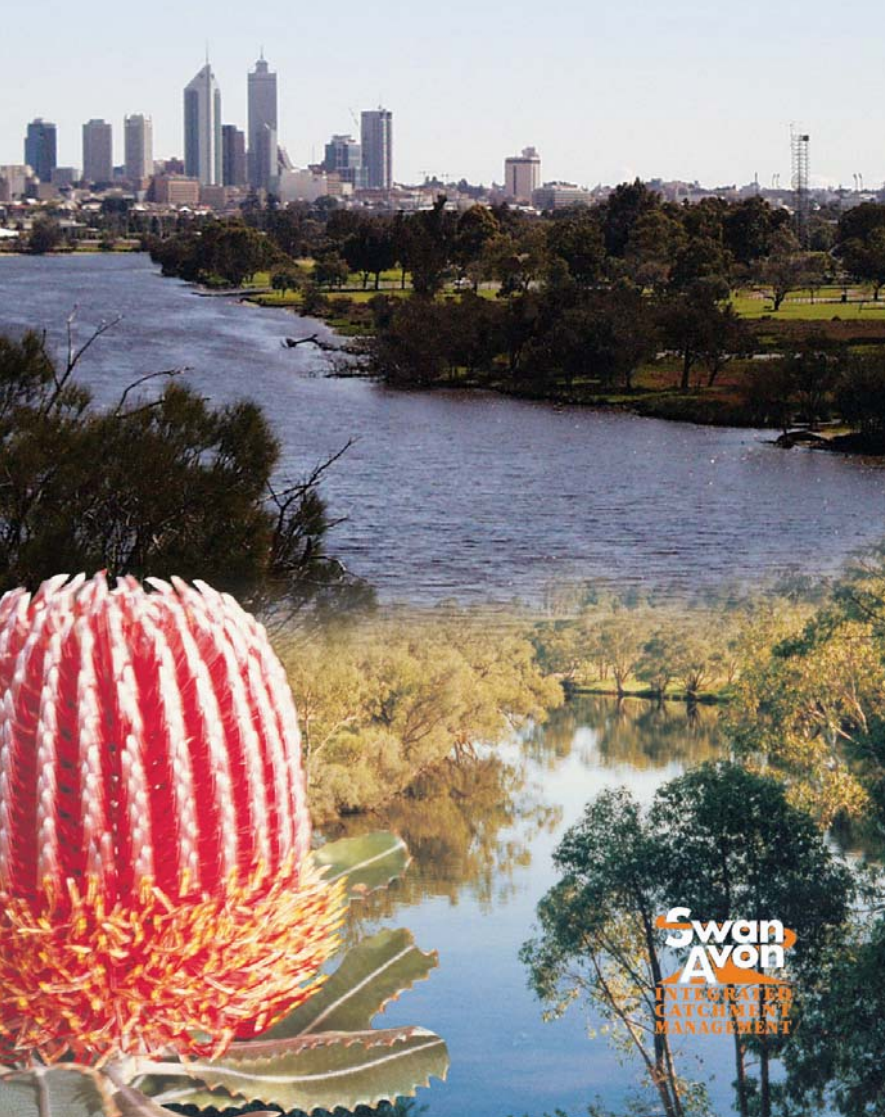




A leader in NRM



# Investment Planning in Natural Resource Management

Recent Experiences from the  
Swan NRM Region, Western  
Australia

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## Introduction

The Swan Catchment Council has recently developed its Investment Plan, which will guide the implementation of the Swan Region Strategy for Natural Resource Management. The Investment Plan provides for a costed and prioritised approach for regional investments in Natural Resource Management.

Key stakeholders of the Swan Catchment Council have contributed to the development of the Investment Plan. Investment priorities have been documented via a series of stakeholder workshops.

The Investment Plan has reviewed current investments and has provided an estimate of total investment in Natural Resource Management in the Swan NRM Region. During 2004/05, total investments have been estimated to amount to \$112 million.

This case study presents the Swan Catchment Council's recent experiences in investment planning, the approaches taken and the experiences and insights gained.

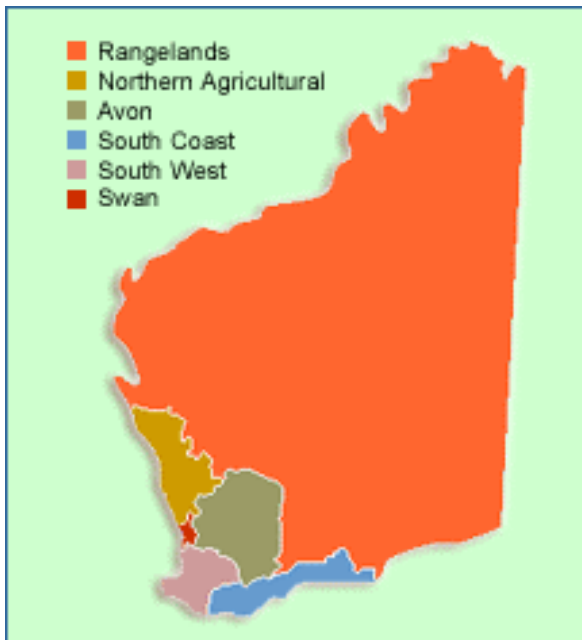


## Profile of the Swan Region

The Swan Region contains Western Australia's capital City, Perth. The Region houses 1.4 million people. This population is growing faster than the Australian average, as the State's economy grows through developments in the minerals and energy industries, agriculture, its diversifying basic processing industries and tourism development. Perth is the central place from which enterprises through the State are managed. Fremantle is the principle port of entry for all manner of imported goods and the export of agricultural commodities. The industrial complex at Kwinana is the State's principle centre of heavy processing industry and export of manufactured commodities.

The Region's distinctive environment sets it apart, and makes Perth one of the most liveable cities in the world.

The Region covers an area of some 9,100 km<sup>2</sup>, of which approximately 20% is sea, 30% is the Swan Coastal Plain and 50% is the western slopes of the Darling Range. The built-up urbanised area is approximately 1,300 km<sup>2</sup>, extending some 80 km north-south along the coast, with corridors spreading up the Swan Valley, along the ridge hill shelf and into the Darling Range in places. The Metropolitan Regional Scheme extends well beyond the existing built-up area, and covers approximately 54% of the entire region.



## The Swan Region NRM Strategy

The Swan Region Strategy for Natural Resource Management (NRM) presents a 50-year action plan for a coordinated approach to NRM.

The Strategy aims to ensure that the natural resources of the Swan Region will be protected and managed sustainably for the enhancement of the quality of life for present and future generations.



The Swan Region Strategy for NRM addresses this challenge through seven Aspirational Targets.

- Improve land condition and ensure that land use planning and development is sustainable and appropriate to the land capability and suitability.
- Improve the quality, ensure appropriate and environmentally sustainable use, and minimise impacts, to maintain water resources in all aquatic systems in the Region.
- Conserve, maintain and enhance biodiversity and natural habitat of all species in the region's indigenous plants and animals, natural fungi and micro-organisms including their genetic variation, and the functionality of the ecosystems which contain these species.
- Conserve, maintain and enhance coastal and marine biodiversity, and improve marine water quality to ensure the ecological integrity of coastal and marine systems.
- Improve air quality in the region to ensure healthy ecosystems.
- Protect, enhance and incorporate cultural heritage values within the region to achieve sustainable natural resource condition outcomes.
- Build regional capacity to promote attitudinal, behavioural and institutional change to achieve sustainable natural resource management outcomes.

## Development of the Investment Plan

As part of the Swan Catchment Council's development of the Swan Region Strategy for Natural Resource Management, the Swan Catchment Council has developed an Investment Plan for the effective and efficient implementation of the Strategy.

### Investment Plan Principles

The Investment Plan incorporates the following principles;

- The top priority public investments are those that generate the greatest public benefits per dollar of public investment.
- Investment in actions should be strategic and should be focused on priority areas with high value and high probability of success.
- Investment should not exceed the public benefits that result.
- Where the priority is high and net public benefits are sufficient, strong action should be taken to ensure protection of the asset.
- Where the public priority is low but there are extensive private assets at risk, public investment should be aimed at industry development.
- Targeted investment in NRM will be likely to result in an unequal distribution of investment across the region.
- The processes required for setting priorities will involve ongoing learning and need constant feedback.
- Priorities need to be set even when there is only limited or imperfect information on prevailing environmental, social and economic circumstances.

The Swan Catchment Council appointed Resource Economics Unit Consultant Jonathan Thomas and Facilitator Bevan Bessan during the development of the Investment Plan



The Swan Region Strategy for Natural Resource Management identifies assets under threat, proposes aspirational and resource condition targets for these assets, develops management options, and derives indicators of performance. During the development of the Investment Plan, all these aspects of the

Strategy were reviewed in the light of the resource allocation issues that are implicit in any Investment Plan.

Meetings were held to assess State and Federal governments' latest thinking about their requirements/preferences for the format of investment frameworks and plans, leading to a decision about the appropriate format for the Swan Region Investment Plan.

Desk research was undertaken into all asset categories confirming target scenarios, resource condition outcomes and associated financial cost estimates. Financial budgets were prepared for all management options.

A review was made of economic studies of the community's willingness to pay for improved natural resource and environmental outcomes in the Swan Region, and "benefit transfer" estimates were made to derive an overall indicative cost-benefit analysis of the Strategy.



Two series of one-day workshops (6 in all) were held in July 2004 for stakeholders to provide input into a consistent framework for assessing priorities within the Strategy's asset categories. Over 85 participants took part, representing 19 local government authorities, eight state departments and over 20 associations including community groups, universities, development authorities and industry organisations. The Resource Economic Unit's workshop reports and the Investment Plan will be available on the Swan Catchment Council web site at [www.swancatchmentcouncil.org](http://www.swancatchmentcouncil.org) once the Regional Strategy has been accredited.

The Swan Region Strategy identifies six broad "asset categories": land, water, biodiversity, coastal/marine, air and cultural heritage.

Workshop A was held to assess priority assets for investment and Workshop B was held to elicit investment priorities across management actions and asset categories, using alternative scenarios for targets, management practices and associated costs.

