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Alliances to Assist Implementation of Environmental Management Systems

A report for the Rural Industries Research and Development Corporation

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Foreword

Australia needs to explore new approaches to address the well documented, often adverse, impacts of agriculture on the environment. Many methods to reduce environmental degradation have been known for decades; and yet in spite of efforts to redress the impact of agriculture on the environment, land condition continues to deteriorate in many situations. This publication documents the collaborative efforts between a Landcare organisation and other entities to provide a certification scheme for Environmental Management Systems (EMS). The report provides a point of view for the on-going debate around land use and land management.

This project was initiated within the context of RIRDC providing advice to the Parliamentary Secretary regarding the Environment Management Systems (EMS) Pathways Program. At the project's inception it sought to identify potential collaborations between a landholder membership based organisation, Australian Landcare Management System (ALMS Ltd), whose mission is to improve Natural Resource Management (NRM), and other individuals and organisations with the same or related missions.

The publication documents the experiences and personal opinions of the author in 2004 as he sought to establish ALMS Ltd and explores the possibilities and constraints facing a new and different player in natural resource management. The account advocates the use of EMS to improve NRM, suggesting that while some progress in NRM is possible using EMS services provided by ALMS, it is in fact difficult to introduce a new player into existing institutional arrangements. The report suggests that much of the difficulty has its genesis in policy and program settings for natural resource management.

The project was supported from RIRDC Core Funds provided by the Australian Government.

This report, an addition to RIRDC's diverse range of over 1600 research publications, forms part of our Environment and Farm Management (EMF) R&D program which aims to focus on solutions that cross industry sectors.

Most of our publications are available for viewing, downloading or purchasing online through our website:

- downloads at www.rirdc.gov.au/fullreports/index.html
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Peter O'Brien
Managing Director
Rural Industries Research and Development Corporation

Acknowledgments

Not all the discussions and related activities conducted as part of this project led to sustained partnerships, and it would be unrealistic to predict otherwise. Nevertheless irrespective of the outcome we wish to acknowledge the efforts of the many organisations and individuals who freely gave of their time and expertise.

Abbreviations

ALMS	Australian Landcare Management System
CMA	Catchment Management Authority
CSIRO	Commonwealth Scientific and Industrial Research Organisation
EMS	Environmental Management System
FMS	Farm Management System
ISO	International Organization for Standardization
MLA	Meat and Livestock Australia
MSA	Mike Stevens and Associates - an agricultural consulting group
myEMS	Software application to develop, implement and maintain an EMS
NAP	National Action Plan
NHT	National Heritage Trust
NRM	Natural Resource Management
QFF	Queensland Farmers Federation
QMDC	Queensland Murray Darling Committee
RMCWMB	River Murray Catchment Water Management Board

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Executive Summary

What the report is about

This project explores the processes involved in developing alliances between a newly established not for profit company, Australian Landcare Management Systems Ltd (ALMS Ltd) and established organisations having the same or parallel charters.

Background

There is widespread recognition of the need to improve environmental management, not least in rural Australia. Notwithstanding this realisation significant environmental problems remain and it is arguable as to whether current organisations, policies, programs and practices are well designed to deal with these problems. Hence it is important that constraints to the evolution of new structures and processes are identified and removed.

Methods used

Separate discussions and presentations were held with fifteen prospective collaborators. As a result of those activities alliances have been formed with four organisations and there is the possibility in (2004) of another four alliances developing over the medium term. Alliances are unlikely with the remaining seven organisations.

Results

The project identified factors enabling and constraining the development of supportive collaborative arrangements between ALMS Ltd and established organisations having the same or parallel charters.

Key factors on the positive side influencing the establishment of collaboration include personal links, the intent and nature of the environment management system being promoted and experience in environment management systems and their support tools.

On the negative side key factors limiting the development of collaborations include differences in goals between possible collaborating parties, institutional factors including policy and funding arrangements and differences in perspectives between the respective organisations.

Implications

Although the relative importance of these factors, both positive and negative, varies considerably between organisations it is their cumulative and interactive nature that renders them potent determinants of collaboration. Relative to other factors however the project findings point in particular to the following three policy and program settings as having a strong influence on collaborative behaviour.

First under the guise of enabling diversity relevant public sector policies and support programs have not clearly established and promoted the essential and desirable features of EMS as they relate to improving natural resource management in the farm sector. This situation has enabled a wide range of activities to be included under the banner of ‘EMS’, hence confusing the market generally for EMS. The negative implications for ALMS Ltd of this ‘anything goes’ approach have been particularly pronounced given that ALMS Ltd has established clear and precise certification requirements for each category of ALMS membership.

Second the national framework for EMS and related communications intentionally or otherwise positioned EMS primarily as a tool to deliver private benefits to landholders, in particular benefits arising from enhanced market access and /or price premiums for agricultural products. However these market access/price premium benefits generally are now not available; and won't be at least in the near future. This narrow perception of the benefits of EMS has been underlined by the development of support arrangements based on the judgement that EMS should be primarily driven by 'industry', defined by default as agricultural product based organisations and State based farm organisations whose traditional remit understandably has been the protection of sectional interests. Furthermore, and in part as a consequence of the 'anything goes' approach outlined above, the failure of the policy development process to establish the parameters of a nationally recognised approach to certification of land management has constrained the development of a range of public and private drivers for improving land management, ironically not least from the very product markets that have been held as requiring adoption of verifiable environmental management systems.

Funding mechanisms are the third aspect of existing institutional arrangements that impact on the potential for collaborations involving organisations such as ALMS Ltd. In simple terms the inability of ALMS Ltd to contribute funds limited the development of collaborations.

The majority of funds available for supporting improved natural resource management, that is core consolidated revenue funding, are allocated to public sector organisations, in particular to State government departments, through processes that generally are not open to private or community organisations including not for profit companies. This factor alone limits the potential for collaborations between the public and non-public sectors, for in many instances non-public sectors are unable to provide contributing funds for collaborations. Ironically however the impact of this lack of contestability for most funds is heightened by the fact that the majority of influence on expenditure comes from organisations that distribute funds competitively, including Australian Government Departments and Rural Research & Development Corporations. Such competitively let funding is not subject to national competition policy competitive neutrality requirements. Hence, all else being equal, competitively let funding is preferentially let to the public sector organisations that are able to provide capabilities based on their non-contestable funding arrangements and other organisations are marginalized.

Recommendations

The project has demonstrated that organisational diversity and innovation can be reduced by policy and program settings. Adherence to a limited number of simple policy and program guidelines would enable more and more diverse involvement by landholders in environmental management programs.

1 Introduction

This is a report on a project to develop alliances between a public not for profit company, Australian Landcare Management System Ltd and other organisations supporting natural resource management in rural Australia.

As a consequence of discussions concerning proposed tree clearing legislation in Queensland in mid 2000 a management system was designed to assist landholders improve environmental management and to obtain recognition for their achievements. The resultant system was called the Australian Landcare Management System (ALMS).

The initial work to design ALMS was supported by Landcare Groups in southern Queensland, by the Queensland Murray Darling Committee (QMDC) and, to a limited extent, by Meat and Livestock Australia (MLA) and the Queensland Government.

In January 2003 a group of landholders established Australian Landcare Management System Ltd (ALMS Ltd) to further develop and support the implementation of ALMS. Later that year ALMS Ltd was successful in obtaining NHT funds to trial ALMS in South Australia and Victoria over a three year period and parallel work in Queensland was supported by the Queensland Murray Darling Committee. Complementary projects have been undertaken and continue to develop tools to assist landholders adopt ALMS and to obtain recognition for their environmental management achievements.

It will be some time before revenue from the sale of membership and other services forms a substantial part of the funding required to enable ALMS to achieve its purpose. Hence for the foreseeable future the continued operation and success of ALMS will be dependent upon building alliances with other organisations and upon external funding.

This is a report on the learning from activities undertaken to develop alliances between a new and established organisations involved in rural land management.

2 Methodology

The project was comprised of five steps:

- Identifying prospective collaborators.
- Preparing strategies to assist in the development of collaborations.
- Development of presentational material and briefings.
- Liaising with prospective collaborators.
- Analysing results and preparing a project report.

3 Results

3.1 Prospective collaborators

The first task was to identify organisations in the agricultural sector that might collaborate with Australian Landcare Management System Ltd (ALMS Ltd). Emphasis was placed on the agricultural sector so as to build on the ALMS environment management system pilot project work currently underway. Additionally some organisations from outside the agricultural sector were included because of their real and potential contributions to improved environmental management in rural Australia.

The agricultural group was further divided into multi-industry and industry-specific groups. The multi-industry organisations included industry associations, catchment based groups and landcare based organisations. These organisations were viewed as critical influencers of landholders and were a primary collaboration target. Industry-specific organisations were also selected because of their historically strong position in industry leadership.

In addition to ensuring a broad range of multi-industry and industry-specific agricultural and non-agricultural organisations, it was considered desirable to identify a wide geographical range of potential collaborators. Prospective collaborators were identified in Victoria, New South Wales, the Australian Capital Territory, Queensland and South Australia.

Research, consultation and serendipity led to the identification of the following organisations as potential collaborators with ALMS.

Table 3.1 Potential Collaborators

Organisation	**Sector**
1. AgForce, Queensland	Agricultural –multi-industry
2. Burdekin Dry Tropics Board, Queensland	Agricultural – multi- industry and Non-Agricultural
3. CSIRO Sustainable Ecosystems	Agricultural – multi- industry and Non-Agricultural
4. Great Lakes Council, New South Wales	Agricultural – multi-industry and Non-Agricultural
5. Gippsland Natural Pty Ltd, Victoria	Agricultural – multi-industry
6. Greening Australia, Queensland	Agricultural – multi-industry and Non-Agricultural
7.Landcare Groups, New South Wales	Agricultural – multi-industry
8. Meat and Livestock Australia, Australia	Agricultural – industry specific
9. Mike Stevens and Associates (MSA), an agricultural consulting group, Australia	Agricultural – multi-industry
10. North Central Catchment Management	Agricultural – multi-industry and Non-

Organisation	Sector
Authority, Victoria	Agricultural
11. Queensland Farmers Federation, Queensland	Agricultural – industry specific[1]
12. Ridley Corporation, Australia	Non-agricultural (Cheetham Salt) Agricultural (Ridley Agriproducts)
13. River Murray Catchment Water Management Board, South Australia	Agricultural – multi-industry and Non – Agricultural
14.Telstra, Australia	Non-agricultural
15.Victorian Farmers Federation, Victoria	Agricultural – multi-industry

3.2 Strategies for developing collaboration

It was recognised that the strategies for developing collaborations would need to be specific for each potential collaborator. Nevertheless several features were applied commonly, albeit modified to account for specific circumstances. The commonly applied features included:

Adhering to the ALMS Design Principles: Adherence to a limited number of key principles governing the design of ALMS was determined to be a key pre-condition of collaboration. However apart from these principles ALMS Ltd would be as flexible as possible so as maximise the potential for collaboration.

The key principles governing the design of ALMS are:

- ALMS will build on and strengthen the intrinsic motivation of landholders to improve environmental management; empowering landholders in natural resource management a key object of ALMS.

- ALMS will focus on the impacts of the land manger with environmental management being defined as the management of the potential direct and indirect, positive and negative impacts of the land manager on the environment.

- ALMS will use a continuous improvement cycle based on internationally accepted standards; and hence requires the development, maintenance and external auditing of an ISO 14001 compliant environment management system.

- In addition to compliance with ISO process standards ALMS will also require prescribed environmental outcomes related to support for biodiversity conservation and to catchment priorities and strategies.

Being Responsive and Flexible Timeframes: Another common feature embedded in the approach to collaboration was recognition of the different time frames of the collaborating individuals and

[1] The Queensland Farmers Federation (QFF) has developed an overarching Farm Management System (FMS). Discussions aimed at developing alliances between the QFF and ALMS however were directed primarily by industry specific considerations.

organisations. Hence so long as the dialogue was productive and cost effective ALMS set no limits or timeframe to the developing collaboration.

Building Packages: ALMS realised that potential collaborators have varying needs and that in many situations the best potential for collaboration will come from multiple rather than bilateral partnerships and/or from enabling access to a wider range of tools and expertise than might be held by the collaborating partners themselves. Consequently in exploring potential collaborations ALMS Ltd joined, when appropriate, with myEMS Pty Ltd, the provider of a web based software product to assist the development, maintenance and auditing of environmental management systems.

3.3 Presentational material and briefings

Available guides, briefings and other presentational materials were augmented to assist communication with potential collaborators. These materials included:

- The Guide to Australian Landcare Management -accessible online at: http://www.alms.org.au/pdfs/Colour%20Guide%20to%20ALM%20Final%20July%202004.pdf
- Australian Landcare Management System (ALMS): Communication Brief-refer Appendix A
- ALMS Facilitators Handbook
- ALMS Flyer-accessible online at: http://www.alms.org.au/pdfs/Colour%20ALM%20Flyer%20Final%20July%202004.pdf
- ALMS Poster
- ALMS Newsletter-accessible online at: http://www.alms.org.au/alms_news_jan05.htm
- myEMS Communication Brief (refer Appendix B) and poster and brochure.

3.4 Development of collaborations

The results of activities to develop collaborations between ALMS Ltd and selected organisations are detailed in Table 3.2 and a summary of the outcomes is presented in Table 3.3.

Table 3.2 Status of Collaborations (October 2005)

Organisation	Activities	Status of Alliance
1. AgForce, Queensland-a major farm industry representative group in Queensland.	Discussions and exchange of information over several years.	No formal collaboration has developed but any opportunities for future collaboration will be explored. The lack of development of a functioning collaboration reflects differing assessments of the priority that should be given to providing land managers with choices, including the opportunity to consider implementing, on a voluntary basis, a verifiable form of continuous improvement in environmental management.
2. Burdekin Dry Tropics Board, Queensland-a catchment management organisation.	Personal contact over a prolonged period between landholders in the catchment and ALMS personnel lead to more formal discussions.	A project is underway for a group of landholders in the catchment to implement ALMS as a way to evaluate the potential to use ALMS and related tools to help integrate property and sub-catchment NRM planning and action.
3. CSIRO Sustainable Ecosystems	An initial contact lead quickly to further consideration of potential collaboration.	Discussions are continuing centred at least initially on developing protocols for the inclusion of support for biodiversity conservation in ALMS.
4. Great Lakes Council, New South Wales	A personal association over a prolonged period provided the trigger for broader and more formal discussions between the Council and ALMS.	There is no agreement at this time between the Council and ALMS to implement ALMS. Nevertheless both partners believe a functioning collaboration will eventuate when funds become available. Land managers and other environmental managers in the region judge it necessary to have a credible process for environmental improvement in place. Additionally one of the local catchment management authorities has embarked on an ISO14001 process using an ALMS-based approach.
5. Gippsland Natural Pty Ltd, Victoria	Gippsland Natural Pty Ltd, one of the pioneers of EMS in Australia, has been in discussions with ALMS Ltd since late 2003.	There is a close symmetry between the goals of Gippsland Natural and those of ALMS. This symmetry has enabled collaboration to develop across several areas, reinforced by the activities in this project. Current discussions may lead to more formal connections between

Organisation	Activities	Status of Alliance
		Gippsland Natural and ALMS.
6.Greening Australia Queensland (GAQ)	Several presentations and discussions have underpinned an on-going dialogue between GAQ and ALMS	The alliance between GAQ and ALMS is informal, strong and prospective. It is built on a common culture and shared goals but at this time it lacks strong operational base.
7.Landcare Groups, New South Wales	Several discussions have identified opportunities for collaboration.	Further work by ALMS is required to more clearly identify the potential for an alliance between ALMS and Landcare associated groups in NSW.
8. Meat and Livestock Australia (MLA), Australia	In the early 2000s MLA supported several EMS related projects including some of the early development of ALMS. Active liaison has been maintained between ALMS and MLA.	MLA has indicated that it will only consider an environment management program that is linked closely with its QA programs. This approach does not align with the mixed enterprise nature of most livestock operations. ALMS have adopted a whole of property multi enterprise approach and hence the prospects for a close collaboration are limited at this time.
9. Mike Stevens and Associates (MSA), an agricultural consulting group, Australia	A presentation on ALMS and myEMS was made to representatives of MSA.	It is unlikely that MSA will develop collaboration with ALMS/myEMS unless MSA can see a stronger commercial driver for the implementation of EMS.
10. North Central Catchment Management Authority (NCCMA), Victoria	NCCMA and ALMS have existing project partnership arrangements.	As a result of discussions and a presentation of the myEMS software tool NCCMA has purchased a limited managed service from myEMS Pty Ltd. The hope that this arrangement would have fortified existing links between ALMS and NCCMA has not been realised.
11. Queensland Farmers Federation, Queensland	Discussions and exchange of information over several years.	The goals of the QFF designed Farm Management System (FMS) and ALMS are similar. However no functional collaboration has developed at this time. This primarily reflects the enterprise specific focus of the QFF constituent groups and the short term demands on industry to meet regulatory requirements.
12. Ridley Corporation, Australia. Ridley Corporation is Australia's largest stockfeed manufacturer and refiner of salt for food and industrial markets. Ridley is committed to ISO14000	Discussions were held with Ridley about the possibility of using ALMS/myEMS at some of their field sites.	Both Cheetham Salt (a business unit) and Ridley Group corporate were involved in the evaluation of ALMS and associated tools. In early 2005 Ridley advised that they had an existing software tool that they were planning to use for their EMS purposes.

Organisation	Activities	Status of Alliance
at all of its Australasian locations.		
13. River Murray Catchment Water Management Board (RMCWMB), South Australia	The Board had access to information on ALMS and representatives were given a presentation of myEMS.	RMCWMB have expressed interest in working more closely with ALMS, in particular using some of the online tools with land managers within the catchment. However the potential for an alliance between ALMS and the RMCWMB has yet to be realised.
14.Telstra, Australia	Telstra expressed interest in ALMS/myEMS as a package that Telstra suppliers could use to assist them meet environmental management standards required by Telstra.	There is no arrangement for further discussions.
15.Victorian Farmers Federation (VFF), Victoria	Several discussions and presentations were made to representatives of the VFF with the intent of having ALMS as an option for Victorian farmers. ALMS sought an involvement in the VFF Pathways to EMS project funded by NHT.	The VFF has rejected collaborative proposals from ALMS. ALMS and the VFF have fundamentally different views on what is needed to assist farmers improve and to get recognition for their environmental management practices. The VFF pathways to EMS project will be restricted to 'creating widespread awareness and understanding amongst Victorian farmers of the background and meaning of EMS /environmental assurance'. ALMS believes this approach will not cost effectively deliver improved environmental management and recognition on a sustained basis.

Table 3.3 Summary of the Status of Collaborations (October 2005)

Organisation	Sector	Outcome of activities to develop alliance
1. AgForce, Queensland	Agricultural –multi-industry	Not Successful
2. Burdekin Dry Tropics Board, Queensland	Agricultural – multi- industry and Non-Agricultural	Successful
3. CSIRO Sustainable Ecosystems	Agricultural – multi- industry and Non-Agricultural	Successful
4. Great Lakes Council, New South Wales	Agricultural – multi-industry and Non-Agricultural	Prospective
5. Gippsland Natural Pty Ltd, Victoria	Agricultural – multi-industry	Prospective
6. Greening Australia, Queensland	Agricultural – multi-industry and Non-Agricultural	Prospective
7.Landcare Groups, New South Wales	Agricultural – multi-industry	Prospective
8. Meat and Livestock Australia, Australia (MLA)	Agricultural – industry specific	Not Successful
9. Mike Stevens and Associates (MSA), an agricultural consulting group, Australia	Agricultural – multi-industry	Not Successful
10. North Central Catchment Management Authority, Victoria	Agricultural – multi-industry and Non-Agricultural	Successful
11. Queensland Farmers Federation, Queensland	Agricultural – industry specific[2]	Not Successful
12. Ridley Corporation, Australia	Non-agricultural (Cheetham Salt) Agricultural (Ridley Agriproducts)	Not Successful
13. River Murray Catchment Water Management Board, South Australia	Agricultural – multi-industry and Non –Agricultural	Prospective
14.Telstra, Australia	Non-agricultural	Not Successful
15.Victorian Farmers Federation, Victoria	Agricultural – multi-industry	Not Successful

Activities to develop collaborations with catchment-based authorities (Burdekin Dry Tropics Board, North Central CMA, Murray River Catchment (Water Management Board) were either successful or

[2] The Queensland Farmers Federation (QFF) has developed an overarching Farm Management System (FMS). However discussions aimed at developing alliances between the QFF and ALMS were directed primarily by industry specific considerations.

prospective as were activities with broadly based community and research groups (CSIRO Sustainable Ecosystems, Great lakes Council New South Wales, Gippsland Natural Pty Ltd, Greening Australia Queensland, Landcare Groups New South Wales). Attempts to develop collaborations with State based farm organisations (AgForce, Queensland Farmers Federation and Victorian Farmers Federation) and an industry specific statutory corporation (Meat & Livestock Australia) were not successful. Also unsuccessful were attempts to develop collaborations with a consultancy group (Mike Stevens and Associates) and with two corporations (Telstra and the Ridley Corporation).

4 Discussion

As a result of activities supported in part through this project alliances have been developed between Australian Landcare Management System Ltd (ALMS Ltd) and a limited number of other organisations. In most instances these alliances had their genesis in earlier relationship building activities. In some instances additional alliances might result as a consequence of dialogues established during this project. However it is highly unlikely that collaborative action will eventuate with several organisations originally identified as prospective partners.

Activities to develop collaborations were restricted by the availability of resources. Furthermore it would be unrealistic to presume that collaborations can be effected within a preset timeframe across a range of organisations. A third difficulty arises from the frequent need to interpret responses that do not state clearly the rationale for entering or not entering into collaboration. Notwithstanding these complexities discussions with potential collaborators point to several factors being influential in determining whether collaboration is likely to eventuate.

Key factors on the positive side influencing the establishment of collaborations include personal links, the intent and nature of the environment management system being promoted and experience in environment management systems and their support tools.

On the negative side key factors limiting the development of collaborations include differences in goals between possible collaborating parties, institutional factors including funding arrangements and differences in perspectives between the respective organisations.

Although the relative importance of these factors, both positive and negative, varies considerably between organisations it is their cumulative and interactive nature that renders them potent determinants of collaboration. However relative to other factors it appears from the discussions that policy and program settings have a strong influence on collaborative behaviour, in part through their impacts on the conditions for funding.

4.1 Personal Links

In nearly all instances of realised and prospective collaboration there were pre-established personal links that were instrumental in initiating and /or in maintaining a dialogue to explore possible collaboration. In other words, to state the obvious, people are important.

4.2 System Design

Potential collaborators had varying views about the feasibility and necessity of implementing ALMS. However the intent and design of ALMS were generally seen as being well based and in no instance were they identified as a reason preventing collaboration.

4.3 Experience in EMS/EMS Support Tools

An understanding of and/or exposure to EMS were essential prerequisites to establishing collaboration but they were of secondary importance in the initiation of dialogue.

Some of the difficulty in the marketing of EMS in general and of ALMS specifically arises from the promotion of EMS prior to the development of necessary support tools and facilitation skills. This factor contributed to an understanding that EMS is too difficult and /or is not designed for agriculture. The adverse implications of this understanding for the development of alliances between ALMS and other organisations were heightened further by the portrayal of ALMS as an elite system whereas in reality it was being compared falsely with activities that fundamentally are not EMS.

4.4 Differences in Goals

Unsurprisingly differences in goals between organisations limited the potential to form collaborations.

The purpose of ALMS Ltd is to improve natural resource management and for landholders to obtain recognition for their achievements. Given this purpose and the lack of a pre-existing membership the ALMS Ltd target audience is comprised of landholders who wish to improve natural resource management. However established State-wide and industry specific organisations cater for members having varying degrees of commitment and capability to improve natural resource management. A perception develops in these organisations that their members require a product different to that provided for by ALMS. In most situations there is little recognition of or support for the diversity that exists in their membership and hence of the diversity of products favoured by their membership.

4.5 Institutional Factors

Three aspects of the institutional arrangements[3] pertaining to EMS significantly constrain the adoption of EMS as a tool for improving natural resource management and, as a subset of this, the development of collaborations between ALMS Ltd and many existing organisations.

First under the guise of enabling diversity relevant public sector policies and support programs have not clearly established and promoted the essential and desirable features of EMS as they relate to improving natural resource management in the farm sector. This situation has enabled a wide range of activities to be included under the banner of 'EMS', hence confusing the market generally for EMS. The negative implications for ALMS Ltd of this 'anything goes' approach have been particularly pronounced given that ALMS Ltd has established clear and precise certification requirements for each category of ALMS membership.
Second the national framework for EMS and related communications intentionally or otherwise positioned EMS primarily as a tool to deliver private benefits to landholders, in particular benefits arising from enhanced market access and /or price premiums for agricultural products. However these market access/price premium benefits generally are now not available; and won't be at least in the near future. This narrow perception of the benefits of EMS has been underlined by the development of support arrangements based on the judgement that EMS should be primarily driven by 'industry', defined by default as agricultural product based organisations and State based farm

[3]Institutional arrangements include the traditions and the norms and practices of groups, the organisations formed by government, industries and communities and their policies and programs, including laws, regulations, codes of practice, and the operation of markets.

organisations whose traditional remit understandably has been the protection of sectional interests. Furthermore, and in part as a consequence of the 'anything goes' approach outlined above, the failure of the policy development process to establish the parameters of a nationally recognised approach to certification of land management has constrained the development of a range of public and private drivers for improving land management, ironically not least from the very product markets that have been held as requiring adoption of verifiable environmental management systems.

In contrast to the whole of farm catchment linked approach adopted by ALMS Ltd many agencies continue to operate on an industry-by-industry basis. This industry-by-industry approach is not well aligned to the nature of farm-based businesses for over 60% of farms producing over 70% of farm output involve two or more industries (See Appendix 3). Furthermore an industry-by-industry approach is not well aligned to the spatial dimensions of environmental management.

The implications of an industry-by-industry approach are well illustrated by the recent call for tenders 'to develop a suite of natural resource monitoring aids for woolgrowers covering topics such as native vegetation, riparian zones and soil and water health' (http://www.lwa.gov.au/funding). Given that some 74% of wool and sheep meat in 2001 was produced on farms having at least three industries (two plus wool and sheep meat) it is difficult to visage circumstances that would logically lead to customising natural resource monitoring aids specifically for wool and sheep meat producers. Not only is it likely to be inefficient, it will lead presumably to fragmentation of natural resource monitoring systems making the integration and management of natural resource information more difficult.

Not withstanding that EMS is a broadly applicable management process, industry specific organisations were supported to develop and promote enterprise specific EMS; for cotton, for sugar, for cropping, for beef, for dairy, for sheep etc and in so doing further entrenched the private benefit perception, along with a suite of other problems. Enabling EMS to be envisioned as a tool to be driven by single industry based Research & Development Corporations and by similarly aligned industry groups limits the recognition of the whole farm/ broader landscape spatial based applicability of EMS and consequently the capacity of ALMS Ltd to form collaborations with single industry based organisations.

Funding mechanisms are the third aspect of existing institutional arrangements that impact on the potential to form collaborations involving organisations such as ALMS.

Effective support for ALMS has been provided over several years from the Queensland Murray Darling Committee. This broadly based partnership is underpinning an extensive roll out of ALMS in the Catchment in conjunction with sub-catchment planning. Additionally ALMS have been successful in obtaining funds from the National EMS Pilot Program. The purpose of this funding was to trial ALMS in two locations rather than to provide support for the organisation more broadly. Furthermore, as discussed elsewhere in this report, the focus in that program and within the aligned Pathways to EMS Program was overwhelming towards separate industry groups resulting in fragmentation of effort and reduced focus on whole of farm catchment linked activities.

The majority of funds available for supporting improved natural resource management, that is core consolidated revenue funding, are allocated to public sector organisations, in particular to State government departments, through processes that generally are not open to private or community organisations including not for profit companies. This factor alone limits the potential for collaborations between the public and non-public sectors, for in many instances non-public sectors are unable to provide contributing funds for collaborations. Ironically however the impact of this lack of contestability for most funds is heightened by the fact that the majority of influence on expenditure comes from organisations that distribute funds competitively, including Australian Government Departments and Rural Research & Development Corporations. Such competitively let funding is not subject to the national competition policy competitive neutrality requirements. Hence,

all else being equal, competitively let funding is preferentially let to the public sector organisations that are able to provide capabilities based on their non-contestable funding arrangements and other organisations are marginalized.

The consequences for ALMS Ltd (and for other similar organisations) of the contestability and competitive neutrality arrangements as described above were further heightened for the duration of this project by restrictive eligibility arrangements for funding from the Pathways to EMS Program and by that program funding programs that are not EMS. Eligibility for funding from the Pathways Program was restricted to organisations that by virtue of their statutory basis or by tradition are considered to represent industry. Additionally, in line with the pathways intent, funding was provided for programs that do not have features generally considered characteristic of EMS, for instance a continuous improvement cycle.

4.6 Perceptions

ALMS was born out of a Landcare culture and Landcare members, particularly in southern Queensland, have strongly supported its development. As a consequence of this association many of the landholders supporting ALMS are willing to invest in improving natural resource management. However the adoption of EMS and hence the potential for collaboration between ALMS Ltd and other NRM related organisations is of course limited by the willingness of landholders generally to invest in natural resource management.

Many landholders have a perception that improving natural resource management is primarily for the benefit of the general public, a perception strengthened by a heavy reliance on regulatory instruments, ‘top down’ approaches to establishing environmental targets and by the dominant role played by public sector organisations in the delivery of programs supporting natural resource management. This perception limits the degree to which landholders explicitly accept the importance of improving natural resource management to farm profitability, to reducing potential legal liabilities arising from environmental damage and to maintaining asset values. Additionally unpriced (non-commodified) values usually are not embedded in the policy settings with the result that outcomes such as improved personal satisfaction, improved landscape ascetics and community harmony are discounted in the evaluation of public policies and programs.

5 Conclusion

It is reasonable to judge that this project has been moderately successful if one takes into account that ALMS Ltd is a new player in natural resource management and that it has limited resources. However it is also evident that there are significant constraints to establishing and/or strengthening collaborative arrangements.

Because of the limited scoping nature of the project it is not possible to draw firm conclusions about the relative importance of factors influencing the development of collaborative arrangements to support newly established organisations in the natural resource management field. There are indications however that even when strong interpersonal links exist many established organisations are unlikely to enter into collaborative arrangements with non-traditional organisations.

Superficially there appears to be a wide range of reasons why collaborative arrangements might be difficult to form between established and newly emerging organisations. Nevertheless many of the difficulties experienced by ALMS Ltd in developing collaborations have their genesis in policy analyses and/or program design. The primary constraints to the development of collaborative

arrangements appear to be related to the differential impacts on organisations of policy and funding arrangements and to differences between organisations in their imperatives as are determined by their constituent members.

The overriding conclusion that can be drawn from this project is that institutional diversity and innovation can be stymied by inappropriate policy and program settings. Adhering to a limited number of simple policy and program guidelines would enable more and more diverse involvement by landholders in environmental management programs.

It is widely accepted that there are private and public benefits from improving environmental management. These benefits are usually interdependent and overlapping. Nevertheless we seek long-term engagement from landholders in environmental management activities without first ensuring mechanisms are in place for an appropriate sharing of costs and benefits.

Without establishing the criteria for public verification of environmental management beyond regulatory compliance we hold out the proposition that consumers of certain landscape products, in particular food and fibre products (but not others) will reward environmental managers. In the absence of 'market' rules for improved environmental management we are left with the challenging task of using 'ropes of persuasion' to push rather than to pull landholders into improving environmental management. Unsurprisingly many landholders are reluctant to engage. The public and industry fallback position is to lower the performance bar to a point whereby the object of improved environmental performance is unlikely to be achieved. A preferred solution would be to establish a voluntary national certification scheme for land management as a basis of allocating benefits for environmental performance beyond that required for regulatory compliance.

Many of the difficulties encountered in engaging landholders in environmental management would be avoided if from the outset support programs were built upon the motivations and aspirations of landholders.

Diversity is a prime feature of rural landscapes, diversity in biophysical features, diversity in the beliefs and values of landholders and diversity in the nature of their operations (Synapse Research & Consulting & Bob Hudson Consulting 2005). Understandably this diversity gives rise to differing motivations and aspirations. Nevertheless environmental management support programs such as NHT2 and NAP establish goals and targets in a top down hierarchical manner constraining the involvement of individual landholders in the processes of immersion and problem identification. These processes are critical to building intrinsic motivation and hence to the sustained commitment and creativity needed to improve environmental management (Gleeson, Russel and Woods 1999). Hence a preferred approach would be to embrace broader landscape goals by building environmental management support programs from the bottom up on the basis of property-by-property deliberations integrated with broader spatial inputs.

The interactions between ecosystem elements are critical to ecosystem function. However most regulation and environmental management support programs focus on discrete elements of ecosystems. Applicability at the farm level, and hence the engagement by landholders would be enhanced, and the risk of perverse outcomes would be reduced, if these arrangements dealt with complete ecosystem function. Engagement by landholders in environmental management is constrained also by reductionist approaches to project design, the short duration of projects and inappropriate accountability arrangements.

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Appendix A

Australian Landcare Management System (ALMS): Communication Brief

ALMS is a system designed to offer land managers the tools to meet emerging community expectations for accountability on issues like vegetation management and water quality and is now being adopted in four Australian states.

Purpose: To encourage participation and interest in the ALMS.

Outcomes: Participation in ALMS will bring demonstrable improved environmental and hence business outcomes from the adoption of ALMS. ALMS is designed to deliver these outcomes in a sustained and internationally credible way.

Benefits:

- Enables an organisation and/or landholders to participate in a national whole of farm system for improving environmental management, and hence business management. The national and whole of farm features enhance the potential for recognition (capture of benefits) of improved environmental management from communities, consumers and from government.

- Enables an organisation and/or landholders to be a major leader and participant in the further development of national environmental management system(s).

- Enables an organisation and/or landholders to form an on-going alliance with ALMS which will enable provision of services.

- Enables the benefit from the design work that lead to ALMS, including the identification of the essential features of ALMS, the development of eligibility criteria and of auditing requirements for ALMS membership and the development of processes and tools to assist implementation and auditing. The essential features of ALMS include compliancy with the ISO 14001 standards, catchment linked, requiring continuous support for biodiversity conservation, across industries-whole of farm, external auditing and building on the Landcare culture.

- Through the alliance of ALMS and myEMS Pty Ltd, facilitate the use of myEMS, a web-based software tool for use in the development, maintenance and auditing of EMS. This will be a major factor in the effective and widespread implementation of EMS throughout Australia.

- ALMS can provide a foundation for EMS delivery, based on facilitating ISO14001 compliant systems and in assisting with access to and use of myEMS.

Participation in ALMS: Common Queries

Q1. The continuous improvement cycle: plan, do, check, review – is too much to commit to initially. Why would I go further than say a self-assessment of my environmental management and maybe decide later to do the full cycle – the ‘full Monty’?

A1. Part of the cycle will not deliver cycle benefits. It will not deliver continuous improvement in a credible and demonstrable manner - it will not deliver recognition for the effort. In other words at the end of the day there is no benefit from land preparation if the crop isn’t planted. In any event the effort and cost required to implement the full cycle is only marginally greater than doing 2 or 3 components of the cycle. Additionally partial or sequential adoption of components of the cycle is inefficient for both landholders and facilitators.

In essence: Best to start people on the pathway that can deliver over the long term. They may not begin again.

Q2. Is it correct that developing and implementing ALMS is too difficult for most farmers?

A2. No, so long as there is a commitment to improving environmental management. The ALMS position is to implement a system which is comparatively simple to use and will deliver benefits. Farmers now deal with a whole array of complex financial, marketing and production and social systems and ALMS is far from being the most complex of these tasks. A great benefit of ALMS is that it caters for variability in environmental conditions/requirement and in the capacity of the land manager to implement improved practices.

In essence: EMS is simplified through ALMS related tools and a wide range of landholders is currently participating.

Q3. Why should I adopt an ISO14001 compliant system?

A3. To get greater international and national recognition, to get the benefits of using an established and standardised system and to greatly lower the risk of having to adopt a different system in the future.

In essence: Landholders look for recognition benefits so ISO 14001 is the preferred basis.

Q4. Is ISO14001 certification is too expensive?

A4. The Eucalypt and Banksia ALMS membership categories do not require ISO certification. The ALMS Grevillia membership category offers eligible land managers ISO 14001 certification but in the foreseeable future most will not select that category because of audit cost.

In essence: The ALMS membership design alleviates costs while retaining benefit potential.

Q5. How can I work out if the effort is worthwhile before I start?

A5. Unfortunately there is no simple answer; the only approach is to stack the cards in your favour. You can do this by being open to unexpected benefits from the EMS process, by working in a group of similarly minded farmers and by selecting a system such as ALMS that is capable of delivering business and environmental benefits and the personal satisfaction from knowing you can demonstrate good stewardship. An essential but as yet underdeveloped feature is acceptance in public policy of EMS as a useful vehicle for cost sharing between the public and private sectors. ALMS enables the delivery of intertwined public and private goods – for the linking of the catchment targets to the activities of individual farmers.

In essence: The benefit stories continue to emerge but the ability for landholders to substantiate sound environmental management along the supply chains and to authorities presently is a fundamental feature.

Appendix B

myEMS: Communications Brief

myEMS as a cost-effective and extendable tool

Summary Points

1. myEMS is a web based software tool that enables farmers to quickly and easily achieve natural resource management objectives and enables those objectives to be expanded to deliver an EMS (continuous improvement plan). Additionally all aspects completed using myEMS will be ISO14001 compliant so that farmers wishing to attain ISO14001 certification or a parallel certification such as that proposed by ALMS will be able to do so without any backtracking over ground they have already completed.

2. myEMS was developed with extensive consultation with EMS practitioners, farmers and industry and catchment representatives.

3. myEMS works on a community model where an Association (either as a whole or smaller groups of farmers based on industry or geographical similarities), provides a default data set to farmers. Farmers then review this default data set and make the required changes to ensure that the EMS is relevant to the specific requirements of their own operation. This default data set is already in development by industry experts.

4. myEMS consists of several tools including:
    - Start up - EMS policy and relevant legislation
    - Significant Impacts - environmental review, aspects and impacts, risk assessment, management plans (including action plans and procedures)
    - Staff – staff capabilities (tasks and skills), capability assessment and training requirements
    - Information pathways – communication management, document management, etc.

5. These tools can be deployed individually or sequentially. For example, farmers could use myEMS to undertake a self-assessment, and then continue on to a risk assessment and action planning. Later they could expand their EMS to include relevant legislation, policy and staff capabilities.

Appendix C

Industry Mix on Australian Farms (for the year ending June 2001)

Industry	Proportion (%) of producers in that group with only 1 industry (e.g. beef), with 2 industries or with more than 2 industries			Proportion (%) of estimated value of agricultural operations attributed to producers in that group with only 1 industry (e.g. beef), with 2 industries or with more than 2 industries		
	1 Industry	2 Industries	> 2 Industries	1 Industry	2 Industries	> 2 Industries
All Industries	39	34	27	29	30	41
Beef	26	41	33	11	37	52
Dairy	38	40	22	39	37	24
Sheep (wool and meat)	11	35	54	3	23	74
Poultry	43	33	24	55	25	20
Pigs	6	18	76	10	16	74
Other Livestock	6	48	46	2	36	62
Cereal Crops	5	29	66	3	21	76
Oilseed Crops (excluding cotton)	0	7	93	0	4	96
Other Crops (excluding cotton & sugar cane)	1	11	88	0	7	93
Cotton	10	29	61	10	26	64
Sugar	68	21	11	52	28	20
Vegetables	32	35	33	33	30	37
Fruit (including grapes, apples, pears & stone fruit)	59	25	16	52	25	23
Nurseries (including cut flowers and	62	23	15	56	25	19

Industry	Proportion (%) of producers in that group with only 1 industry (e.g. beef), with 2 industries or with more than 2 industries			Proportion (%) of estimated value of agricultural operations attributed to producers in that group with only 1 industry (e.g. beef), with 2 industries or with more than 2 industries		
	1 Industry	2 Industries	> 2 Industries	1 Industry	2 Industries	> 2 Industries
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