RAIZ
Resilient Agriculture Investment for net-Zero land degradation

Case Study

Australia's investments into landscape repair through the Climate-Smart Agriculture Program

Location: Varying locations across Australia
Stage of Implementation: In progress
Lead entity: Australian Department of Agriculture, Fisheries and Forestry
Contact information: SustainableAgriculturePolicy@aff.gov.au

Mapping the problem

Australia's agriculture sector plays a central role as stewards of the land and natural resources, with farming activities spanning over 50% of Australia's land use (439 million hectares). At a national scale, the sustainable management and restoration of agricultural land is essential and underpins Australia's food security, biodiversity, climate resilience and long-term economic prosperity.

Australian farmers are widely adopting natural resource management practices, with over 90% reporting the use of at least one practice such as soil conservation, ground cover retention, efficient water use and protection of native vegetation. [1] However, pressures on land condition across the country persist. Australian soils and the agricultural landscapes are affected by erosion, acidification, salinisation, sodification, soil carbon loss, contamination, and urban and industrial expansion.[2]

Climate change is intensifying existing pressures on Australia's agricultural landscapes with modelling by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) estimating that changes in seasonal conditions over the period from 2001 to 2023 (relative to 1951 to 2000) have reduced annual average broadacre farm profits by 18%, or around A$28,500 per farm, relative to the previous 50 years. Farmers and regional communities are already experiencing the effects through changes in productivity, water availability, soil health, and the spread of pests, weeds and diseases. ABARES indicates that future changes in climate could make for tougher conditions across all farms around Australia, including through more frequent droughts, extreme weather events and shifting rainfall patterns.[3] While productivity gains and adaptive practices have helped offset some of

[1] A Survey of Emissions and Natural Resource Management Practices in Australia, 2023–24 - DAFF
[2] Soil | Australia state of the environment 2021
[3] Climate change impacts and adaption on Australian farms

these impacts to date, the long-term sustainability of the sector depends on maintaining and improving the condition of natural capital.

The solution and approach

The **A$1.1 billion** Natural Heritage Trust (NHT) is the Australian Government's key investment platform for achieving its natural resource management, sustainable agriculture and environmental protection outcomes. NHT investments are governed by the Natural Heritage Trust of Australia Act 1997. Each phase of the NHT is typically funded over a 5-year cycle. The current phase commenced in 2023–24 and will operate to 2027–28.

Under the NHT, the Australian Government has established the **A$302.1 million Climate-Smart Agriculture Program (CSAP)** from 2023–24 to 2027–2028. The CSAP continues the enduring investment under the NHT into sustainable agriculture and natural resource management by supporting Australia's sustainable agriculture sector, regional organisations and thriving grassroot communities. Farmers are supported to drive growth of agricultural productivity, while also adopting sustainable natural resource management practices that protect and conserve natural capital and biodiversity.

This program's design was informed by a co-design process with key stakeholders and experts in the agriculture sector in early 2023. Through this process, the department sought feedback on priorities for investment to aid implementation of climate-smart, sustainable agricultural practices, the types of projects that the NHT could invest in, and how to enhance engagement and collaboration with First Nations people to inform its design. In developing the program, consideration was also given to ensuring alignment with Australia's Nationally Determined Contribution (NDC) and broader climate policies, including activities related to emissions reduction, carbon sequestration and land management.

Through targeted investment, the program is driving real change on the ground by building capability, strengthening knowledge and accelerating the adoption of sustainable practices across agriculture. Extension activities are a priority, through hands-on trials and on-farm demonstrations, enabling farmers to test, apply and scale approaches that address local and national priorities and deliver lasting improvements in sustainability outcomes.

Implementation is underpinned by strong partnerships across government, industry and communities. CSAP investments are being delivered by the Australian Government via regional natural resource management (NRM) organisations, industry, research organisations and academia, state and territory governments, non-government organisations, First Nations organisations, and Landcare and community groups.

Monitoring and reporting allow for effective tracking of progress and measurement. This assists the department to evaluate how its NHT investments are performing against program and project outcomes. The CSAP Monitoring, Evaluation and Learning Framework focuses on understanding the impact of the program, including what works, why it works, and who benefits from it. This approach embeds an evaluative culture that values ongoing learning and improvement. Key stakeholders contribute to this through consistent data collection and reporting, enabling aggregation and national-scale assessment of program performance.

Projects address a range of priorities which include climate adaptation and emissions reduction, education and extension, practice change, leveraging innovative technology, precision irrigation, fertiliser efficiency, revegetation and landscape repair and soil health. Projects also focus on markets and natural capital, First Nations culture and knowledge, water management, and integrated pest and disease management.

The CSAP also funds a network of over 70 Sustainable Agriculture Facilitators (SAFs) across Australia who connect farmers, landholders, community groups and agriculture industries to relevant information and programs on climate-smart, sustainable agriculture practices; facilitate partnerships and connections; and support the delivery of sustainable agriculture projects in their region.

As of July 2026, the program has delivered practice change over 360,000 hectares, delivered almost 1,200 engagement events, undertaken nearly 1,800 days of on ground sustainable agriculture innovation activities, and conducted more than 1,500 soils tests.

Together, these efforts demonstrate a coordinated approach to improving land management, building capacity, and driving sustainable agricultural and environmental outcomes at scale.

Financing structure

As outlined earlier, a total of **A$302.1 million** of government funding has been allocated to support climate-smart, sustainable agriculture. The program is delivered primarily through grant-based and procurement mechanisms, including:

- competitive and targeted grants for projects supporting climate-smart practice adoption, innovation and capacity building
- procurement arrangements with Regional Delivery Partners to deliver local and regional projects
- targeted funding to research and delivery organisations (e.g. CSIRO, industry bodies, NRM organisations).

There is also significant co-investment across all major sub-programs, from state and territory government, philanthropic, research and private partners. For the Capacity Building Grants Round 2 sub-program, launched in 2025, successful grantees reported over A$11.5 million for in-kind co-contributions or 70% of program investment.

Knowledge sharing and potential for replication

The program is still underway but appropriate reviews are taking place. These reviews will cover program outcomes, lessons learnt and future opportunities. Continuous improvement is a core tenet of the program, which has been running (in current form) since the late-1990s and has influenced several other programs.

The program has a strong, built-in knowledge sharing capacity through the Sustainable Agriculture Facilitators (SAF) sub-program. The investment funds extension officers who share knowledge and support farmers, industry and community groups (including Landcare

Groups) to adopt new and innovative sustainable agriculture practices. Farmers themselves see the SAFs as one of the most useful and effective components of the program.

Supportive material

CASE STUDY 1 - PROCUREMENT

Project Name: Climate Smart Catchments

Provider: Burnett Mary Regional Group (BMRG)

Investment: A$1.3 million

Description:

Through this project, BMRG is helping landholders take practical steps to enhance the health and productivity of their land. This includes:

- planting multi-species cover crops to increase soil carbon and fertility
- restoring bushland and wildlife corridors to improve biodiversity
- supporting on-farm water retention and erosion control
- measuring and monitoring key natural capital indicators
- helping landholders access future carbon and biodiversity markets.

This approach is not about locking land away. It's about working with farmers, Traditional Owners, and natural systems to ensure productive land also supports environmental resilience. The Climate Smart Catchments project aims to:

- strengthen climate resilience across agricultural landscapes
- support new revenue streams through nature-based solutions
- create long-term environmental and economic outcomes for the region.

Project targets include implementing engagement events, fence installations, fauna and habitat surveys, improving sustainable agriculture practices over large areas, removing weeds, conducting soil tests and many other activities.

Norbrook Farm is a working macadamia nut farm in the Burnett Mary Region in Southeast Queensland, Australia. The property is run by M-Nut, an owner and operator of macadamia orchards in Queensland, and participate in BMRG's Climate Smart Catchments project. They are supported to regenerate and protect their bushland to increase biodiversity and sequester carbon alongside their production goals.

In 2025, Norbrook received co-investment from Mercuri VC, London. Mercuri and M-Nut committed a minimum total investment of A$100,000 over 5 years for habitat restoration, rehabilitation and restoring biodiversity.

Video:

Natural Balance (YouTube)



Photos:



Norbrook Orchards (BMRG)



M-Nut's John Watson (BMRG)



Infill planting at Norbrook's Native Pollinator Project, Stage 1 area (BMRG)

CASE STUDY 2 - GRANTS

Project Name: Enhancing soil health and climate resilience in the Northern Territory

Provider: University of Queensland

Investment: A$1 million

Description:

The soils of the Northern Territory are typically characterised by sandy surface layers overlying clay-rich subsoils. Low fertility and limited organic matter increase susceptibility to water erosion and constrain productivity.

The project is restoring soil function and stability by increasing organic matter across surface and subsoil layers through green manuring and delving to redistribute clay into upper soil horizons. These practices improve soil structure, enhance water infiltration and retention, and reduce erosion risk.

Delivery through farmer-led demonstrations, regional workshops, and tailored extension materials supports adoption of proven soil restoration practices and builds local capability to sustain outcomes.

Early results show a significant increase in biomass and soil organic carbon, indicating measurable progress in soil recovery. These improvements are expected to deliver long-term benefits, including increased soil stability, productivity, and resilience over 20 to 30 years.

RAIZ

Resilient Agriculture Investment for net-Zero land degradation

RAIZ is a global effort to map and mobilize funding for the restoration of degraded farmlands worldwide. It is hosted by the Ministry of Agriculture and Livestock of Brazil (MAPA) under the FAO FAST Partnership with the collaboration of the UNCCD G20 Global Land Initiative and the Food and Land Use Coalition (FOLU). For more information: FAST-Partnership@fao.org