

# ANNUAL REPORT 2025

SAVANNA FIRE  
MANAGEMENT  
PROGRAM



INDIGENOUS  
LAND AND SEA  
CORPORATION

## Acknowledgement of Country

In all our activities we pay our respect to the Traditional Owners and Custodians of the lands, waters and skies on which we live and work. We honour the resilience and continuing connection to Country, culture, and community of all Aboriginal and Torres Strait Islander people across Australia. We recognise the decisions we make today will impact the lives of generations to come.

### A note on language

The terms 'Aboriginal and/or Torres Strait Islander', 'Aboriginal', 'Indigenous' and 'First Nations' may be used interchangeably throughout this document. Using these terminologies, we seek to acknowledge and honour diversity, shared knowledge and experiences as well as the right of individuals and communities to define their own identities.

The C in Country is capitalised throughout this document as Country for Aboriginal and/or Torres Strait Islander people is a strong place of connection which provides the upmost significance to their people and means more than physical land. In this document, Country may refer to land, freshwater and/or seawater.

# Foreword from the ILSC GCEO

The Indigenous Land and Sea Corporation (ILSC) is proud to support the Savanna Fire Management (SFM) Program in its ninth year of implementation, working in partnership with Indigenous communities across the Top End of the Northern Territory (NT) to develop carbon enterprises grounded in traditional fire management practices.

The SFM Program works directly with three Indigenous organisations to support Ranger groups manage approximately 4 million hectares of Country across the Top End of the NT.

Together, they carry out strategic early dry season burning to reduce the spread and intensity of late season wildfires. The commensurate reduction in emissions associated with late season wildfires creates opportunities to earn Australian Carbon Credits Units.

The ILSC is proud to support eligible First Nations Ranger groups in Caring for Country through cultural fire practices, strengthening their connection to land while providing opportunity for economic development.

The ILSC congratulates all participating groups on their achievements and looks forward to continuing to support their efforts, as well as those of other emerging eligible groups.



A handwritten signature in black ink, appearing to read 'Joe Morrison'.

**Joe Morrison**

Group Chief Executive Officer  
Indigenous Land and Sea Corporation



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# Introduction

The Indigenous Land and Sea Corporation's (ILSC's) 2025 NT Savanna Fire Management (SFM) Program Annual Report provides an overview of the ninth year implementing the SFM Program. This program aims to support Indigenous-led projects undertaking fire management to reduce greenhouse gas emissions. The program operates on Indigenous-held land in the Northern Territory (NT), and has been instrumental in providing resources, training, and assistance for on-ground fire management, governance, and sustainable business development.

The SFM Program is funded by INPEX Operations Australia (INPEX) on behalf of Ichthys LNG joint venture partners. INPEX's recognition of environmental and cultural impacts associated with the Ichthys onshore LNG facility in Darwin led to a commitment to assist with the development of SFM emissions avoidance projects on Indigenous lands across the NT. Program operating funds are provided to the ILSC via a discretionary trust managed by Perpetual Trustee Company Ltd (Perpetual). The collaboration between the ILSC and Perpetual began with the signing of the SFM Services Agreement almost 10 years ago on 12 December 2016, and operations commenced in April 2017.

The projects, registered with the Clean Energy Regulator (CER) under the Carbon Farming Initiative Act 2011, operate under the savanna fire management methodologies. These methodologies are informed by traditional Indigenous fire management practices across northern Australia. Small, cool and patchy fires are lit in the early dry season (EDS) as the Country dries out after the wet and the weather is cool. This active EDS fire management reduces the impact of destructive late dry season (LDS) fires that damage Country and produce large amounts of greenhouse gases. Projects can earn Australian Carbon Credit Units (ACCUs) for every tonne of greenhouse gases abated below an established pre-project baseline.

Through the SFM Program, the ILSC directly engages project groups to prepare and register projects with the CER. Project groups include Indigenous organisations who represent Indigenous landowners such as the Northern Land Council (NLC), the Central Land Council (CLC) and Indigenous Corporations such as Tiwi Resources and Thamarrurr Development Corporation. These projects deliver multiple benefits for Indigenous landowners including Caring for Country using traditional cultural practices, employment, income generation through emissions avoidance, and the establishment of long-term sustainable enterprises on Indigenous-held land.

SFM Program funds are used for all aspects of SFM Project establishment and management, and are provided directly to project groups or third parties that provide a variety of services for the projects. Funding areas include:

- **Project establishment** – feasibility studies, meetings and consultations with Traditional Owners, project registration costs
- **Operational** – employment and training, on-Country fire management, equipment
- **Governance** – Indigenous owned entity development
- **Communications** – communications resources to facilitate understanding complex carbon related information
- **Monitoring and evaluation** – co-benefits, biodiversity monitoring and evaluation.

# Program Structure

## Phase 1 Project Funding Agreements

Phase 1 Project Funding Agreements (PFAs) play a crucial role in supporting the initial stages of project development. These agreements focus on due diligence, business planning, feasibility assessments and meeting CER eligibility requirements for ACCU production.

Phase 1 PFAs aim to assist groups in building their understanding of the carbon industry and developing their fire management capabilities. These projects are typically hosted by a local Indigenous organisation or facilitated through an Indigenous entity if a local organisation has not been established.

Prior to the execution of contracts and the appointment of a hosting organisation, extensive consultation takes place with Traditional Owners. Moving into Phase 2 requires Traditional Owner approval. Projects must demonstrate commercial viability and the potential to become fully independent commercial enterprises within 5 to 7 years of initiating savanna burning operations.

## Phase 2 Project Funding Agreements

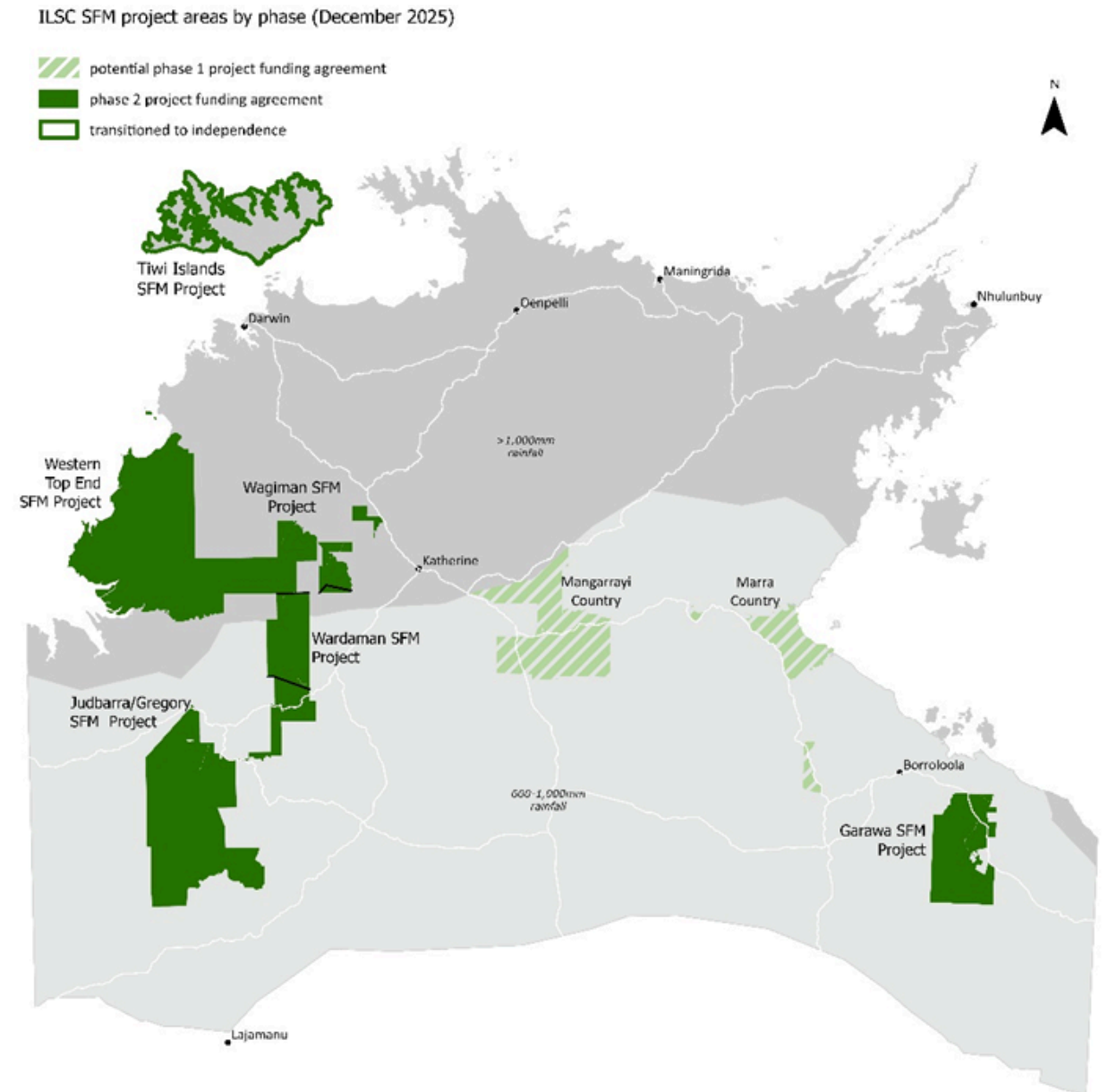
Phase 1 SFM Projects that meet the necessary commercial viability requirements can progress to a Phase 2 PFA. During Phase 2, these projects become eligible to earn ACCUs after registration with the CER.

Within the Phase 2 PFA, the SFM Program provides financial support for various savanna fire management operations. This includes fire management planning, prescribed burning operations, and late dry season wildfire suppression. The PFA not only covers operational funding but also extends its support to project offset reporting, ACCU Scheme audits, and facilitating broader project development activities.

The aim of these Phase 2 PFAs is to establish sustainable Indigenous enterprises by fostering the growth and development of the project. By providing the necessary funding and resources, the SFM Program aims to contribute to the establishment of a robust and self-sustaining Indigenous enterprise in the field of savanna fire management.

Figure 1 shows the SFM Program project areas by phase in 2025.

# SFM Projects Map



# SFM Program Manager Activities

The 2025 prescribed burning season was a typical season with some variability, including late rain. Whilst rain is generally welcomed, unseasonal late rain delayed the start of EDS burning efforts across most project areas, further reducing an already shortened burning window. Typical south-easterly trade winds dominated the 2025 season.

All SFM Project areas experienced late season wildfires. The ground and aerial burning implemented by the groups were largely successful in stopping the spread and impact of most late season fires. This is one of the important measures of achievement in SFM Projects, as it demonstrates the success of EDS activities.

The ILSC became the official project proponent with the CER for the Garawa SFM project, resolving a long-standing matter for the project. The original proponent, the North Australian Indigenous Land and Sea Management Alliance (NAILSMA), transferred the project to the ILSC in 2023.

Since then, the ILSC has held interim approval for the project from both Traditional Owners and the CER. Consultation with Traditional Owners was finalised and the ILSC now has the legal right to operate an SFM project on the Garawa Aboriginal Land Trust (ALT).

A significant achievement for the Judbarra SFM Project was the issuance of the 'By-Law 13 Permit'[1] by the NT Government, allowing commercial SFM activities to be conducted in Judbarra National Park. The NLC has been issued with the permit and the ILSC has signed the associated Deed of Indemnity which indemnifies the NT Government against any liability arising from SFM-related activities. Successful resolution of this long-standing issue will allow for clearer project implementation in the future.

[1] Under the Territory Parks and Wildlife Conservation (Judbarra/Gregory National Park Carbon Emissions Reduction Project) By-Laws 2022

A key focus for the ILSC SFM team in 2025 was engaging with the project groups to increase their knowledge and understanding of SFM methodologies and the broader carbon industry.

The SFM team, the Indigenous Carbon Industry Network (ICIN), and Charles Darwin University are developing communications resources designed to assist Program participants develop a comprehensive understanding of all aspects of SFM. These resources have been trialed at various meetings and have received positive feedback and requests for additional delivery. This will be a key focus for the team in 2026.

The team has also been involved in ICIN-led consultation with the Australian Government about the new SFM methods, planned for release in 2026. The team will remain engaged as development of these methods progresses to determine implications, opportunities and risks for the SFM Projects.

Discussions progressed regarding two potential new Phase 1 PFAs. Namultja Aboriginal Corporation, on behalf of its constituents, the Marra people, have expressed interest in exploring the feasibility of an SFM Project within Limmen National Park, for which they have been granted Non-Exclusive Native Title Rights.

The Mangarrayi people also seek to enter the SFM Program via a Phase 1 PFA for the Mangarrayi Aboriginal Land Trust. SFM Program information was provided to the Jawoyn Association (who currently host the Mangarrayi rangers) to inform their decision to administer a Phase 1 PFA on behalf of Mangarrayi. A budget and work plan are being developed to inform a Phase 1 contract.

The year culminated in another successful SFM Program Forum, held on Kenbi Country at Crab Claw Island. The Forum provides the opportunity for project groups, the NLC, ILSC, Perpetual and INPEX to gather and discuss all things SFM. Each project group presented their successes and challenges for the year, providing a useful learning opportunity for all.

A governance training session was held, with input from the NLC's recently recruited Environmental Markets Coordinator. This position has been funded by the ILSC to support establishment of strong governance arrangements for each project, which will be a key focus for 2026.



SFM Program participants at the 2025 SFM Forum, held on Kenbi Country



Collaborative planning at the 2025 Judbarra Fire Planning. Photo credit: Northern Land Council

# Summary of SFM Project outcomes in 2025

## SFM Program 2025 - data snapshot

- 39,000 km<sup>2</sup> of land managed for fire under the program
- 3 Indigenous organisations directly funded through the program
- 30 Indigenous people trained in fire/carbon work
- 8 Indigenous Ranger groups engaged through the program
- On-Country employment for ~150 Rangers in 2025 (mix of full-time and casual)
- 272,682 ACCUs issued to SFM Projects to date.



Early dry season burning over the Winan Aboriginal Land Trust, Judbarra SFM Project area.  
Photo credit: Ngaliwurru/Ngaringman (Timber Creek) Rangers

## Phase 1 Projects

No projects under a Phase 1 PFA in 2025.

Discussions are underway with two groups interested in commencing Phase 1 PFAs - one with the Namultja Aboriginal Corporation on the lands of the Marra people, and another on lands of the Mangarrayi people.



Helicopter on a break from aerial burning during the early dry season  
Photo credit: Thamarrurr Rangers

# Phase 2 Projects

## Wardaman SFM Project

<b>LAND MANAGEMENT GROUP</b>	Wardaman Rangers, hosted by the NLC
<b>PFA</b>	Phase 2 contract (Aug 2021 - Dec 2025)
<b>REGISTRATION</b>	ERF170671 registered in 2021 by the ILSC
<b>PROJECT AREA</b>	295,000 hectares - Menngen - Yubulyawun ALTs
<b>ACCUs ISSUED TO DATE</b>	8839 ACCUs
<b>TRAINING RECEIVED</b>	8 rangers completed Fire Crew Member, aerial incendiary and Senior First Aid training
<b>RANGER PARTICIPATION</b>	8 full-time Wardaman rangers involved in SFM Project delivery, and 9 rangers employed on a casual basis

The Wardaman SFM Project had a successful year of burning operations. The ranger team focused on increasing the number of trained operators, and the female rangers undertook a significant amount of burning this year. Notifications were provided to all neighbours in accordance with Bushfires NT permits, however, there are still issues with pastoral neighbours being fearful of fire.

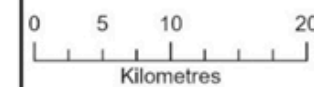
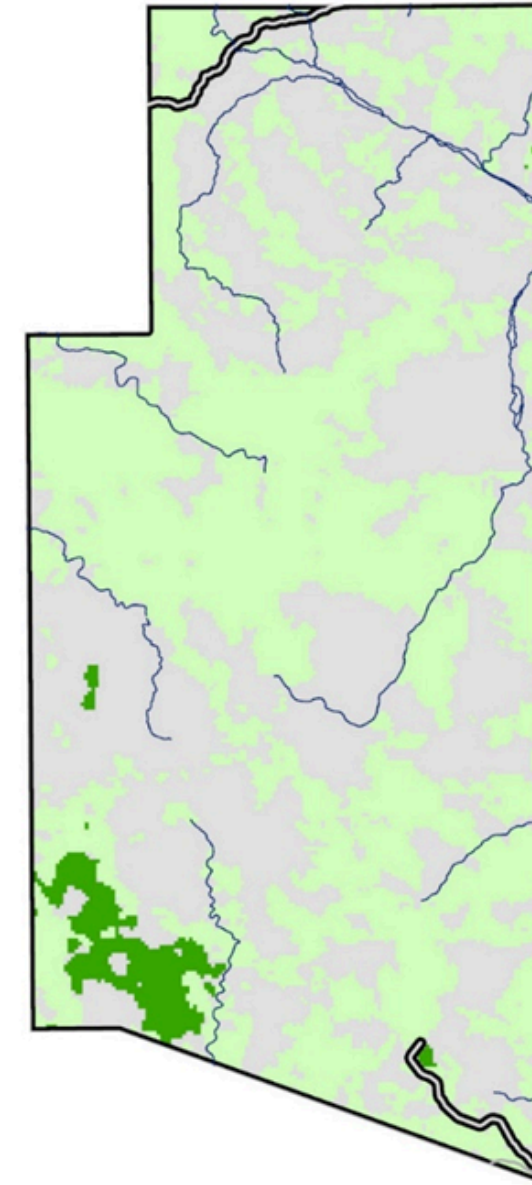
EDS burning efforts resulted in 59% of the project area burned by 31 July. Some small fires occurred during the LDS but were contained by EDS fire scars or went out of their own accord. Overall, 61% of the project area was burnt in 2025.

The NLC, on behalf of the Wardaman Rangers, sought a second Phase 2 PFA to cover the remaining three years of the section 19 Land Use Agreement.



Wagiman and Wardaman Rangers.  
Photo credit: Wardaman Rangers.

Wardaman  
(ERF170671)



2025 burnt area mapping  
■ early dry season  
■ late dry season

Burnt area mapping - Wardaman SFM Project area

# Judbarra SFM Project

<b>LAND MANAGEMENT GROUP</b>	Timber Creek and Wardaman Rangers, hosted by NLC Daguragu Rangers hosted by Central Land Council NT Parks & Wildlife Rangers, NT Government
<b>PFA</b>	Phase 2 contract (Dec 2024 - Mar 2028)
<b>REGISTRATION</b>	ERF161545 registered in 2020 by the ILSC. Revoked in 2024 ERF 200886 registered 2024 by the ILSC
<b>PROJECT AREA</b>	1,300,000 hectares - Judbarra, Bilarra, Wambardi, Winan ALT's / Gregory - Judbarra National Park ("the park")
<b>ACCUs ISSUED TO DATE</b>	Zero ACCUs issued
<b>TRAINING RECEIVED</b>	8 rangers completed training in aerial incendiary operation, Fire Crew Member', Remote Area First Aid, and All-Terrain Vehicle operation
<b>RANGER PARTICIPATION</b>	4 full-time rangers involved in SFM Project delivery, and 57 people employed on a casual basis

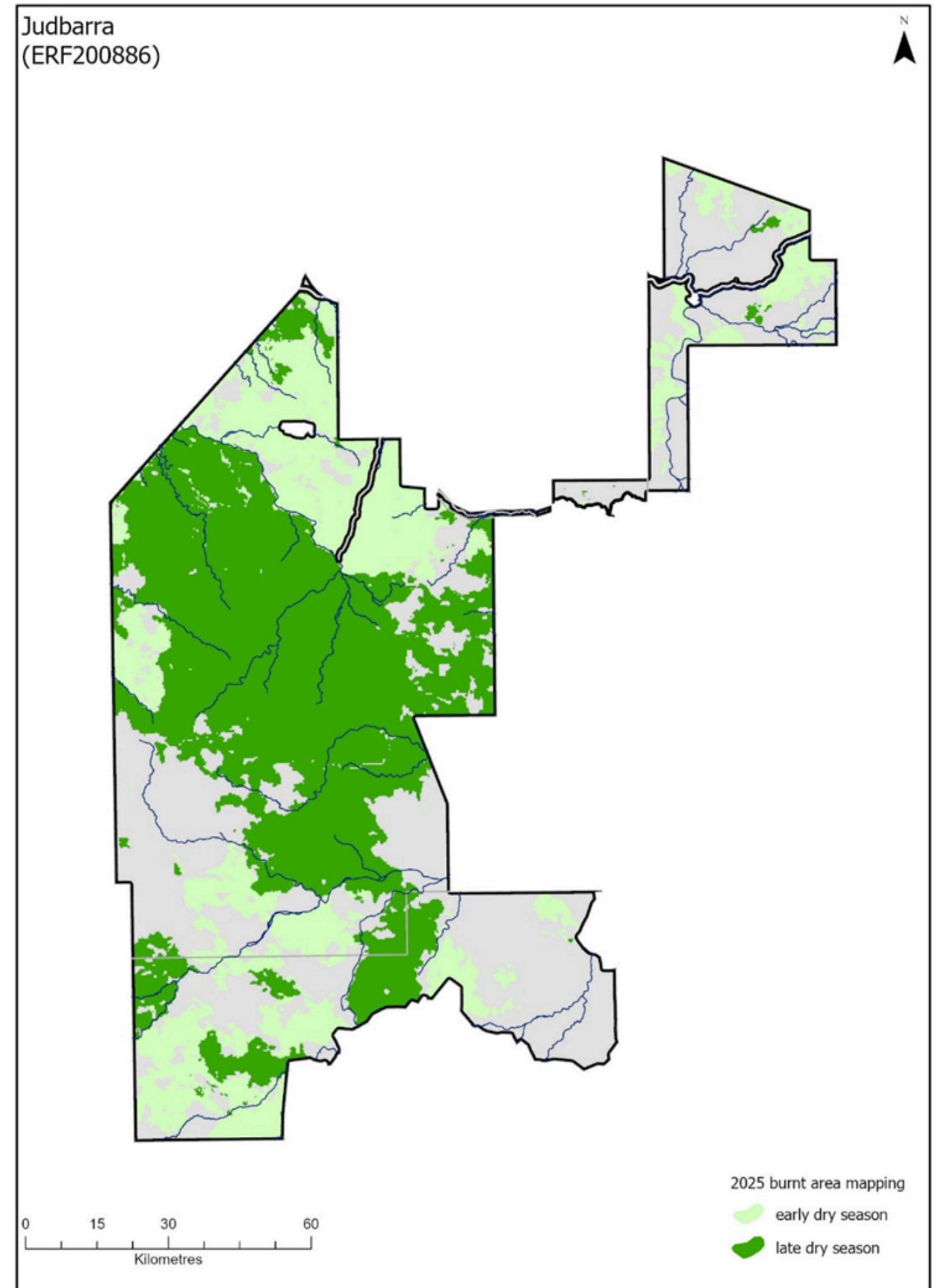
An NT Parks and Wildlife Commission Trade and Commerce By-Law 13 permit was issued to the NLC in March, allowing the NLC and Central Land Council (CLC) to conduct burning operations for the Judbarra SFM Project with greater certainty than was previously available. Permit issuance has provided project participants and stakeholders with greater assurance that the planning and operational decisions undertaken are valid and will provide greater confidence in future years.

Operations were delivered across the project area ("the park") by NLC and CLC. Fires crossed the southern and western park boundaries, requiring operational response by the ranger teams. This provided a useful learning experience for the rangers to better understand fire behaviour and the responsibilities if fires exit the park boundary.

The team's response was professional and appreciated by all parties (including Bushfires NT).

These EDS efforts saw 23% of the project area burnt and 39% impacted by late season wildfire.

Traditional Owners of Judbarra reside largely in remote communities in the Victoria River District region where cultural obligations are an important part of people's everyday lives. These obligations may at times conflict with annual operational requirements. Despite these obligations and remote areas, the level of participation and engagement in fire planning activities by Traditional Owners has increased substantially over the last two years, with the employment of Traditional Owners as cultural advisors increasing in 2025.



Burnt area mapping - Judbarra SFM Project area

Early dry season burning over the Judbarra SFM Project area.  
Photo credit: Ngaliwurru/Ngaringman (Timber Creek) Rangers



# Western Top End SFM Project

<b>LAND MANAGEMENT GROUP</b>	Thamarrurr Rangers hosted by Thamarrurr Development Corporation (TDC)
<b>PFA</b>	Second Phase 2 contract (June 2025 - Mar 2028)
<b>REGISTRATION</b>	ERF160973 registered in 2020 by TDC
<b>PROJECT AREA</b>	1,400,000 hectares - Daly River Port Keats ALT
<b>ACCUs ISSUED TO DATE</b>	33,823 ACCUs
<b>TRAINING RECEIVED</b>	8 Rangers completed PUA FIR303 Suppress Wildfire
<b>RANGER PARTICIPATION</b>	1 full-time ranger, 2 part-time rangers, and 32 casuals.

The Western Top End (WTE) SFM Project, operating on the Daly River Port Keats Aboriginal Land Trust, was registered with the CER by Thamarrurr Development Corporation (TDC) in December 2020. WTE sought a second Phase 2 Project Funding Agreement which commenced this year.

In 2025, the project continued to evolve in response to changing seasonal conditions. A key development was the introduction of 'wet season burning' (i.e. burning in January/February), a technique designed to reduce the dominance of annual Spear Grass in the landscape and promote a more diverse understorey. When used strategically this can reduce the flammability of the landscape over time.

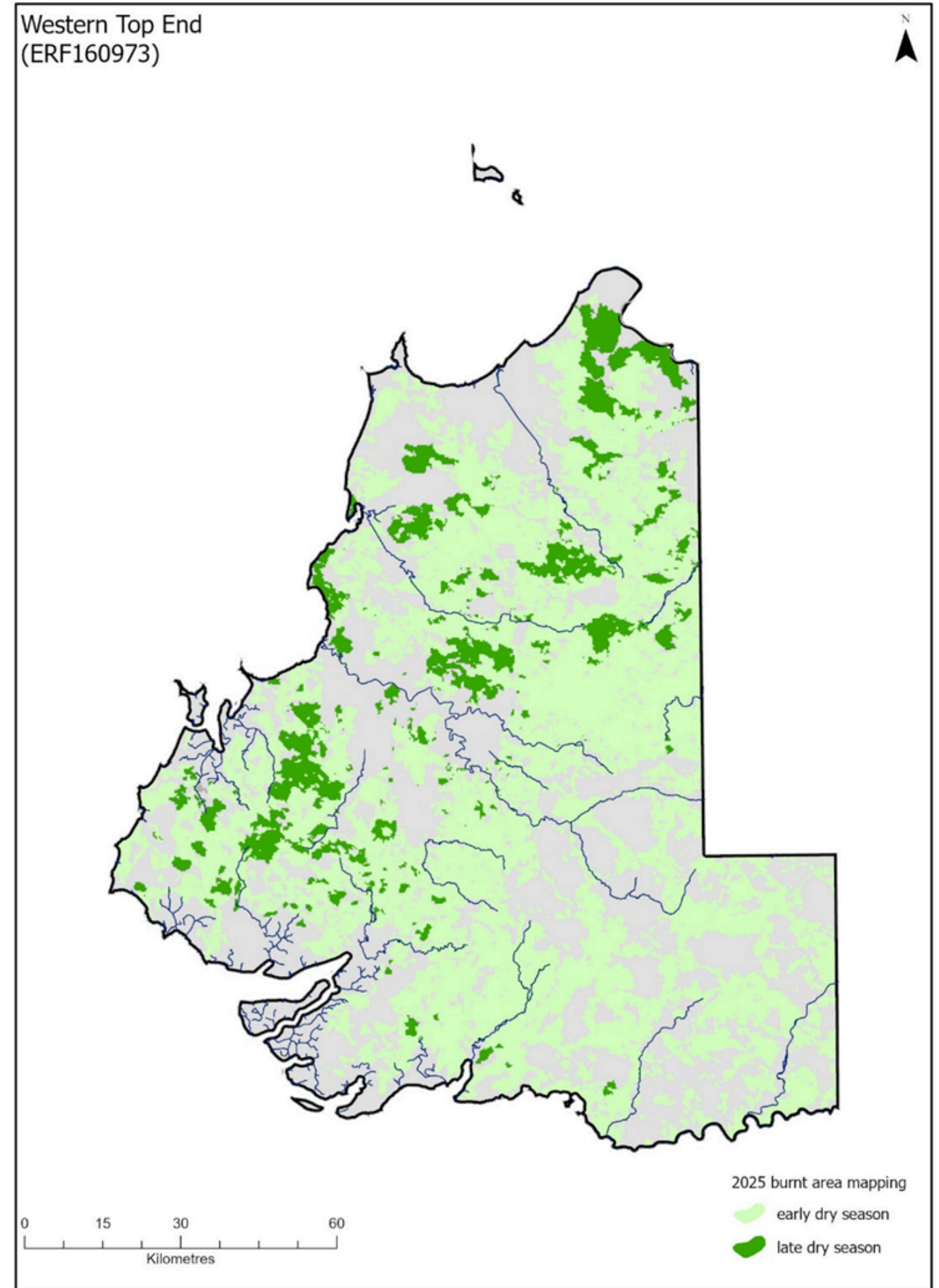
The WTE project successfully implemented its fire management strategy throughout the early 2025 dry season. Aerial prescribed burning operations covered approximately 14,000 square kilometres and involved over 100 hours of flight time. Ground-based burning and manual fuel reduction focused on protecting key infrastructure, homelands, outstations, and other high-risk or culturally significant assets. These combined efforts created a mosaic of burnt areas that greatly reduced the risk of late season wildfires spreading.

Late dry season activities involved logistical preparation for the 2026 fire season. Preparations focused on improving efficiency and readiness and included strategic stockpiling of aviation fuel to reduce helicopter ferrying times, preparation of helicopter landing sites, pre-positioning of essential consumables (incendiaries, glycol and water), and forward planning for permits, Traditional Owner consultations, helicopter, and accommodation scheduling.

48% percent of the project area burned in the EDS. Some fires occurred in the LDS but were contained by previously burned areas. Overall, 56% of the project area was burnt in 2025.

Project governance continued to strengthen through the WTE SFM Carbon Committee and Subcommittee, with a focus on transparency, ACCU integrity, and delivering benefits for Traditional Owners. Ongoing consultation with Traditional Owners, neighbours, agencies, and project partners supported coordinated fire management and cross-boundary risk reduction.

Overall, 2025 demonstrated the project's ability to adapt, maintain operational readiness, and balance fire, carbon, and community objectives across the region.



Burnt area mapping - Western Top End SFM Project area

# GARAWA SFM Project

<b>LAND MANAGEMENT GROUP</b>	Garawa Rangers hosted by NLC
<b>PFA</b>	Phase 2 contract (June 2024 - Dec 2027)
<b>REGISTRATION</b>	ERF130950 registered in 2019 by NAILSMA. Revoked in 2024 ERF207420 registered in 2025 by the ILSC
<b>PROJECT AREA</b>	480,000 hectares - Garawa ALT
<b>ACCUs ISSUED TO DATE</b>	Zero ACCUs issued
<b>TRAINING RECEIVED</b>	Nil formal training in 2025
<b>RANGER PARTICIPATION</b>	2 full-time Garawa rangers involved in SFM Project delivery, and 22 people employed on a casual basis

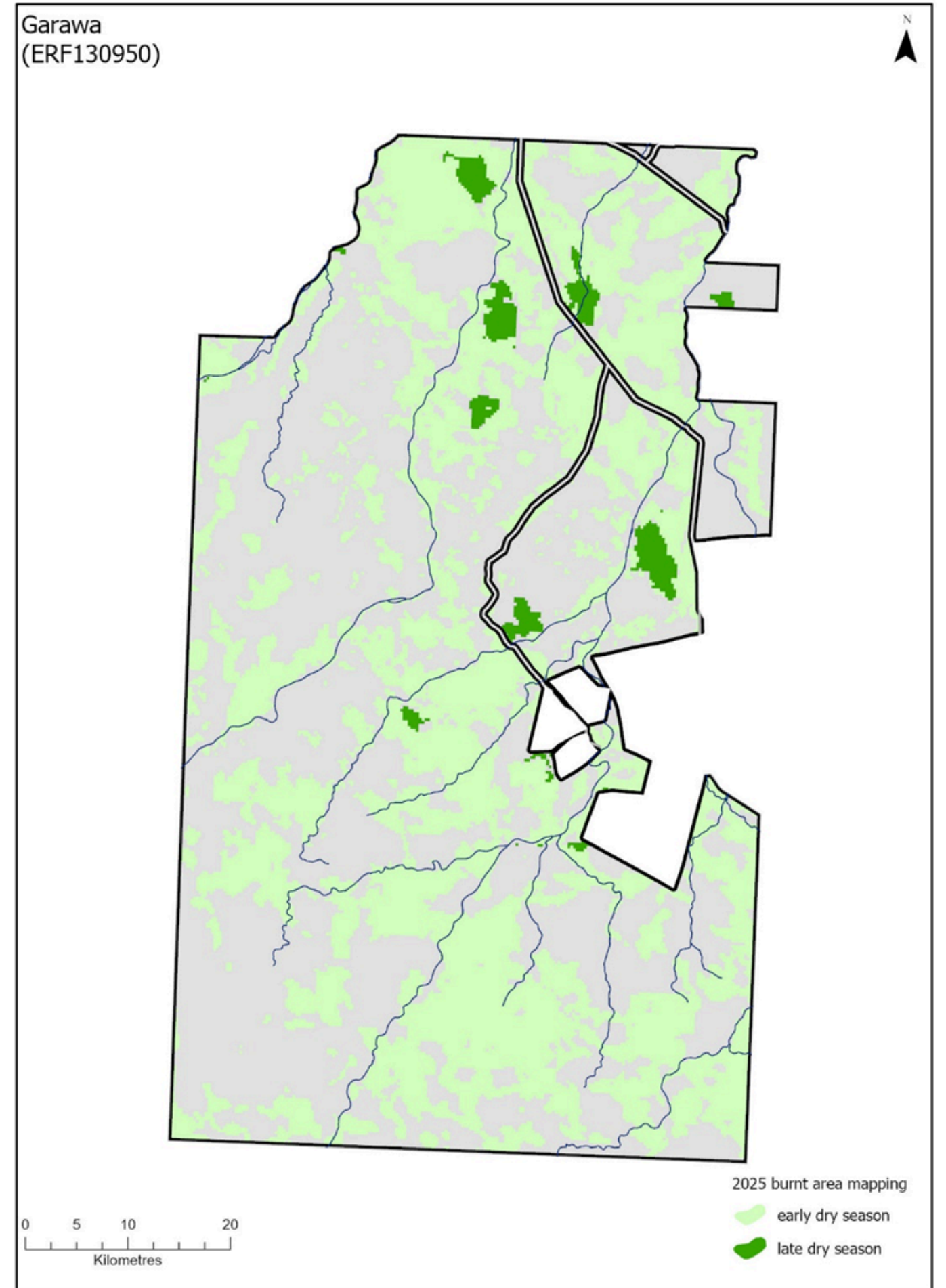
2025 was a successful season for the Garawa SFM Project. The ranger team increased capacity during the start of 2025, which meant there was additional on-ground support for the delivery of the program.

The continued seasonal engagement of a qualified and experienced fire management practitioner has played a crucial role in providing guidance and mentorship to the ranger team. This enabled them to plan and execute EDS burning operations effectively. This approach is expected to continue for several years.

The EDS effort led to a mosaic of burnt areas across 43% of the project area by 31 July. Overall, 45% of the project area was burnt in 2025.

A key focus of the second half of the year was finalising consultation with Traditional Owners to gain consent for the ILSC operating a SFM Project on the Garawa Aboriginal Land Trust (ALT). The ILSC has had provisional approval to deliver the project since the cessation of NAILSMA's involvement in 2023. Consultations were finalised in late 2025, with the ILSC now holding a section 19 Land Use Agreement to operate an SFM Project on the Garawa ALT. Following this key milestone the ILSC could register a new Garawa SFM Project with the CER.

Overall, Traditional Owners' support of the project remains high, and employment and participation in the program continues to increase year-by-year.



Burnt area mapping - Garawa SFM Project area

# Wagiman SFM Project

<b>LAND MANAGEMENT GROUP</b>	Wagiman Rangers, hosted by the NLC
<b>PFA</b>	Phase 2 contract (Mar 2025 – Mar 2028)
<b>REGISTRATION</b>	ERF200709 registered in 2024 by the ILSC
<b>PROJECT AREA</b>	445,000 hectares – Upper Daly, Wagiman #1 & Wagiman # 2 ALTs
<b>ACCUs ISSUED TO DATE</b>	Zero ACCUs issued
<b>TRAINING RECEIVED</b>	6 rangers received governance, Remote Area First Aid, and Fire Crew Member training
<b>RANGER PARTICIPATION</b>	6 full-time Wagiman rangers involved in SFM Project delivery, and 10 rangers employed on a casual basis

2025 saw the Wagiman SFM Project’s second year as a registered carbon project. A new Phase 2 PFA which commenced in March will continue to build the project group’s capacity to safely deliver and improve strategic EDS operations.

A combination of ground burning, physical fire break development and a solid strategic aerial burning program in the EDS created a pattern of continuous fire breaks across much of the project area. Over the 2025 season, 47% of total project area burned, with 39% occurring in the EDS. The impact of LDS fires was greatly reduced due to EDS burning efforts.

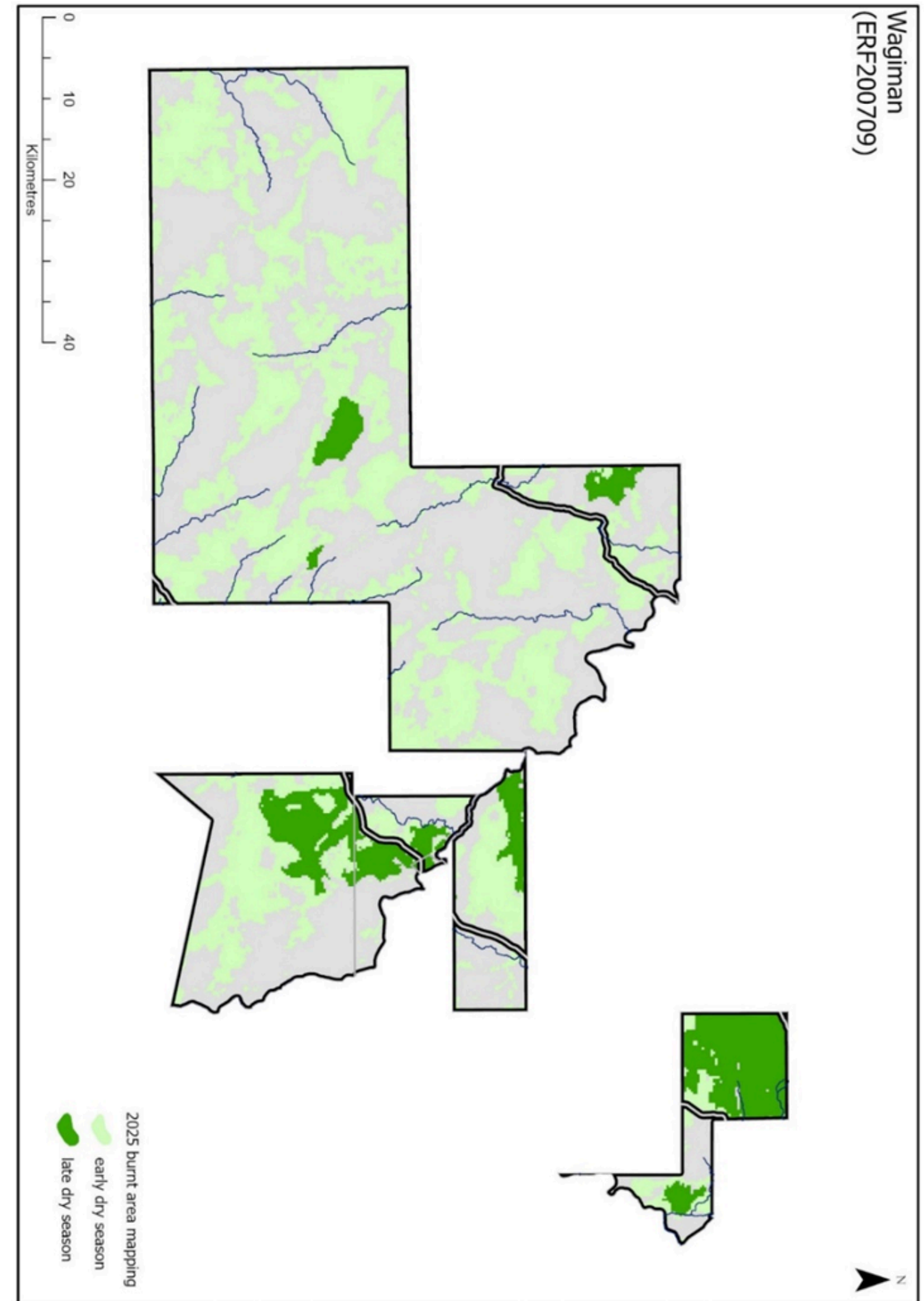
Despite some staff turnover and other challenges, the Wagiman project is in a good position to build on burning efforts conducted in 2025.



Ground burning in the Wagiman SFM Project area. Photo credit: Wagiman Rangers



Wagiman Ranger burning off roadside in the Wagiman SFM Project area. Photo credit: Wagiman Rangers



Burnt area mapping – Wagiman SFM Project area

# SFM Abatement and ACCUs Summary

The 2025 fire season results will not be known until Project Offset Reports are generated following the March 2026 release of 2025 data on [SavBAT](#). All current SFM Projects have had trouble achieving consistent abatement and have experienced at least one negative abatement year.

The SFM Program Manager made the strategic decision to de-register both the Garawa and Judbarra SFM Projects in the last two years, as both had high negative abatement. Registering new projects has effectively set the abatement balance back to zero, allowing for ACCU generation in positive abatement years.

Registration of these new projects was possible given CER offset reporting had not been undertaken, so no ACCUs had previously been claimed. This will be of benefit to the long-term success and viability of the projects.

Table 1 shows the ACCUs attributable to each project.

Table 1. ACCUs credited to SFM Projects to date

Project	ACCUs 2020	ACCUs 2021	ACCUs 2022	ACCUs 2023
Garawa	CER reporting not submitted	CER reporting not submitted	CER reporting not submitted	CER reporting not submitted
Western Top End	33,823	Zero ACCUs generated	Zero ACCUs generated	Zero ACCUs generated
Judbarra	CER reporting not submitted	CER reporting not submitted	CER reporting not submitted	CER reporting not submitted
Wardaman*	N/A	8839	Zero ACCUs generated	CER reporting not submitted
Wagiman	N/A	N/A	N/A	N/A

\* Offset reporting for Wardaman is underway; ~7500 ACCUs anticipated for 2023 and 2024 (combined).

ACCUs 2024	Predicted Abatement 2025	SFM funding proportion	ACCU transfer to INPEX
CER reporting not submitted	Positive	N/A	N/A
Zero ACCUs generated	Positive	82.50%	27,691 transferred
CER reporting not submitted	Negative	N/A	N/A
CER reporting not submitted	Positive	100 % (TBC)	8839 (TBC)
CER reporting not submitted	Positive	N/A	N/A



# SFM Program Financial Summary 2025

INCOME			
	BUDGET	YTD ACTUAL	VARIANCE
Q1 SFM Payment	\$745,347	\$745,347	\$0
Q2 SFM Payment	\$745,347	\$745,347	\$0
Q3 SFM Payment	\$745,347	\$745,347	\$0
Q4 SFM Payment	\$745,347	\$745,347	\$0
Total Payments	\$2,981,388	<b>\$2,981,388</b>	\$0
Balance held by SFM Program (1 Jan 2025)	\$1,407,934	\$1,407,934	\$0
<b>Total Income</b>	<b>\$4,389,322</b>	<b>\$4,389,322</b>	<b>\$0</b>

EXPENSES			
	BUDGET	YTD ACTUAL	VARIANCE
<b>Phase 2 PFAs</b>	<b>\$2,283,456</b>	<b>\$1,749,406</b>	<b>\$534,050</b>
Garawa (NAILSMA)	\$0	-\$147,212	\$147,212
Garawa (NLC)	\$370,000	\$375,000	-\$5,000
Judbarra (NAILSMA)	\$0	-\$149,737	\$149,737
Judbarra (NLC)	\$540,000	\$415,000	\$125,000
Thamarrurr Development Corporation	\$694,456	\$708,355	-\$13,899
Wagiman	\$490,000	\$330,000	\$160,000
Wardaman	\$189,000	\$218,000	-\$29,000
<b>Phase 1 PFAs</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$100,000</b>
Namultja Aboriginal Corporation	\$100,000	\$0	\$100,000

EXPENSES			
	BUDGET	YTD ACTUAL	VARIANCE
<b>Third Party Service Providers</b>	<b>\$1,028,335</b>	<b>\$132,705</b>	<b>\$895,630</b>
PEC Consulting-Technical Advice	\$28,000	\$15,156	\$12,844
NAFI Satellite Imagery and Training	\$200,000	\$0	\$200,000
NAFI Hi Resolution Burnt Area Mapping	\$150,000	\$96,091	\$53,909
NLC SFM Carbon Position	\$165,560	\$0	\$165,560
ICIN Flipbook	\$113,780	\$0	\$113,780
SFM Forum	\$65,000	\$19,764	\$45,236
Co- Benefits Framework	\$75,000	\$0	\$75,000
Vegetation Mapping	\$50,000	\$1,694	\$48,306
Environmental/ Biodiversity Monitoring	\$50,000	\$0	\$50,000
Governance Development	\$100,000	\$0	\$100,000
LLND Project	\$20,995	\$0	\$20,995
Graphics Development	\$10,000	\$0	\$10,000
<b>SFM Project Direct Costs</b>	<b>\$1,003,938</b>	<b>\$998,393</b>	<b>\$5,545</b>
Staff Salaries & On-Costs	\$641,788	\$676,863	-\$35,075
Office - Accom & Expenses	\$42,428	\$24,399	\$18,029
IT and comms equip	\$4,000	\$67	\$3,933
Conferences and meetings	\$10,000	\$24,259	-\$14,259
Vehicle running costs	\$12,500	\$25,982	-\$13,482
Fuel	\$10,000	\$1,056	\$8,944
Travel	\$45,000	\$55,400	-\$10,400
Staff - Corporate Training	\$8,000	\$0	\$8,000
Marketing & Communications	\$40,000	\$145	\$39,855
ILSC Overhead Costs (fixed)	\$190,222	\$190,222	\$0
<b>TOTAL EXPENSES</b>	<b>\$4,415,729</b>	<b>\$2,880,504</b>	<b>\$1,535,225</b>

# SFM Program Financial Summary 2025

Overall program expenditure was 65% of the 2025 allocation. Reasons for budget variances include:

- Third Party Service provider services account for a significant portion of the underspend. Despite the best efforts by the Program Manager, delays were experienced in progressing the environmental/biodiversity monitoring and co-benefits framework, governance and training contracts. Plans for 2026 are underway to progress these contracts.
- Expenditure on Phase 2 Projects is up from previous years. Phase 2 underspend in 2025 is minimal given ~\$300,000 of unspent project funds were returned from NAILSMA.

## Performance Evaluation of the SFM Program

<b>GOOD</b>	Expectations of principles and purposes are being met.
<b>FAIR</b>	Expectations of principles and purposes are somewhat being met.
<b>POOR</b>	Expectations are not being met.

### 1 **Avoiding negative reputational risk to key stakeholders and maximising the potential to reflect positively on the reputations of all stakeholders**

Unfortunately, fires escaped the Judbarra SFM Project areas onto neighbouring pastoral properties, which had the potential to negatively impact the reputation of the projects.

The ILSC’s SFM team proactively met with the Katherine Pastoral Industry Advisory Council to present on the SFM industry, and SFM Projects in the region. The discussion was well-received, and further engagement is planned for early next year.

### 2 **Supporting and enabling the development of sustainable, viable Indigenous enterprises and the delivery of economic, environmental, social, and cultural benefits for Indigenous people**

With five Phase 2 contracts in place in 2025, the SFM Program continued to support the aspirations of the participating groups to develop their respective projects. Phase 2 contracts enable the groups to undertake the planning and operations necessary to conduct annual fire management operations, building capacity to develop a successful Indigenous carbon enterprise.

In addition to providing employment for rangers, SFM Program funding ensures Traditional Owners can be paid on a casual basis as cultural advisors to the projects and provides a means for them to visit Country. Through these actions economic, environmental, social, and cultural benefits (co-benefits) are delivered for participating groups and their Country.

The program has funded an NLC-hosted position to progress governance arrangements for SFM Projects. Strong governance arrangements are key to the sustainability of SFM Projects; the ‘Environmental Markets Coordinator’ will work with groups to explore suitable governance arrangements for each group.

### 3 **Business and employment opportunities for Indigenous people**

SFM Project operators have provided 150 individuals with either full-time, part-time or casual employment through the 2025 year, primarily in EDS planning and burning activities. While this is a great outcome, the ongoing challenge in remote communities related to employment is to retain a core group of employees from year to year within each group, bringing with them the experience they have gained in previous years.

Some projects can retain longer term staff, while others struggle, as is being reported from other SFM Programs across northern Australia.



Northern Territory, Gulf Country

**4 Promoting the use of sound land and environmental practices; Improving biodiversity outcomes through savanna fire management activity**

SFM Project groups have either developed, are reviewing, or currently developing a “Healthy Country Plan”, Indigenous Protected Area Plan of Management, or other document describing their project areas Assets (Cultural & Environmental etc), Threats (Invasive Species, Inappropriate Fire, Erosion, etc) and Actions and Priorities to manage them.

These plans are developed with Traditional Owners and guide the work of Ranger Groups via annual work programs and promote the use of sound environmental and land management practices, with the aim of maintain or improving the health of their identified assets.

Via direct engagement with project groups, the SFM team promotes and encourages strategic EDS burning across all its projects. This is largely accepted as a positive action to reduce the negative impacts on biodiversity caused by hot LDS fire.

Biodiversity conservation is complex, and there is a significant knowledge gap that encompasses fire and biodiversity in the diverse range of habitat and climatic types across northern Australian savanna landscapes. Addressing critical knowledge gaps will depend on a coordinated and strategic approach across the fire management and research community.

**5 Spreading community and social benefits of the Ichthys Project beyond Darwin into regional areas of the Northern Territory**

Complementing the Indigenous employment and engagement outcomes from each of the existing group’s annual planning and operational activities, the Program Manager is engaged in a feasibility study with the Namultja Aboriginal Corporation on their Country in the Gulf of Carpentaria, and with the Jawoyn Association regarding a project on the Mangarrayi Aboriginal Land Trust, south-east of Katherine.

Further to direct engagement with current project groups, the Program Manager has a procurement policy that encourages the engagement of Indigenous-owned business, where the required service provision can be met.

Indigenous businesses were engaged in 2025 to provide the following services:

- Welcome to Country and Cultural knowledge for 2025 SFM Forum
- provision of graphics and production of 2025 SFM Forum shirts.

Other regional business utilised via SFM Program in 2025 include:

- 3 days accommodation and catering services for 40 persons at SFM Forum.
- Hundreds of helicopter-hire hours across multiple companies during EDS operations
- Accommodation for the SFM team when attending regional planning meetings.

**6 Developing the capacity of Indigenous groups and SFM Project Operators; Enhancing the skills and knowledge of all stakeholders in carbon management, including carbon policy and implementation of practical carbon farming projects**

While participating groups continued to develop their operational capacity and knowledge via engagement in annual operational activities, specialised training and attendance at industry workshops and forums, there is a significant deficiency across all groups regarding the broader carbon industry and what is required to operate and manage a sustainable carbon enterprise.

Annual reporting to the CER, maintaining ANREU accounts, auditing requirements, understanding changes in policy and methodology development, and maintaining governance compliance are challenging tasks that are currently the remit of the Program Manager. These aspects, and governance development, are areas in which participating groups will require significant ongoing capacity development.

The Program Manager has engaged ICIN and language, literacy and numeracy specialists to develop a suite of tools to assist participating groups and communities to improve their literacy in emissions avoidance via SFM and the boarder carbon market. While initial work has commenced on this, it will be an ongoing project requiring appropriate time and resource allocation.

**7 Minimising, managing, and mitigating all relevant risks appropriately, particularly workplace health and safety risks**

All staff involved in fire management operations are employed through the NLC, CLC, and Thamarrurr Development Corporation. These organisations have comprehensive Work Health and Safety (WHS) policy, procedures, and systems to support their implementation. The ILSC’s SFM Program Manager has also developed a comprehensive risk assessment for each project, in conjunction with each Project Operator.

With no reported incidents to date, the Program Manager will continue to work with Program Operators to review and maintain risk management processes, ensuring appropriate mitigation measures are in place where hazards are identified.

## 8 Protection of Indigenous cultural and heritage sites

This is a strong point of the SFM Program, especially where it operates on Aboriginal Land Trusts (ALT) managed by a Land Council functioning under the Aboriginal Land Rights Act (Northern Territory) 1976, of which a large remit is the protection of sacred sites. Any licence given to a proponent to operate a project on ALT must go through the respective Land Council, whose responsibility it is to consult the Traditional Owners of the respective ALT, seeking their approval to the terms and conditions of the licence. Sacred Site protections are provided for in these agreements.

Further protections are provided during annual planning activities with Traditional Owners, who will often prioritise sacred site protection works as part of annual fire operations. Sacred Site protection and preservation of culturally significant species are the centrepieces on which Healthy Country / Fire Plans are developed and form a substantial portion of ranger group activity. The SFM Program and the funding it delivers to participating groups provides a mean to deliver on these aspirations.

## 9 Generating ACCUs; and avoiding emissions and thereby having a positive impact on climate change mitigation

ACCU generation differs from group to group and can be attributed to several factors including:

- **Projects baselines** derived at the point of project registration provide some groups with a greater buffer against LDS fire encroachment
- **High and Low Rainfall Isohyet delineation** - projects in the high rainfall zone will typically generate more ACCUs, while those in lower rainfall areas require greater strategic burning efforts to achieve positive ACCU generation
- **Operating environment** - retaining rangers and ranger coordinators is a constant challenge for land and fire management organisations in remote northern Australia. Complicated administrative requirements of external agencies, isolated project locations and competing time demands on staff also create challenges for performing as productively as they may want, in some cases seeing ACCUs fall into negative figures
- **Land Tenure** - all SFM Projects operating in this program have multiple neighbouring land tenures, further complicating already complex projects. Neighbours' land use goals, views and application of fire often differ from landowners operating emissions avoidance projects
- **Carbon Literacy** - most groups at this point are not fully aware of the impacts of LDS fire on their ACCU development and the importance of maintaining positive ACCU generation through the course of a Phase 2 contract.

With these factors in mind the Program Manager and Operator are aware that significant improvement needs to be achieved regarding ACCU generation if these projects are to progress into a sustainable carbon enterprise.

# Participating Groups and Organisations





Australian Government  
Indigenous Land and Sea Corporation



The ILSC GROUP

PEOPLE. COUNTRY. OPPORTUNITY.



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Established in 1995, and now operating under the *Aboriginal and Torres Strait Islander Act 2005*, we provide for the contemporary and future land needs of Indigenous peoples, particularly those unlikely to benefit from Native Title or Land Rights.

We work with our Indigenous partners to grow their economic, environmental, cultural and social capital by supporting their acquisition and management of land and water. In redressing dispossession, we provide for a more prosperous and culturally centred future for Indigenous peoples. The Indigenous Land and Sea Corporation is a Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.



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