



Early dry season burning on Tiwi Island
Credit David Hancock



Australian Government
Indigenous Land and Sea Corporation



The **ILSC GROUP**

PEOPLE. COUNTRY. OPPORTUNITY.

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. Traditional fire management practices passed down through generations have played a crucial role in preserving the natural environment in northern Australia for thousands of years.

SAVANNA FIRE MANAGEMENT PROGRAM ANNUAL REPORT 2023

Table of Contents

Introduction.....	4
Summary of SFM Program Manager Activities in 2022.....	7
Snapshot of 2023.....	9
Project Structure	10
Phase 1 Project Funding Agreements	10
Phase 2 Project Funding Agreements	10
Phase 1 Projects.....	12
Wagiman Project.....	12
Phase 2 Projects.....	14
Wardaman Project	14
Judbarra National Park Project	17
Western Top End SFM Project.....	21
Tiwi Project	24
Garawa Project	27
ACCUs generated by SFM Program Operators.....	31
SFM Program Financial Summary 2023.....	32
Summary of Variance from 2022 Budget.....	34
Performance Evaluation of the SFM Program.....	36

Introduction

The Indigenous Land and Sea Corporation's (ILSC) 2023 Annual Report provides an overview of the seventh-year implementation of the Savanna Fire Management Program (SFM). This program, aimed at supporting fire management projects on Indigenous-held land in the Northern Territory (NT), has been instrumental in providing resources, training, and assistance for on-ground fire management, governance, and sustainable business development.

Through the SFM, the ILSC partners with project groups to deliver a range of opportunities and benefits for Indigenous communities. The program supports the establishment and operation of nature-based businesses, creating employment prospects, facilitating opportunities for the cultural practices, and promoting the care and preservation of the land, it plays a vital role in enabling Indigenous people to fulfil their aspirations for Country.

Projects funded through the SFM Program apply the Savanna Fire Management Methods, approved by the Clean Energy Regulator (CER) under the Carbon Farming Initiative Act 2011. These methods are deployed in areas receiving over 600mm annual rainfall, aiming to reduce greenhouse gas emissions from Late Dry Season (LDS) wildfires.

The SFM Program is funded by Ichthys LNG joint venture partners and operated by the ILSC. The Program is part of a broader voluntary offsets package agreed with the NT Government, pursuant to the environmentally and socially responsible

development of the INPEX operated Ichthys Onshore LNG facility.

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 on 12 December 2016, and operations commenced in April 2017.

In delivering the SFM Program, the ILSC utilises the funds in the coordination, training, start-up, and early operational costs for new projects, providing much-needed support for Indigenous groups with limited opportunities for business development and employment. This enables them to embark on carbon-based initiatives. By applying the approved Savanna Fire Management Methods, these projects aim to reduce the frequency and extent of late dry season fires, resulting in reduced greenhouse gas emissions compared to pre-project emission.

Savanna Fire Management involves the principles of

early dry season 'cool' patchwork burning, a method informed by the traditional Aboriginal fire management practiced across northern Australia. This method of land management is associated with a broad range of globally recognised social, environmental, and economic benefits to the communities in which SFM Projects operate. These benefits include:

- more meaningful employment opportunities and training on Country,
- culturally appropriate employment in fire management activities,
- improvements for biodiversity conservation,
- increased capacity for self-determination
- protecting cultural values,
- access to carbon industry development support and Indigenous-owned regional entity development,
- generation of Australian Carbon Credit Units (ACCUs).



Green Palm Tree - Credit David Clode

Summary of SFM Program Manager Activities in 2022

In 2023, the Northern Territory experienced an unprecedented fire season, with approximately 33 million hectares (330,000 square km's) burnt throughout the year. It is anticipated that up to 80% of the Northern Territory could be affected by fires before March 2024. This scale of fires had not been seen since 2017 and 2011.

Despite the challenging fire conditions, all SFM projects in the Northern Territory continued to make progress towards their goals. Whether transitioning out of the SFM program, commencing Phase 2 operations, or developing local governance structures, all groups achieved improved outcomes and results throughout 2023.

Some notable highlights of the year included the SFM Forum held at Lake Bennett in November, where participating groups had the opportunity to collaborate and plan their projects with peers and professionals from the carbon industry. The Tiwi project also worked towards transitioning to independence in 2024 after initially joining the SFM program in 2018.

The SFM program supported capability development through accredited training activities, including GIS training and mapping assistance from the Northern Australia Fire Institute (NAFI) at Charles Darwin University. Mapping and GIS capabilities are integral to these projects.


Prescribed burning efforts and subsequent ACCU generation varied among Phase 2 projects in 2023 due to early-onset fuel curing, which reduced the opportunity for Early Dry Season burns. Some projects, such as the Western Top End group, conducted significant amounts of aerial burning, while others, such as the Judbarra/Gregory project, faced difficulties in implementing sufficient Early Dry Season burns.

While carbon abatement is just one of the many benefits of the program, positive ACCU generation can provide consistent income to project proponents. Funding through the SFM Program will be crucial in supporting groups during the learning phase and enabling ongoing capability and group capacity building for appropriate early season burning activities in a changing climate.

The current suite of Phase 2 projects are at various stages of development, with some exiting the program as planned while others continue to progress. Traditional Owners, the community and project partners were engaged extensively in 2023 to renew the Garawa project and transition the Wagiman project to a Phase 2 Project Funding Agreement (PFA) in 2024. The Judbarra/Gregory Project also underwent consolidation works aiming to achieve improved operational outcomes and greater engagement with Traditional Owners. These efforts are necessarily ongoing, while the 'SFM Communications Strategy' has proven valuable in promoting projects, effectively communicating with stakeholders and the wider audience. Additionally, the filming of the Tiwi Case Study is on schedule for completion and distribution in 2024. Articles promoting the SFM program have been published in the National Indigenous Times.

To align with the SFM Program's 5-year strategy, the development of carbon project guides in collaboration with the Indigenous Carbon Industry Network was progressed. These guides aim to assist Indigenous groups in understanding the carbon industry and positioning themselves to maximise the benefits of projects for their Country and community.

The SFM Program remains committed to supporting projects in achieving their goals, as reflected in the 2024 annual work program and budget, which includes funding for improved communications, standardised metrics for projects and strong governance implementation.

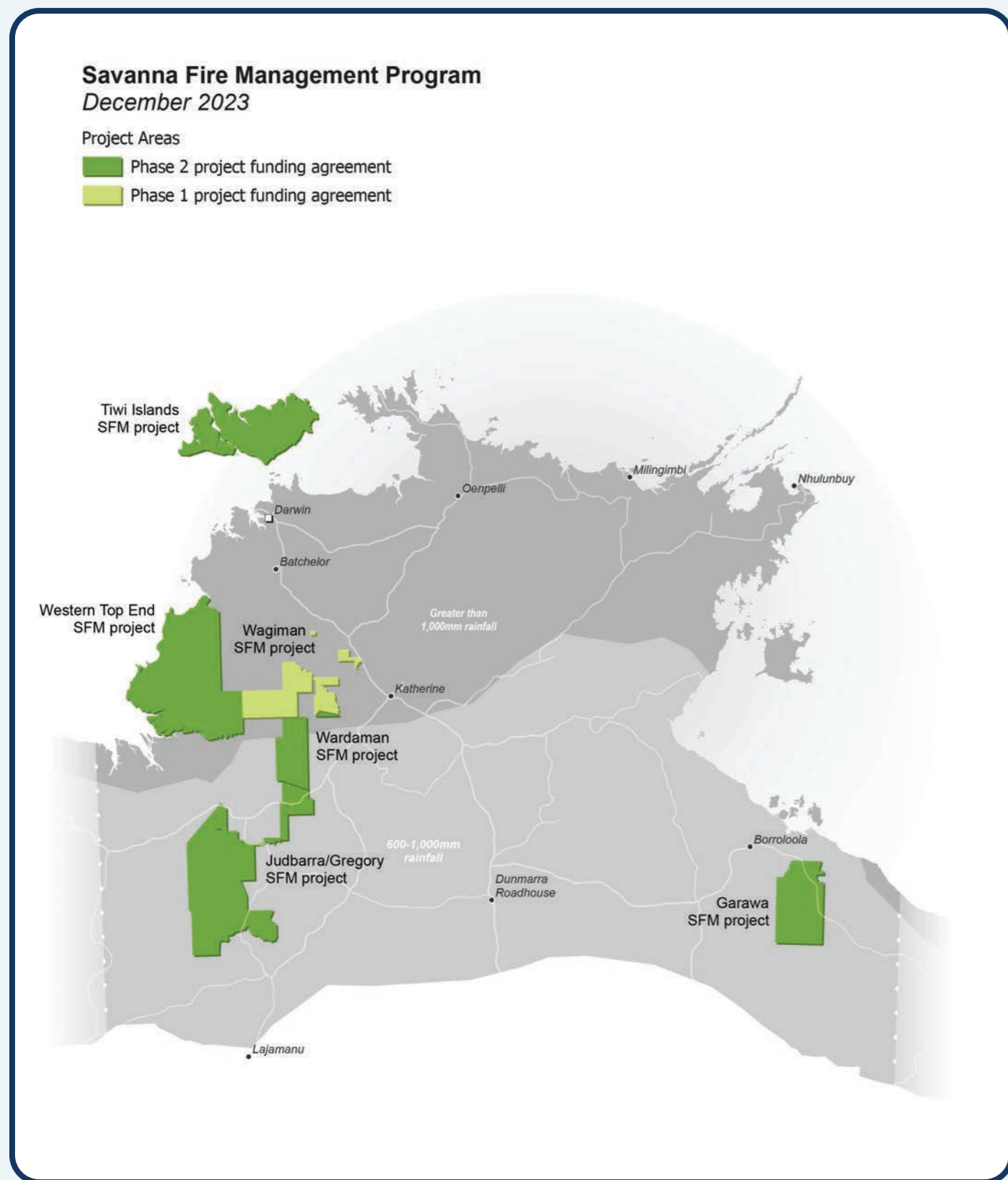


“The Tiwi project also worked towards transitioning to their independence in 2024 after initially joining the SFM program in 2018.”

Savanna Fire Management Program

January 2024

Project areas of the Savanna Fire Management Program under a Phase 1(Feasibility) and Phase 2 (Operational) agreement.



Snapshot of 2023

39,000 KM²
LAND MANAGED UNDER
THE PROGRAM
IN 2023

8 INDIGENOUS
RANGER GROUPS
ENGAGED THROUGH
THE PROGRAM

69 INDIGENOUS PEOPLE
TRAINED IN FIRE/CARBON WORK

91 RANGERS
EMPLOYED
ON COUNTRY
(MIX OF F/T AND CASUAL)
IN 2023

137,235.79
TOTAL ACCUs
FROM SFM PROJECTS

59,143.79 ACCUS
GENERATED
IN 2023 (FROM 2022 YEAR)

6 INDIGENOUS
ORGANISATIONS
DIRECTLY FUNDED THROUGH THE
PROGRAM GENERATED FROM
SFM PROJECTS

Project Structure

Phase 1 Project Funding Agreements:

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

Phase 1 project funding agreements 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 enterprise or facilitated through an Indigenous business if a local organisation hasn't 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 projects to 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 Phase 2 and enter a project funding arrangement. During Phase 2, these projects become eligible to earn ACCUs after registering with the Clean Energy Regulator (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 bushfire suppression. The PFA not only covers operational funding but also extends its support to project offset reporting, conducting audits under the Emissions Reduction Fund (ERF), 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 contributes to the establishment of a robust and self-sustaining Indigenous enterprise in the field of savanna fire management.

Summary of SFM Project outcomes in 2022

Phase	SFM Projects involved in the SFM Program over the calendar year 2023
1	Wagiman Project - Northern Land Council - feasibility assessment completed; S19 Agreement consultations undertaken and expected to be signed off early 2024
2	Wardaman - Northern Land Council- third year of operation
2	Tiwi Islands Fire Project - Tiwi Resources - sixth year of operation as an SFM Project. Proponents are preparing to transition to independent project management
2	Garawa Fire Project - NAILSMA -with a service agreement to NLC - fifth year of operation as a CER registered Project
2	Daly River/Port Keats Land Trust Project / Western Top End Project - Thamarrurr Development Corporation - Fourth year of operation as a CER registered Project
2	Judbarra Fire Project - ILSC - Fourth year of operation as a CER registered Project
2	Wardaman - Northern Land Council - Third year of operation as a CER registered Project

Phase 1 Projects

Wagiman Project: Phase I

Land Management Group: Wagiman Rangers hosted by the Northern Land Council

PFA: Phase 1 contract August 2021 – December 2025

A Phase 1 Project funding arrangement for the Wagiman Project began in May 2020. During the initial stages of the project, vegetation mapping was conducted to assess the feasibility of implementing the savanna burning methodology for ACCU production, and the results were positive. The Wagiman Project has successfully completed all milestones associated with the Phase 1 Project Funding Agreement and is now ready to move forward into Phase 2.

To progress into Phase 2, the Northern Land Council (NLC) was required to conduct Section 19 Land Use Agreement consultations, which took place in September. The proposal presented to the Traditional Owners was that the Indigenous Land and Sea Corporation serve as the Interim Project Proponent and the NLC act as the Project Operator, with the registration of a carbon business over the Land Trust.

The NLC continues to support the Traditional Owners in their consideration of the ILSC's proposal. While no agreement had been returned at the time of this report being prepared, the ILSC has been advised that Traditional Owner views on the matter are positive.

The registration of a Phase 2 program with the Clean Energy Regulator (CER) cannot occur until the consultations are finalised and the ILSC receives the necessary approvals.

The ILSC will continue to support the Wagiman Rangers in implementing the required fire management practices during the Early Dry Season (EDS) window of 2024 until a Phase 2 contract can be established.



Wagiman Rangers undertaking planning session at the ILSC SFM Forum

Phase 2 Projects

Wardaman Project: Phase II

Land Management Group: Wagiman Rangers

PFA: Phase 2 contract August 2021 – December 2025

Registration: ERF 170671

Project Area: 290,700 hectares

ACCU's Generated (2022): Zero ACCUs generated

Training Received:

- 3 Rangers completed NAFI satellite imagery training
- 5 Rangers completed in-house Raindance Operations training

Ranger Participation: 8 Rangers were employed on a casual basis



Wardaman Rangers - Planning session ILSC SFM Forum

Additional Activities:

The Wardaman Project is currently in its third year of Phase 2 operations. Fire management responsibilities are carried out by the Wardaman Ranger group on the Menggen and Yibulyawun Aboriginal Land Trusts (ALTs). Since its registration with the Clean Energy Regulator (CER) in December 2021, the Wardaman Project has successfully implemented strategic fire management practices over three fire seasons across the Land Trusts, which encompass numerous sacred sites and areas of cultural significance.

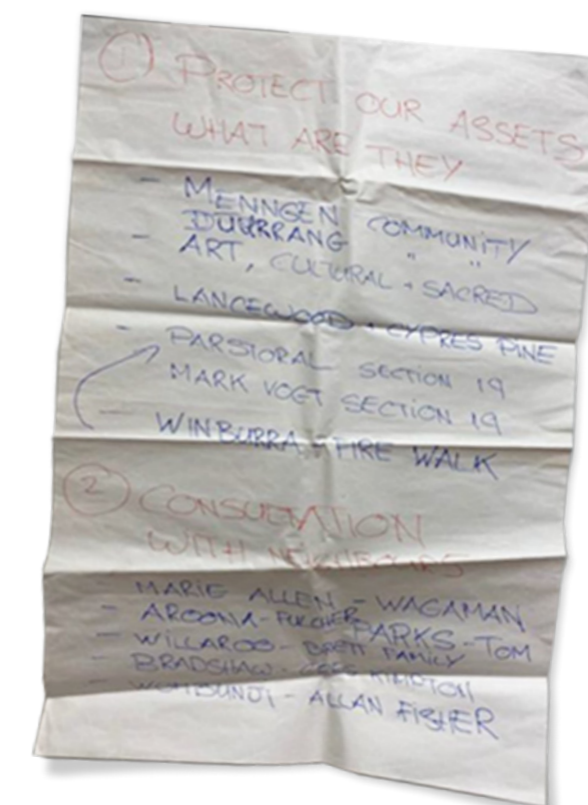
During the 2023 Early Dry Season (EDS), the Wardaman Rangers collaborated with 17 Traditional Owners who provided oversight for fire management operations. Together, they worked diligently to implement the Wardaman Indigenous Protected Area (IPA) fire management plan. The Rangers also focused on engaging the local community and raising awareness about the Project. They developed informative flyers and installed signage to promote proper burning practices, emphasising the importance of conducting burns earlier in the dry season rather than later.

Efforts to enhance capacity building within the Ranger group continued, with three Rangers completing training in Northern Australia Fire Information (NAFI). Additionally, an in-house refresher training session on Raindance operations was held for five Rangers.

The Wardaman Indigenous Protected Area Aboriginal Corporation (WIPAAC) held a general meeting for its members in Katherine. During this gathering, the Rangers provided updates on the progress and activities of the Project to eighteen members. The group collectively reflected on the outcomes of the recent burning activities and engaged in discussions to extract valuable insights that will inform the planning process for the upcoming 2024 fire season.

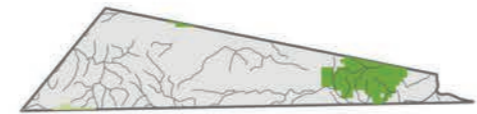
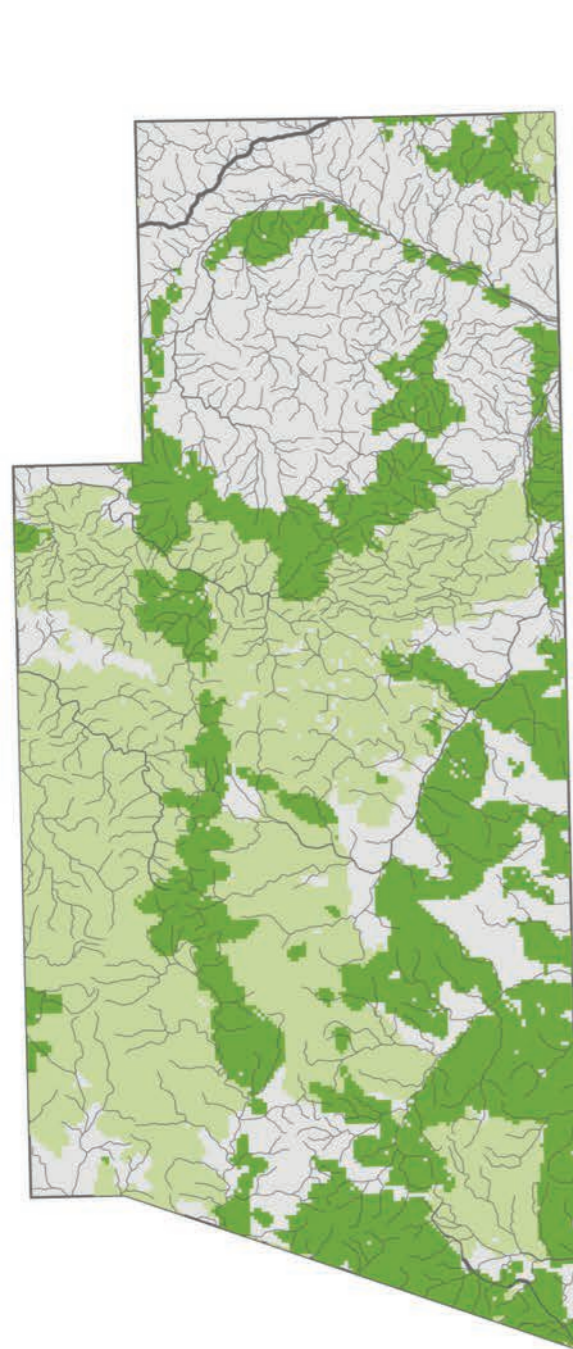


Staging area for Rangers and Traditional Owners to complete a week of aerial prescribed burning over Wardaman country.



List of Wardaman IPA values and assets.

Wardaman SFM Project (ERF170671)



2023 fire scars Jan to Dec (NAFI 2023-12-31)
Early dry season
Late dry season

Judbarra National Park Project: Phase II

Land Management Groups:

- Timber Creek Rangers hosted by Northern Land Council
- Wardaman Rangers hosted by Northern Land Council
- Daguragu Rangers hosted by Central Land Council
- NT Parks & Wildlife Rangers, Northern Territory Government

PFA: Phase 2 contract January 2022 - December 2025

Project Area: 1,299,455 hectares

ACCU's Generated (2022): Zero ACCUs generated

Training Received: 9 Rangers completed QGIS Training

Ranger Participation: 4 Traditional owners were engaged as casuals

Additional Activities:

The Judbarra Gregory Project operates on the Bilinarra - Judbarra, Nalipinkak, Wambardi, Winan Aboriginal Land Trusts for which the Ngarinyman, Karrangpurru, Nungali, Malngin, Wardaman, Ngaliwurru, Guridji, Jaminjung and Bilinara people are the Traditional Owners. The Traditional Owners and the Northern Territory Government via its Parks and Wildlife Commission, manage the Judbarra - Gregory National Park under Joint Management arrangements.

Late persistent rain and administrative complications impeded Early Dry Season burning efforts leaving the project area exposed to severe late dry season fires. Despite suppression efforts, a large portion of the project area was affected by hot late season fire. This has had a significant impact, not only on ACCU generation and the landscape as a whole, but the scale of the fires and prolonged suppression efforts took a physical toll on those involved.

By Law 13 legislation of the Territory Parks and Wildlife Conservation Act (1976) was gazetted in November 2022, and the ensuing permit signed by the project operator in early 2023, authorising savanna burning within the National Park to be delivered by the registered project operator for the



purposes of a carbon emissions reduction project.

Pre - Season fire planning was undertaken with a fire plan submitted and approved for EDS burning activities. Complicating these efforts was protracted ambiguity remaining over the responsibilities and compliance requirements under the recently signed By-Law permit. Despite the season's setback, the Judbarra Fire and Joint Management Committee's supported the projects continuance at meetings held in Timber Creek during November 2023.

To work through issues confronting the project, a stakeholder debrief was held in December comprising Northern & Central Land Council, ILSC, Parks and Wildlife Commission representatives. The objective of the debrief was to scrutinise the 2023 season with a view to strengthen future efforts. Discussion included project implementation (what worked and what didn't), operational coordination, project governance, key tasks and accountabilities and milestone delivery.

The debrief was largely productive with all agreeing that the project should be driven by Traditional Owners and should provide economic, social and environmental benefit, but also highlighted a number of challenges that faced the project. These being largely administrative centered on the Joint Management Agreement and By Law 13 compliance. Some headway was made late in 2023 towards a solution, with more to be done in 2024.

Despite efforts in 2023 to work with the project proponent to better engage with the project, it was agreed that the current contract with the project operator, should be varied to reduce their operational and governance responsibilities, and for them to focus on supporting activities within the project. The variation will see the NLC be responsible for the implementation of operational activities and supporting governance development. This compliments the NLC's role to support Traditional Owners of the project and will provide additional resources to do so.

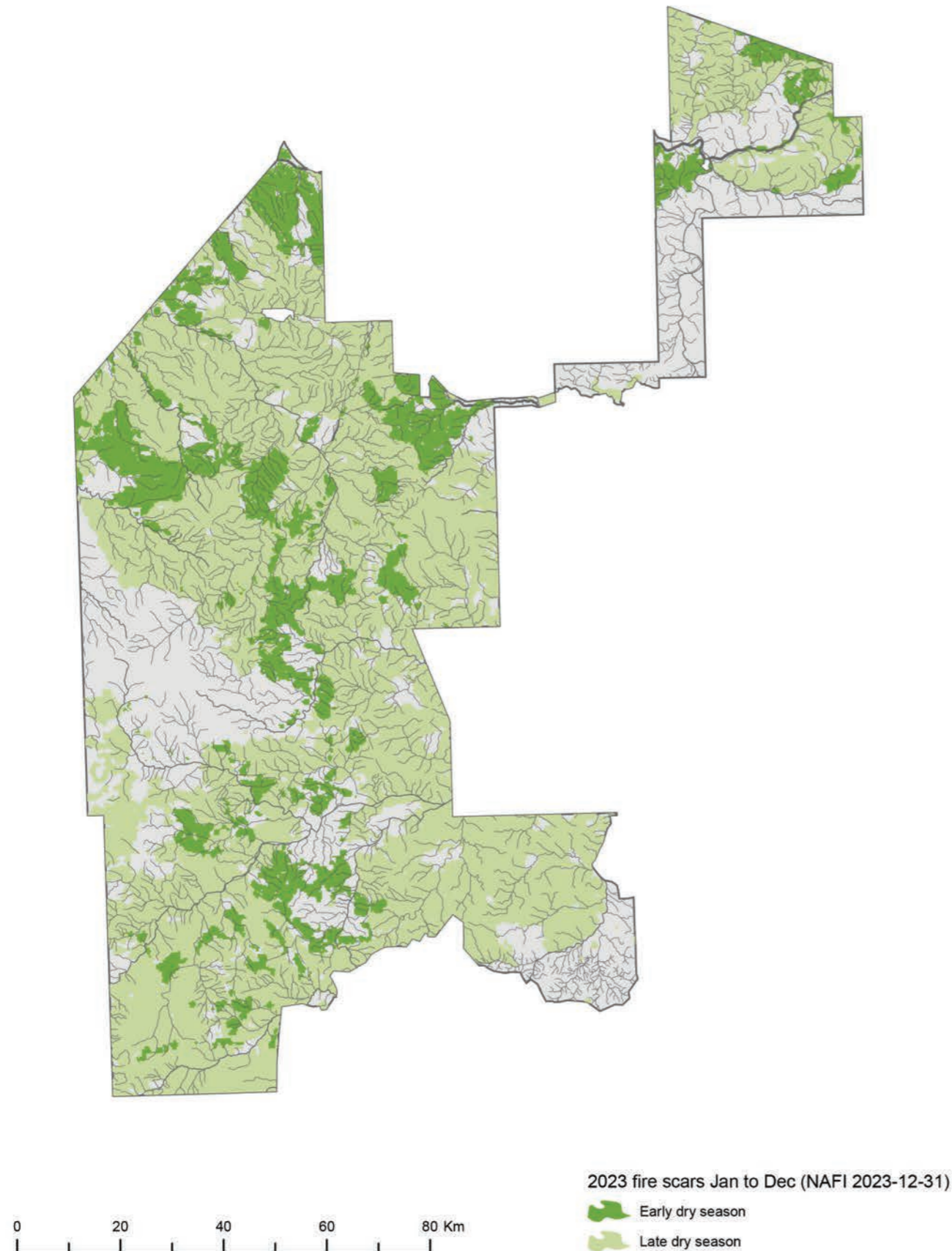
The Project remains conditionally approved by the Clean Energy Regulator, with outstanding cadastre issues obstructing unconditional registration. While the current registration status and ACCU generation are not ideal, it does present some options for the project, options which stakeholders are currently discussing.

Despite a tough year, Traditional Owners are enthusiastic about continuing the project and building their capacity to carry the project forward in the coming years.



Traditional Owner Phillip Snowy guiding aerial prescribed burning over the southern section of the Winan Aboriginal Land Trust, Gregory National Park.

Judbarra/Gregory SFM project (ERF161545)



Western Top End SFM Project: Phase II

Land Management Groups:

- ☉ Thamarrurr Rangers hosted by Thamarrurr Development Corporation
- ☉ Wudicupildiyerr Rangers hosted by Northern Land Council
- ☉ Peppimenarti Rangers hosted by Deewin Kirim Corporation
- ☉ Emu Point Rangers (emerging)

Project Area: 110,000 hectares

PFA: Phase 2 contract May 2020 - January 2024

Registration: ERF 160973

ACCU's Generated (2022): Zero ACCUs generated

Training Received:

- ☉ 3 Rangers completed NAFI satellite imagery training
- ☉ 4 Rangers and staff completed QGIS training
- ☉ 8 Rangers completed Operational Fire training at the Bachelor institute

Ranger Participation: 35 Rangers are employed on a casual basis between January and July

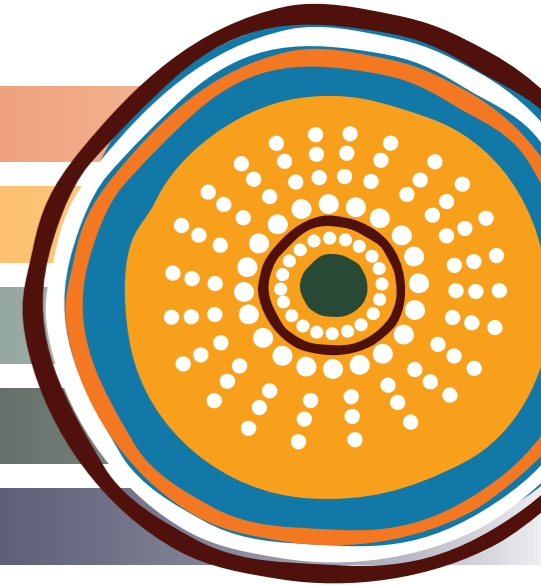
Additional Activities:

The Western Top End (WTE) Fire Project, operating on the Daly River Port Keats Aboriginal Land Trust, was registered with the CER by Thamarrurr Development Corporation (TDC) in December 2020. Currently, in its fourth year of a Phase 2 Funding Agreement that began in April 2020, the project has made significant progress.

During the 2023 EDS, the WTE successfully implemented a fire management strategy for the fire season. Through aerial prescribed burning operations covering approximately 14,000 square kilometres and involving 100 hours of flight time, a network of burnt areas was created, greatly reducing the risk of LDS wildfires. More than 20 LDS fires were ignited in areas of high public access, allowing them to naturally integrate into existing fire scars, this effectively contained their spread.

To enhance the fire management capabilities of the WTE team, TDC enlisted the services of Batchelor Institute to provide operational fire training to eight rangers. Additionally, four Thamarrurr Rangers and WTE SFM staff attended QGIS training at Charles Darwin University's Northern Institute.

TDC now boasts a qualified Trainer & Assessor on its staff and plans to deliver training units focused on operating the Raindance Machine inside an aircraft, reading and understanding fire maps, strategies and tactics in remote firefighting.



In collaboration with Territory Natural Resource Management (TNRM), TDC conducted a comprehensive aerial survey of Gamba Grass (*Andropogon gayanus*) in the project area. This survey identified 171 Gamba points, with a concentration observed around leased areas such as Elizabeth Downs and Djudian. The identified Gamba Grass sites were treated, and future monitoring will ensure effective management of Gamba Grass in the region.

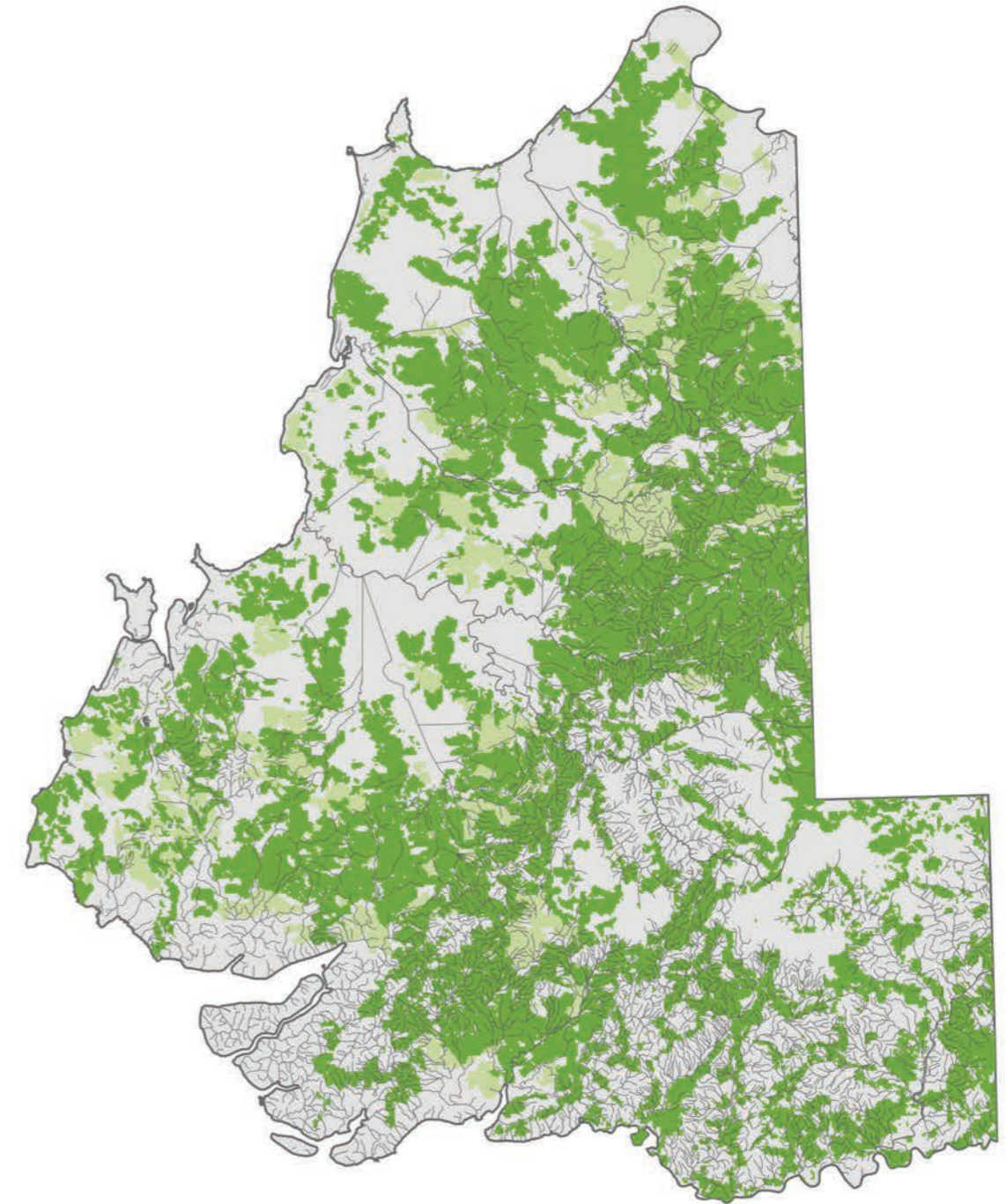
Recognising the importance of governance and organisational support, the TDC board approved the inclusion of the Western Top End Savanna Fire Management committee and a sub-committee of TDC. This ensures that the project has the necessary structures in place to make important decisions.

Looking ahead, the WTE SFM team is considering options to continue the current program in partnership with the ILSC and INPEX beyond 2024. The current Phase 2 contract is set to conclude in early 2024.



Torsten Unnasch (TDC Project Officer) and Christine Tjemchiri (TDC Ranger) conducting APB

Western Top End SFM Project (ERF160973)



2023 fire scars Jan to Dec (NAFI 2023-12-31)

- Early dry season
- Late dry season

0 20 40 60 80 Km

Tiwi Project: Phase II

Land Management Groups: Tiwi Rangers hosted by Tiwi Resource Corporation

PFA: Second phase 2 contract July 2021 – March 2024

Project Area: 536,00 hectares

ACCU's Generated (2022): 59,149.79

Training Received:

- 4 Rangers completed NAFI satellite imagery training
- 4 Rangers completed GIS training
- 4 Rangers completed tablet mapping training
- 8 Rangers completed Pyroshot operations training
- 4 Rangers completed Raindance operations training

Ranger Participation: 11 Rangers were directly involved

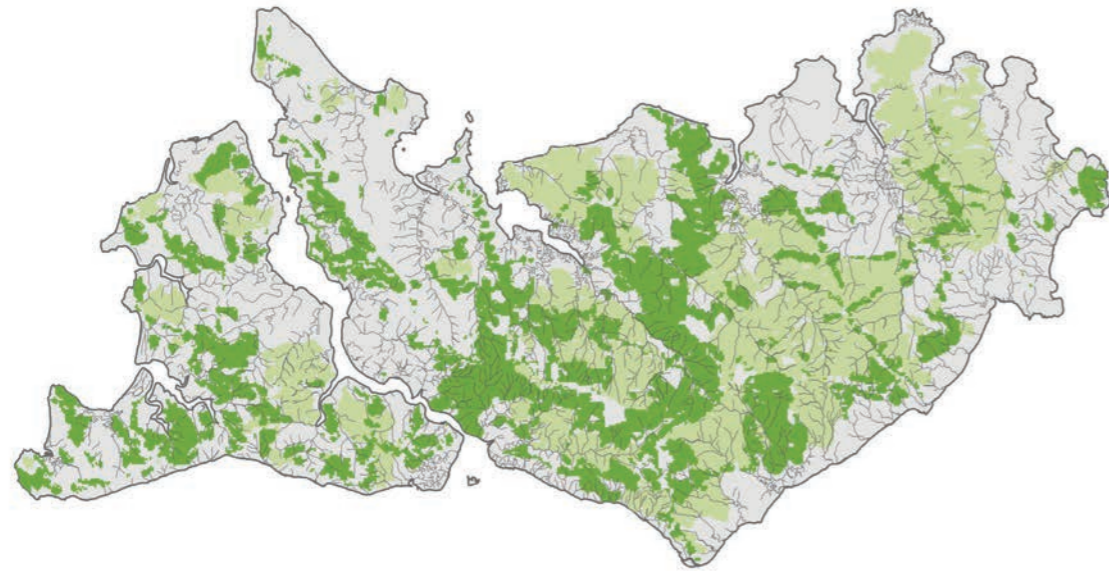
Additional Activities:

The Tiwi Fire Project encompasses both Bathurst and Melville Islands, situated north of Darwin. Under the management of Tiwi Resource Corporation, they joined the SFM Program in 2018. Currently, the Phase 2 Project is nearing its completion, with the final milestone set for March 2024.

During the planning phase of the Early Dry Season (EDS), there was extensive consultation with approximately 30 Traditional Owners through formal fire planning meetings. Additionally, over 50 Traditional Owners and community members actively participated in fire roadshow events. These roadshows have proven to be highly successful in engaging the community, raising awareness about the advantages of early, cool burning, and highlighting the issues caused by late dry season hot fires. To further reinforce this message, rangers have been placing signs in prominent locations, providing clear instructions on when to burn and when not to.

As Tiwi prepares for their transition to independence, they have achieved significant progress. They have developed a comprehensive Project plan for their independent Tiwi Carbon Project, accompanied by a detailed Business prospectus that outlines marketing strategies for Tiwi Carbon and its co-benefits. Furthermore, an income distribution model has been established to ensure the fair distribution of generated income. These developments signify important milestones in Tiwi's transition into an independent Carbon business.





2023 fire scars Jan to Dec (NAFI 2023-12-31)
 Early dry season
 Late dry season

Garawa Project: Phase II

Land Management Groups: Garawa Rangers hosted by the Northern Land Council

PFA: Phase 2 contract May 2019 – December 2023

Project Area: 536,00 hectares

Registration: ERF130950

ACCU's Generated (2022): Zero ACCUs generated

Training Received:

- ☼ 14 Rangers completed Work Safely around Aircraft and Operate Aerial Ignition Equipment in an Aircraft training
- ☼ 3 Rangers completed NAFI satellite imagery training
- ☼ 2 Rangers Completed GIS training

Ranger Participation: 27 Rangers are employed on a casual basis between January and July

Additional Activities:

The Garawa fire project operates within the Garawa Aboriginal Land Trust, also known as Robinson River. The project area is remote, situated in the SW of the Gulf of Carpentaria. The remote location presents challenges for service delivery and staff retention, of which this program has experienced to some degree.

The seasonal engagement of a qualified and experienced fire management practitioner has played a crucial role in providing guidance and mentorship to the project participants. This has enabled them to plan and execute prescribed Early Dry Season (EDS) burning operations effectively. However, the absence of a dedicated individual during the majority of the Late Dry Season (LDS) has hindered wildfire suppression capabilities.

During planning meetings, the objectives of the prescribed burning activities are established. Flight lines are developed based on input from Traditional Owners, previous years' burning operations, and local features such as roads and rivers. Special considerations are given to cultural sites and the habitat of known populations of the Purple Crowned Fairy Wren (*Malurus coronatus*) in the south-eastern corner of the project area, where population surveys are being conducted.



Marbine Austral (Tiwi Ranger) operating the Raindance machine for an aerial prescribed burn. Credit David Hancock

To support the delivery of the 2023 fire program, 14 local casual staff were recruited and received certified training in Aerial Incendiary Operations. This enabled their participation in the season's burning activities. Collaborative efforts with neighbouring properties, Spring Creek and Pungalina Stations, led to the implementation of firebreaks in the northern sections of the project area to assist with containing LDS fires.

Through solid planning and proactive Early Dry Season (EDS) burning efforts, the impact of LDS fires encroaching into the project area was reduced. Despite compromising the project's baseline and ACCU generation, the EDS efforts successfully contained what could have been a catastrophic fire year.

Additional planning meetings identified priorities and aspirations of the fire committee, including upgrades for the ranger shed, workshops to strengthen project governance capacity, and an exchange program with Manmoyi in west Arnhem Land to facilitate knowledge exchange with the successful Warddeken savanna burning initiative.

The Phase 2 contract for this project concluded in December 2023, and the remote area and administrative compliance posed challenges for the current project proponent. To consolidate on-the-ground project delivery and administrative requirements, all parties agreed to arrange a new project management structure. The proposal for the Indigenous Land and Sea Corporation (ILSC) to become the project proponent, with the Northern Land Council (NLC) as the project operator for the next Phase 2 contract period, was agreed upon by Traditional Owners at a Section 19 contract renewal meeting held at Robinson River in mid-November 2023. This arrangement aims to streamline the project management process for the NLC, who host the Garawa Rangers, while also seeking greater engagement with the neighbouring Waanyi Garawa Indigenous Protected Area program within the SFM project.



Macaulay Library ML76482571



Macaulay Library ML65425361



Macaulay Library ML178965771

The Purple-crowned Fairy-wren is a specialist of dense riparian vegetation in northern Australia. It occurs as two subspecies. The western subspecies is found in the Kimberley Region of Western Australia and in the Victoria River District of the Northern Territory. The eastern subspecies occurs on rivers that drain into the Gulf of Carpentaria. It has an extremely patchy distribution and has declined in parts of its range.

© Marc Gardner - Macaulay Library

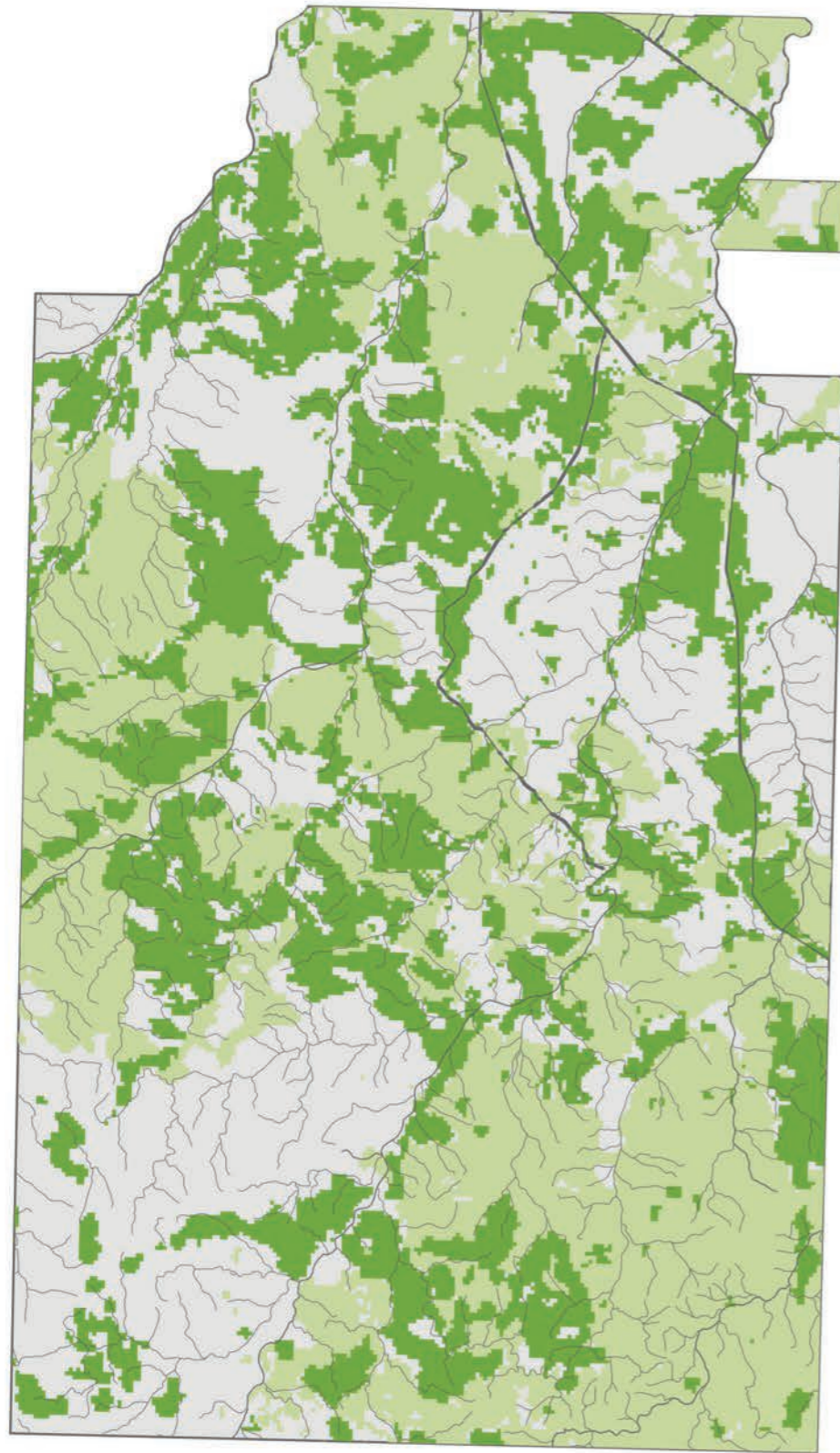
“If we carry on with what we are doing with our fire management, I can see there (will be) more jobs that will be created for the kids”.
**(Derek Puruntameri,
 Ranger Supervisor, Tiwi Resources)**



Garawa Rangers undertaking Bombardier and Raindance training



Garawa SFM project



2023 fire scars Jan to Dec (NAFI 2023-12-31)

■ Early dry season
■ Late dry season

0 10 20 30 40 Km

ACCUs generated by SFM Program Operators

There are five SFM Projects registered and eligible for ACCU generation under the CER. Results from the 2023 fire season will not be known until Project Offset Reports are generated in March/April following the release of 2023 abatement calculations on SavBAT.

ACCUs credited to SFM Projects from 2021 to 2022.

PROJECT	Total ACCUs from 2020	Total ACCUs from 2021	Total ACCUs from 2022	PROPORTION ATTRIBUTED TO SFM FUNDING	Number of ACCUs to transfer to INPEX
Tiwi	44,269	Zero ACCUs generated	59,143.79	0	45,903(2022)
Garawa*	Zero ACCUs generated	Zero ACCUs generated	Zero ACCUs generated	0	0
Western Top End	33,823	Zero ACCUs generated	Zero ACCUs generated	82.5(2020)	27,691(2020)
Judbarra**	Zero ACCUs generated	Zero ACCUs generated	Zero ACCUs generated	0	0
Wardaman***	N/A	Zero ACCUs generated	Zero ACCUs generated	0	0
TOTAL	78,092	0	59,143.79	N/A	73,594

* The Garawa project proponent has had difficulties establishing the carbon administration process with the CER. The proponent role will be transferred to the ILSC during 2024 enabling the ILSC to utilise its credit holding account for completion of earlier credit claims. It is expected that this will yield 10504 credits when finalised.

** Following two successive difficult years for fire management the ILSC is in discussions with all parties regarding a potential reset administratively which will enable increased lifetime credit performance or the project.

*** Offset reporting for the Wardaman project is underway, it is anticipated that reporting in-hand will yield 8838 ACCUs for project activities.

SFM Program Financial Summary 2023

INCOME	BUDGET	YTD ACTUAL	VARIANCE
Q1 SFM Payment	\$292,072	\$292,345	\$273
Q2 SFM Payment	\$806,707	\$806,707	\$
Q3 SFM Payment	\$806,707	\$673,489	\$133,218
Q4 SFM Payment	\$806,707	\$806,707	\$
Total Payments	\$2,712,193	\$2,579,248	\$132,945
Balance held by SFM Program (1 Jan 2023)	\$514,635	\$514,635	
TOTAL INCOME	\$3,226,828	\$3,093,883	
EXPENSES			
PHASE 2 PFAs	BUDGET	YTD ACTUAL	VARIANCE
	\$2,157,143	\$1,181,626	\$975,517
• <i>Judbarra Phase 2</i>	\$430,500	\$130,500	\$300,000
• <i>NAILSMA Garawa</i>	\$ 255,593	\$	\$255,593
• <i>Wardaman - Menggen</i>	\$189,000	\$218,000	\$29,000
• <i>Thamarrurr Development Corporation</i>	\$381,440	\$382,152	\$712
• <i>Wagiman (NLC)</i>	\$250,000		\$250,000
• <i>Tiwi Resources</i>	\$650,610	\$450,974	\$199,636

PHASE 1 PFAs	BUDGET	YTD ACTUAL	VARIANCE
	\$229,000	\$	\$229,000
• <i>Kenbi/Bulgul (NAILSMA)</i>	\$15,000	\$	\$15,000
• <i>Wagiman (NLC)</i>	\$14,000	\$	\$14,000
• <i>Waanyi (GARAWA)</i>	\$100,000	\$	\$100,000
• <i>Southern Beswick</i>	\$100,000	\$	\$100,000
Third Party Service Providers	\$470,000	\$ 176,926	\$293,074
SFM Project Direct Costs	\$444,895	\$396,758	\$48,137
Staff Salaries & On costs	\$290,647	\$292,290	-\$1,643
Office- Accommodation & Expenses	\$60,000	\$11,075	\$48,925
Recruitment	\$	\$	\$
IT and comms equip	\$8,000	\$3,966	\$4,034
Conferences and meetings	\$6,000	\$25,158	\$19,158
Vehicle running costs	\$8,000	\$11,585	\$3,585
Fuel	\$16,248	\$2,013	\$14,235
Travel	\$38,000	\$41,426	-\$3,426
Staff - Corporate Training	\$8,000	\$	\$8,000
Marketing & Comms	\$10,000	\$9,245	\$755
ILSC Overhead Costs (fixed)	\$175,790	\$175,790	\$
TOTAL EXPENSES	\$3,476,828	\$1,931,101	\$1,545,727

Summary of Variance from 2022 Budget

Summary financial variance of 2023 budget.

Overall program expenditure was under the 2023 allocation. The following details significant variances in expenditure against the budget:

- A. SFM direct costs and wages were underspent due to recruitment of ILSC SFM staff positions. The shortfall in staff has restricted operations to core functions only.
- B. Both the Judbarra and Garawa Projects were underspent due to ongoing delivery issues with the program operator and administrative compliance complications with stakeholders.
- C. Wagiman transition into phase 2 was delayed with required s19 land-use consultations with NLC occurring in November 2023. Phase 2 is anticipated to commence in mid-2024.
- D. Travel, fuel and vehicle running costs were underspent due to reduced staffing capacity within the SFM team.
- E. Kenbi - Bulgul, Southern Beswick and Wanyi Garawa withdrawing from Phase 1 assessments.



Performance Evaluation of the SFM Program

Performance evaluation of the Principles of the SFM Program.

SFM Program Principles	Notes	Evaluation
Avoiding negative reputational risk to key stakeholders and maximising the potential to reflect positively on the reputations of all stakeholders	The SFM Communications Plan continues to be a valuable resource for managing reputational risk and defining the roles and responsibilities of project partners in addressing potential issues. The SFM Program developed a comprehensive 2023 Communications Plan, which was carefully reviewed by the ILSC communications team. In collaboration with the SFM Program Manager, they have created a detailed schedule to highlight SFM achievements throughout the year. In 2023, the ILSC SFM forum received positive media coverage, with two features published in the National Indigenous Times. Furthermore, the filming of the Tiwi Case Study has been successfully completed and is slated for broadcast on multiple TV channels in 2024.	Excellent
Supporting and enabling the development of sustainable, viable Indigenous enterprises and the delivery of economic, environmental, social, and cultural benefits for Indigenous people:	Phase 2 Projects have successfully implemented the Savanna Fire Management methodology, resulting in achievements in sustainable development. Project operators work closely with Traditional Owners to develop fire management plans and carry out prescribed burning. This collaborative approach has not only delivered positive environmental outcomes but has also provided valuable opportunities to train and mentor future land managers, generate employment, and contribute to the growth of regional economies.	Good

Excellent = principles and purpose being met beyond expectations

Good = expectations of principles and purposes are being met

Fair = expectations of principles and purposes are not currently being met, but progress towards these is apparent.

Poor = expectations are not being met and look unlikely to be met.

SFM Program Principles	Notes	Evaluation
Providing business and employment opportunities for Indigenous people via SFM Project Operators;	<p>Employment opportunities for Indigenous Rangers created by the Program across the Projects include:</p> <ul style="list-style-type: none"> Western Top End: In 2023, there were 35 casual fire rangers employed between January and July to carry out fire operations. Additionally, 6 Rangers participate in the SFM Program and are employed on a permanent basis through separate funding. Garawa: The number of casual ranger employees has seen a remarkable increase. Currently, 27 casual employees are engaged in delivering fire management activities. Furthermore, 9 full-time Garawa Rangers are employed through separate funding, supporting SFM actions on the ALT. Wardaman: To support fire operations during the Early Dry Season, 9 Casual Rangers were employed, and an additional 8 casuals were involved throughout the year to support the SFM Project. Tiwi: In 2023, the SFM program directly employed three dedicated full-time Indigenous Rangers. 	Excellent
<p>Promoting the use of sound land and environmental practices; and:</p> <p>Improving biodiversity outcomes through savanna fire management activity;</p>	<p>All Phase 2 SFM projects have integrated biodiversity objectives into their fire management plans and Healthy Country Plans. These objectives focus on safeguarding fire-sensitive vegetation and enhancing ecological health by implementing cool burning practices that promote pyrodiversity. Each SFM project has been actively involved in initiatives to measure and gain a deeper understanding of the interplay between their fire management strategies and biodiversity conservation.</p> <p>In the Western Top End project area, efforts have been made to collaborate with NAFI (North Australia Fire Information) and the Research Institute for Environment and Livelihoods (RIEL). Together, they are working on synthesizing a high-resolution vegetation type habitat map and conducting an ecological threshold analysis. This comprehensive assessment will enable the evaluation of ecological thresholds and provide insights into the trajectories and status of known ecological indicators.</p>	Good

SFM Program Principles	Notes	Evaluation
Spreading community and social benefits of the Ichthys Project beyond Darwin into regional areas of the Northern Territory;	<p>Pre-season fire management planning and implementation have created employment opportunities for Indigenous individuals residing in regional and remote areas. In the Western Top End region, multiple fire planning meetings were conducted involving Traditional Owners, Thamarrurr Development Corporation, Northern Land Council, ILSC, Bushfires NT, neighbouring properties such as Bradshaw Australian Defence Force Training Facility, and lease holders within the ALT.</p> <p>On Tiwi Island, the fire roadshow initiative continues to be successfully executed. These roadshows have proven highly effective in engaging the community, increasing awareness about the benefits of early, cool burning, and highlighting the negative impact of late dry season hot fires.</p> <p>The Wardaman community have adopted the messaging tactics employed by the Tiwi Island Savanna Fire Management Project. Wardaman rangers have collaborated to design informative flyers and signage, strategically placed throughout the Land Trust area, to raise awareness about the optimal timing for controlled burns.</p>	Good
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	<p>The Rangers engaged in the SFM Project have successfully completed a significant amount of training to enhance their team's capacity in delivering strategic savanna fire management that includes:</p> <p>Wardaman:</p> <ul style="list-style-type: none"> Three Rangers received NAFI satellite imagery training. <p>Western Top End:</p> <ul style="list-style-type: none"> Three Rangers completed NAFI satellite imagery training. Four Rangers and staff members completed QGIS training. Eight Rangers underwent Operational Fire training at the Bachelor Institute. <p>Tiwi:</p> <ul style="list-style-type: none"> Four Rangers completed NAFI satellite imagery training. Four Rangers received GIS training. Four Rangers underwent tablet mapping training. Eight Rangers completed Pyroshot operations training. Four Rangers received Raindance operations training. 	Excellent

SFM Program Principles	Notes	Evaluation
Continued from previous page	<p>Garawa:</p> <ul style="list-style-type: none"> Fourteen Rangers completed Work Safely around Aircraft and Operate Aerial Ignition Equipment in an Aircraft training. Three Rangers completed NAFI satellite imagery training. Two Rangers completed GIS training. <p>In 2023, the ILSC SFM forum was launched, providing an opportunity for more than 50 Indigenous Rangers to come together with scientific and business development experts. This three-day forum strengthened connections between the Rangers and project partners, fostering collaboration and knowledge exchange.</p>	Excellent
Minimising, managing and mitigating all relevant risks appropriately, particularly workplace health and safety risks;	<p>The SFM program prioritises risk management and exercises due diligence in all its endeavours. Prior to engaging in operational activities, all projects undergo a rigorous risk assessment process. This ensures that potential risks are identified and effectively managed.</p> <p>All individuals involved in fire management operations are employed by esteemed organisations such as the Northern Land Council, Central Land Council, Tiwi Resource Corporation, Thamarrurr Development Corporation, and North Australian Indigenous Land and Sea Management Alliance. These organisations have established comprehensive Work Health and Safety (WHS) policies, procedures, and systems in place to support the implementation of safety measures.</p> <p>The ILSC implements operational risk management procedures and upholds stringent WHS practices. It is mandatory for all SFM staff members to adhere to these procedures and practices, ensuring a safe working environment.</p> <p>In 2023, there were no reported incidents related to Work Health and Safety or environmental concerns.</p>	Excellent
Protection of Indigenous cultural and heritage sites.	<p>Extensive consultation takes place during the planning activities of the fire management process to ensure that Senior Traditional Owners are actively involved. Their valuable input and priorities are sought to guarantee the inclusion of culturally significant and environmentally sensitive sites within the project's fire management plans.</p> <p>It is considered best practice to have an appropriate person, typically a Senior Traditional Owner, oversee burn operations and accompany Rangers during these activities, whether on the ground or in a helicopter. This approach ensures that the burning activities are conducted in alignment with the cultural protocols and practices that are unique to the specific area.</p>	Excellent

SFM Program Principles	Notes	Evaluation
Continued from previous page	Mapping data supports this process, visually representing fire hazards and risks that may impact these significant sites. This allows the groups involved to identify potential threats, develop strategies to mitigate them effectively and make informed decisions on how best to protect culturally significant areas.	Excellent
(i) generating ACCUs; and avoiding emissions and thereby having a positive impact on climate change mitigation.	ACCU generation has commenced for Projects registered with the CER; however, only one project, Tiwi, has been issued ACCUs in 2023 for previous operating years. All operational projects conducted early burning operations in 2023 to mitigate greenhouse gas emissions. The total ACCU generation for 2023 will be estimated once the calculations for the year are released through Savbat, which is expected between February and March 2024.	Fair



Excellent = principles and purpose being met beyond expectations
Good = expectations of principles and purposes are being met
Fair = expectations of principles and purposes are not currently being met, but progress towards these is apparent.
Poor = expectations are not being met and look unlikely to be met.

Fire and Weeds Planning meeting held on the 17th of March 2023 at Warrumiyanga bringing together Traditional Owners, Rangers and natural resource managers from Darwin to work on the Tiwi SFM Fire Management Plan.



Fire planning with Garawa IPA Rangers and family groups in Robinson River.



ILSC SFM Forum

**“It has been great to come and learn more about what we as rangers can do in different areas”
(Murnkurru Murnkurru Gurindji ranger Jerone Bernard)**



2023 ICIN SFM Forum

**“ In terms of the meeting here, it was pretty good to catch up with people in person instead of the telephone. We get much more input and a deeper knowledge on some of the topics. We are really enjoying it and the location is great”
(Torsten Unnasch, Fire Manager for Thamarrurr Development Cooperation)**



The ILSC GROUP