

# The Land Based NRM Asset Approach Project

AS PART OF "THE FURTHER DEVELOPMENT OF AN ASSETS FRAMEWORK  
TO SUPPORT NRM INVESTMENT DECISION MAKING PROCESSES IN  
VICTORIA

Multi-Regional Projects in Victoria

PROJECT 202164

## Project Background

Many Victorian government strategies and policies relating to Natural Resource Management (NRM) have now adopted an asset-based approach. However, the absence of any clear guidance defining the asset-based approach, has resulted in inconsistencies in the application of the approach across Victoria. This situation reveals a number of needs including:

- a comprehensive framework or methodology for the land-based asset approach;
- an agreed and consistent means of identifying and valuing assets;
- consistent rules and tools for assessing threats and risks to assets; and
- guidance on prioritisation processes, including how priority assets are incorporated into regional catchment investment plans.

To address this, the State and Commonwealth National Action Plan for Salinity and Water Quality (NAP) has funded a project to develop and apply a standard asset-based approach to investing in land related NRM. This project will build on the existing work including the priority setting tool for river based assets, outlined in the Victorian River Health Strategy.

## Project Aims

The main objective of the land-based NRM Asset Approach Project is to provide the means for consistent use of the asset-based approach across Victoria.

Other objectives are:

- To enhance Victoria's evidence-based NRM investment decision-making processes for land management programs; and
- To build on and integrate with previous asset-based approaches in Victoria, such as the River Health Strategy, so a single approach can be used in Regional Catchment Strategies (RCSs) and Regional Catchment Investment Plans (RCIPs).

## Key Elements of Approach

An asset-based approach forms the basis of strategies for protecting, rehabilitating and managing natural resources that the community believes are important, such as:

- Biodiversity
- Rivers and wetlands
- Agricultural land
- Infrastructure
- Cultural heritage sites

In this approach, NRM planning focuses on protecting high value natural assets and addressing multiple threats to these assets.

The asset-based approach is intended to:

- Identify high value assets and their environmental condition;
- Identify current and future degradation (threats) of high value assets; and
- Highlight assets where there are the highest environmental, social and economic gains for investment.



## The Asset-based Approach Conceptual Framework

The conceptual framework for an asset-based approach to NRM investment is illustrated in Figure 1. The framework combines information about assets, their services and values, threats and the costs of protection, enhancement, or restoration.

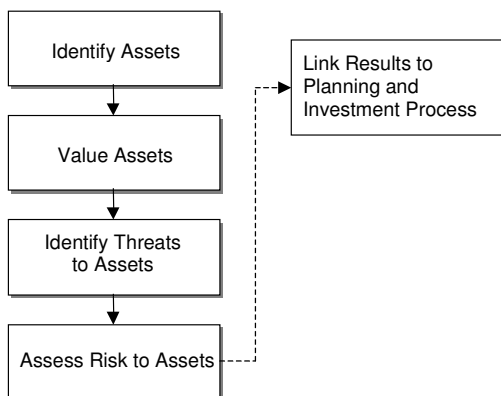


Figure 1. Asset Based Approach for NRM Investment

## Key Elements of the Conceptual Framework

- Asset Identification – Identification of biophysical entities within a region that are considered assets because of the productive, social or intrinsic services they provide.
- Asset Valuation – Assets provide a broad range of services used in a variety of ways and it is those services that are valued. Valuation is where services are identified and described (quantitatively or qualitatively). These values are used to compare the importance of assets (ie to rank).



- Identifying Threats to Assets – Threats are potential causes of degradation to the natural asset and its services by natural and induced processes such as salinity, acidification and weeds.
- Assessing Risks to Assets - The likelihood and consequence of threats impacting on the services (value) of an asset.
- Planning and Investment Processes – the results of asset identification, valuation and threat assessment processes are used to help populate action and investment plans.

## Project achievements

A discussion paper has been produced which reviews the current application of the asset-based approach across Victoria. This paper highlights the need for a consistent and agreed methodology for each step of the asset-based approach.

Following on from these findings the next step of the Land Based NRM Asset Approach Project will focus on the development of a detailed framework including:

- a consistent method for the identification of assets and measurement of the value of asset services;
- a consistent method for describing the extent and methodology of threats impacting on assets;
- a consistent risk assessment methodology; and
- development of an information support tool for land based assets.

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