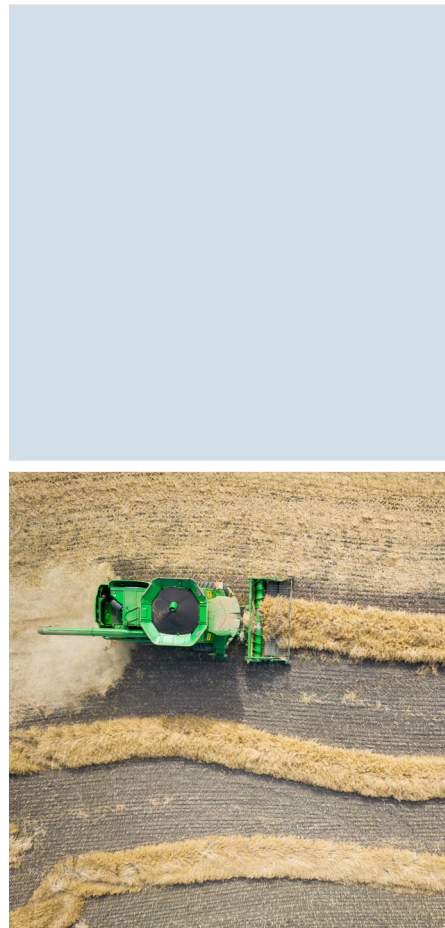




Australian Government

Australian Government Drought Plan



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The authors thank the stakeholders who contributed to the development of this plan, including those who contributed to the Review of the Australian Government Drought Response, Resilience and Preparedness Plan, which preceded this plan.

Acknowledgement of Country

We acknowledge the continuous connection of First Nations Traditional Owners and Custodians to the lands, seas and waters of Australia. We recognise their care for and cultivation of Country. We pay respect to Elders past and present, and recognise their knowledge and contribution to the productivity, innovation and sustainability of Australia's agriculture, fisheries and forestry industries.



Foreword

Australian farmers have always been at the forefront of innovation. In the face of a range of challenges they continue to adapt, build efficiencies in their businesses and enhance productivity.

As the Minister for Agriculture, Fisheries and Forestry, I want to continue supporting the work farmers and their communities are doing to adapt to the cycle of drought.

Drought is a risk that farmers build into their business models, like commodity price cycles or supply chain disruptions. Farmers can't control markets or the weather, but they can (and do) prepare for shocks. For drought, that means getting ready when times are good, making informed decisions as the weather becomes drier, drawing on reserves in drought, and bouncing back when conditions improve.

The Australian Government is also preparing for drought. We have co-signed the National Drought Agreement 2024 to 2029 with state and territory governments, released the Future Drought Fund Drought Resilience Funding Plan 2024 to 2028, and delivered this Drought Plan. Together, these three pieces of work underpin the government's approach to drought.

It's an approach that draws on lessons from the past. We used to see drought as exceptional, but now we accept it as part of working on the land. We now have a suite of programs and measures that are always available, including the Future Drought Fund, climate information, business planning assistance, research and development, low-interest loans and tax concessions. We also provide support when needed, such as the Farm Household Allowance, financial counselling and mental health services.

Importantly, the Australian Government does not work alone. A range of government and non-government organisations, institutions and individuals also have a role. This plan describes the actions farming businesses and communities can take, the support and initiatives the Australian Government provides, and how we work together.

We've taken the time to listen as we have developed this Drought Plan. It is the culmination of a review of the previous plan, public consultations, and ongoing discussions with a broad range of government and non-government stakeholders. It proposes a way to help farming businesses and communities continue to adapt. I encourage everyone with an interest in the future of Australian agriculture to read and share this plan.

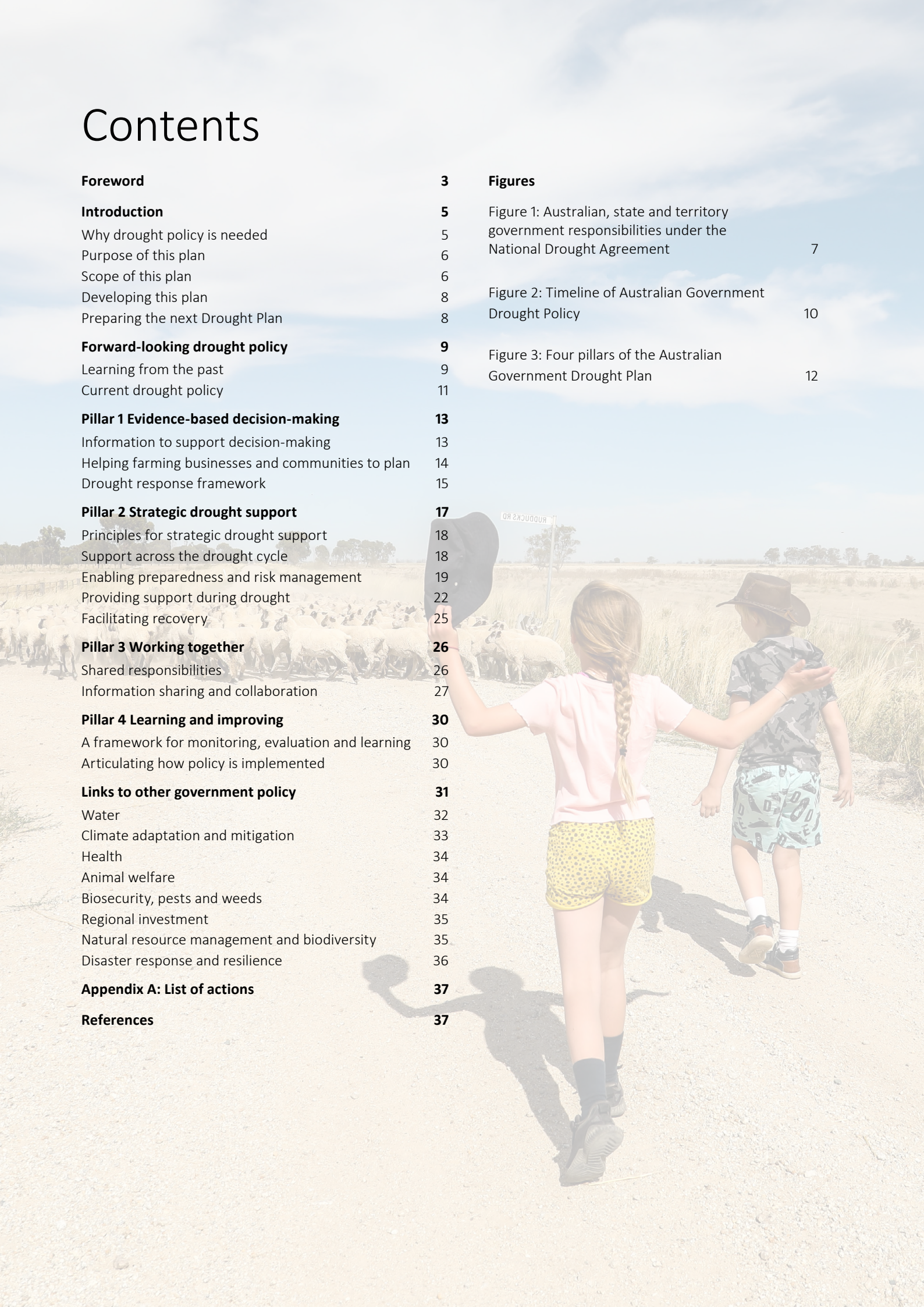
A handwritten signature in blue ink that reads "Julie Collins".

Hon Julie Collins MP

Minister for Agriculture, Fisheries and Forestry

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Introduction

Why drought policy is needed

Australia is the driest inhabited continent, and drought is a naturally recurring feature of our landscape. However, climate models predict changes in future rainfall patterns and more severe droughts (ABARES 2022). The effects of climate change are increasingly felt by the agricultural sector and across regional Australia. Australian farmers, land managers and communities must continue to focus on drought management and innovative ways to respond to the challenges of a changing climate.

Agriculture has traditionally underpinned Australia's regional economies and remains important for both regional and national prosperity. In 2022–23, the sector accounted for 13.6% of Australian goods and services exports (ABARES 2024), and 81% of its workforce lived in regional areas (ABARES 2023). Agriculture also has linkages through the supply chain and interdependence with other sectors of the economy.

Farm performance depends on many factors, including weather conditions. Drought is a key risk for Australia's farming businesses because it can lead to sharp reductions in agricultural output, productivity and incomes. Drought can also result in hardship and have significant negative effects on the physical and mental health of farmers and the wellbeing of their families and communities. Given these impacts, government has a role assisting farming businesses and communities to build their resilience to drought.

There are various models that depict drought as a cycle. This acknowledges it as a recurring event that is best managed through stages, however, we understand that in many cases the impacts of drought are not linear. For example, different regions, industries and farming businesses may be in different stages of drought at the same time.

The Australian Government's approach to supporting the agricultural sector to manage drought is built around a 3-stage cycle:

- Preparing – before drought, prepare for drier times ahead
- Responding – during drought, implement plans and strategies to manage the impacts
- Recovering – after drought, recover and consider lessons learned.

The Australian Government is one of many stakeholders who have a role across the drought cycle. This plan details our role in helping farming businesses and communities to prepare for, manage through and recover from drought.

Purpose of this plan

The purpose of this plan is to:

- explain the Australian Government's drought policy
- provide greater transparency about government drought decision-making
- specify key drought-related programs that support farming businesses and communities across the drought cycle
- show how governments and stakeholders can work together on drought-related issues
- explain the monitoring, evaluation and learning arrangements for drought policy
- show how drought policy links to other government policies.

Scope of this plan

This plan covers the period from 2024 to 2029. It is focused on farming businesses and communities, who are most affected by drought. Farming businesses can comprise of farmers and other land managers, including First Nations land managers, regardless of gender, age, cultural background and identity. Farming communities include rural and regional towns and centres, and individuals, organisations and businesses that depend on agriculture as a key source of economic livelihood. The plan acknowledges the diversity of stakeholders and the importance of working together to deliver appropriate support. It identifies Australian Government drought programs available to farming businesses and communities across the drought cycle and describes how they fit within our plan for drought. It also recognises the wide-ranging impacts of drought and provides an overview of linked policy issues.

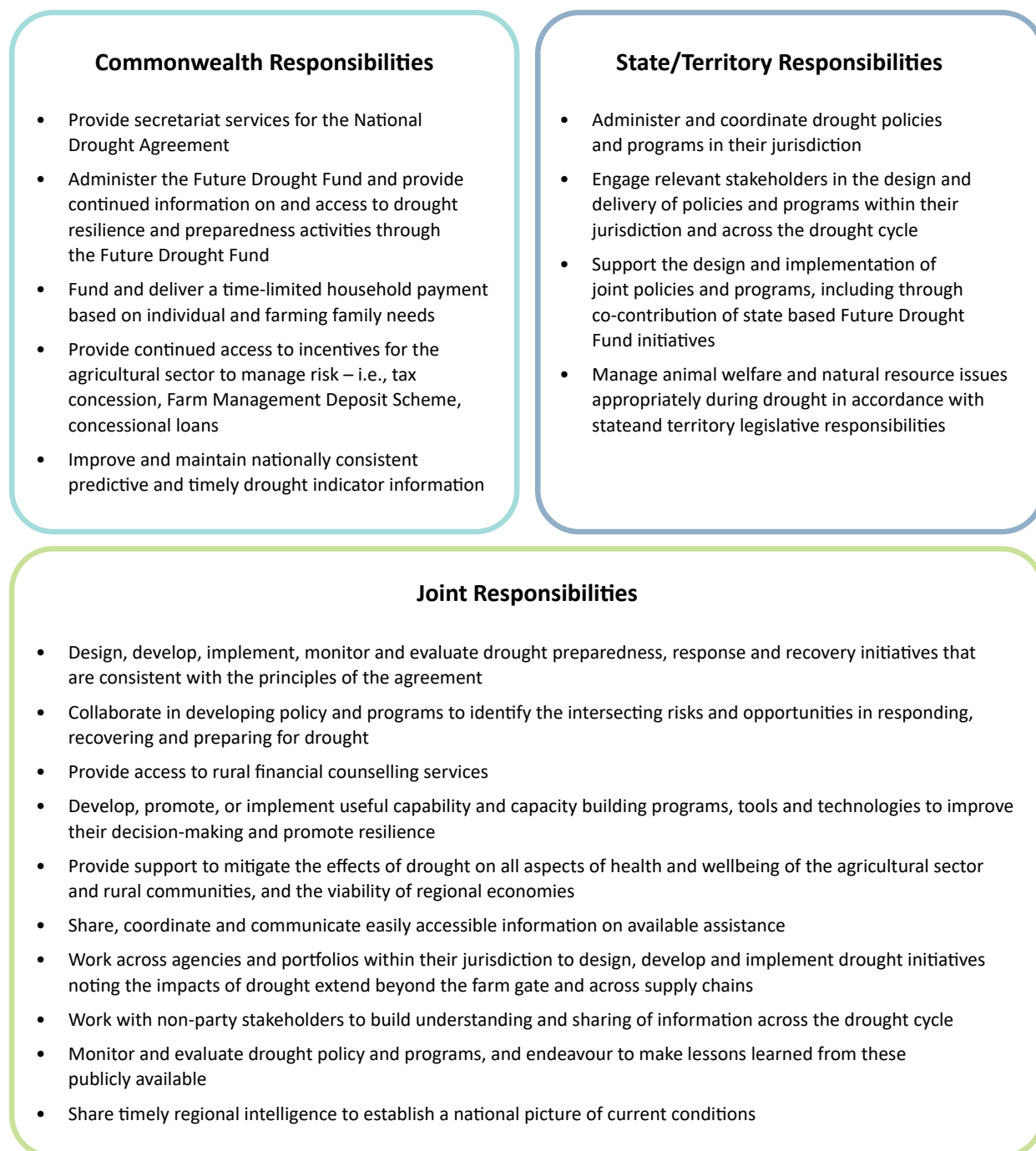
The plan has been developed in parallel with the *National Drought Agreement 2024 to 2029*, the Future Drought Fund Drought Resilience Funding Plan 2024 to 2028 and the Future Drought Fund Investment Strategy 2024 to 2028 (in development). Together, these 4 documents demonstrate our proactive approach to drought.



National Drought Agreement

State and territory governments provide a range of programs, services and tools to farming businesses and communities. The [National Drought Agreement 2024 to 2029](#) is an intergovernmental agreement between the Australian, state and territory governments. It provides a framework for nationally coordinated and complementary drought policy and programs. It sets out agreed upon principles to guide drought preparedness, response and recovery and the differing roles and responsibilities of all jurisdictions.

Figure 1: Australian, state and territory government responsibilities under the National Drought Agreement



This plan outlines the programs and activities that deliver on the Australian Government’s responsibilities under the National Drought Agreement. A vital part of this delivery is close collaboration and working relationships with our state and territory counterparts (see [Pillar 3](#)). In this plan we have also identified how we are applying the principles of the agreement in our drought preparedness, response and recovery work.

Future Drought Fund

This plan provides a high-level description of the programs and activities delivered through the Future Drought Fund. The [Future Drought Fund](#) helps Australian farmers and communities prepare for the effects of drought, allowing them to better manage through drought when it hits and bounce back better when conditions improve. The Future Drought Fund makes \$100 million available each year for drought resilience initiatives and investments.

The Future Drought Fund Drought Resilience Funding Plan 2024 to 2028 outlines the high-level vision, aim and strategic objectives of the Future Drought Fund. It also sets out principles that guide funding decisions. These principles apply to the mix of Future Drought Fund programs at a whole-of-fund level, and each arrangement and grant made to a person or body.

The Future Drought Fund Investment Strategy 2024 to 2028 provides information about the operation of the Future Drought Fund and priority areas of investment over its 4-year funding cycle. The investment strategy is intended to help stakeholders understand the nature and timing of investment opportunities and plan their engagement accordingly.

Developing this plan

This plan has been informed by several streams of consultation and engagement.

In May 2023 we released a review of the *2019 Australian Government Drought Response, Resilience and Preparedness Plan*. As part of the review, we consulted 108 stakeholders related to agriculture and regional Australia. The review made 18 recommendations, which informed this plan.

In September 2023 we held the National Drought Forum in partnership with the National Farmers' Federation. The forum featured panel discussions and workshops on building the financial resilience of farmers, improving community engagement, supporting better decision-making by stakeholders and improving information flows. The findings of these sessions informed this plan.

In July 2024 we released a consultation draft of this plan to seek stakeholder views and inform the final version of the plan. This engagement included meetings with stakeholders from 91 organisations, and 59 written submissions and survey responses.

It is important that we learn from previous approaches to drought. This plan has also drawn on past reviews and inquiries related to drought response, including the:

- 2019 Coordinator-General for Drought's advice on a [Strategy for Drought Preparedness and Resilience](#)
- 2020 National Drought and North Queensland Flood Response and Recovery Agency *Review of Australian Government Drought Response*
- 2021 Senate Rural and Regional Affairs and Transport References Committee [Inquiry into the Federal Government's response to the drought, and the adequacy and appropriateness of policies and measures to support farmers, regional communities and the Australian economy](#)
- 2023 Productivity Commission [Review of Part 3 of the Future Drought Fund Act](#).

Preparing the next Drought Plan

This plan will be reviewed in 2028 to inform the next Drought Plan. The review will seek stakeholders' feedback on whether the plan has delivered on its purpose and whether improvements can be made. It will also consider findings from the review of the National Drought Agreement 2024 to 2029.



Forward-looking drought policy

Learning from the past

The Australian Government's approach to drought policy has evolved to reflect learnings from past responses. Previous policy responses included attempts to 'drought-proof' agriculture, treating drought as a disaster and using drought declarations as an automatic trigger for support ([Figure 2](#)).

Drought response is different to disaster response

In 1971 our approach shifted from trying to 'drought-proof' agriculture to recognising drought as a natural disaster. This allowed affected people to be helped through joint Commonwealth–state Natural Disaster Relief and Recovery Arrangements. In 1989 it was agreed between jurisdictions that drought was to be removed from these arrangements. This followed a review which found that it was poorly targeted, distorted farm input prices and worked as a disincentive for farmers to prepare for drought.

Drought and disasters require different responses. Natural hazards leading to disasters (formally referred to as natural disasters), like floods or fires, are caused by rapid-onset, short-duration events that are hard to predict with certainty. They cause large-scale damage to infrastructure and can instantly affect all aspects of community life. Governments generally respond to disasters by providing assistance to aid immediate response and recovery for affected communities.

Droughts are severe weather events but are slower in their onset, easier to predict and their effects are generally more gradual. The gradual and prolonged nature of drought provides opportunities for farming businesses and communities to prepare and make adjustments as droughts progress. That's why our approach to drought is focused on building resilience and enabling farming businesses and communities to be prepared.

We do not make drought declarations

In 1992 the Australian Government introduced a number of financial assistance programs to be rolled out within declared Exceptional Circumstances areas during drought. Drought declarations were made based on criteria, such as the severity of conditions, and triggered financial support for those in the Exceptional Circumstances area.

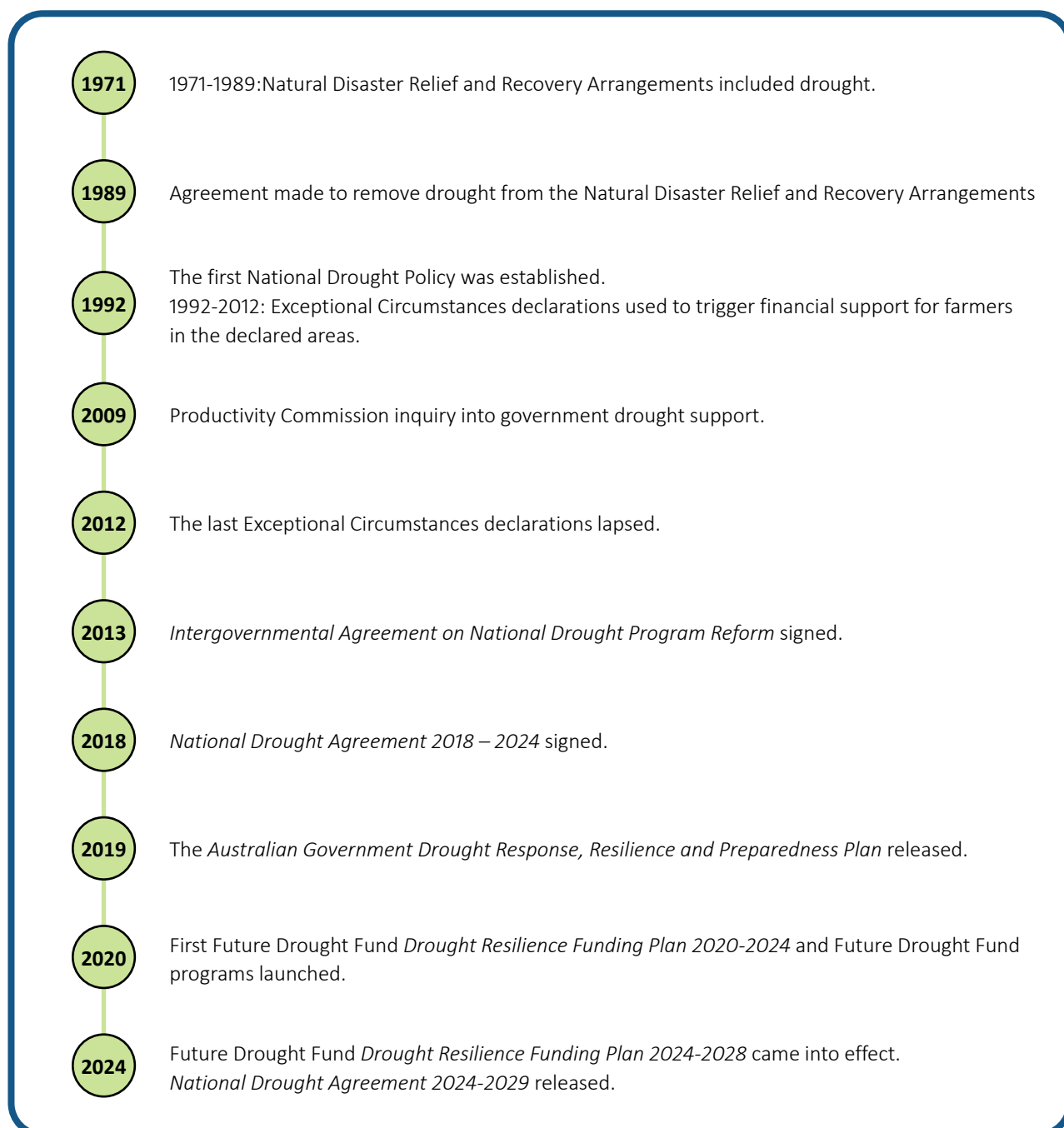
These arrangements were shown to be inequitable, particularly because eligibility was determined by lines on a map. This meant farmers who were experiencing the same drought circumstances as their neighbours but were located on the other side of a boundary line were not able to access support. Past reviews, including the 2009 Productivity Commission inquiry into government drought support, also found that Exceptional Circumstances declarations and

related drought-assistance programs did not help farmers improve their self-reliance, preparedness and climate change management. These arrangements were the primary mechanism for supporting farmers until 2012, when the last Exceptional Circumstances declaration lapsed. The Australian Government has not made drought declarations since that time.

Drought program reform

In May 2013 the Australian, state and territory primary industries ministers made an *Intergovernmental Agreement on National Drought Program Reform*. This agreement outlined the roles and responsibilities for implementing the new approach to drought planning, resilience and response. It recognised that farm businesses need to prepare for drought, rather than rely on government response as an exceptional circumstance. This approach has continued in successive intergovernmental agreements on drought.

Figure 2: Timeline of Australian Government Drought Policy



Current drought policy

Current Australian Government drought policy has 3 objectives. These are aligned to the *National Drought Agreement 2024 to 2029*. The first objective is to build the drought resilience of farming businesses by enabling preparedness, risk management and financial self-reliance.

This acknowledges that farming is a business, and drought is one of many business risks that should be planned for and managed. It also reflects that farmers are responsible for making decisions about how to manage their businesses across the drought cycle.

Climate models predict changes in future rainfall patterns and more severe droughts (ABARES 2022). Drought resilience is the ability to adapt, reorganise or transform in response to changing temperature, increasing variability and scarcity of rainfall and changed seasonality of rainfall, for improved economic, environmental and social resilience. Focusing drought policy on building resilience through enabling preparedness, risk management and financial self-reliance is key to the agricultural sector adapting to climate change.

The second objective is to ensure an appropriate safety net is always available to those experiencing hardship. This safety net refers to activities of government aimed at reducing hardship and supporting those in need. This recognises there can be times when even the most prepared and resilient may need support. Past approaches have demonstrated that this safety net should not be triggered by localised drought declarations and must not disincentivise preparedness or undermine the efficiency or growth prospects of the agricultural sector.

The third objective is to encourage stakeholders to work together to address the challenges of drought. This recognises that drought is not just an issue for farmers and their communities to deal with but includes a range of stakeholder groups. Governments, industry groups, First Nations peoples, the financial and professional services sector, research and natural resource management organisations, charities and the not-for-profit sector also have a role across the drought cycle.

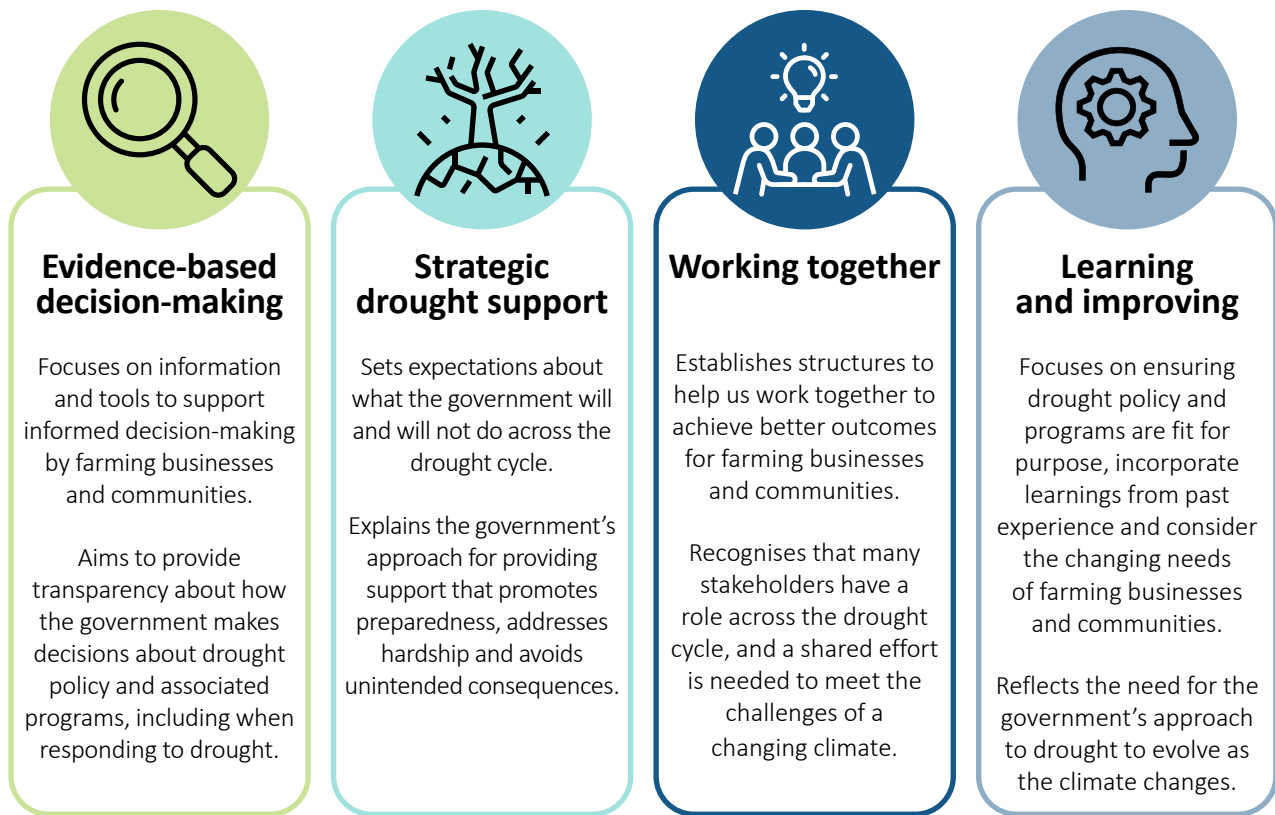
Drought policy also acknowledges First Nations peoples' unceded connection to land, sea and community. First Nations peoples have a deep understanding of the land, and their traditional knowledge can contribute to building drought resilience. The experiences of, and responses to, drought conditions by First Nations peoples can be different from those of the broader Australian community. We are committed to working in partnership with First Nations stakeholders to address the challenges of drought, identify opportunities they envision for themselves in drought policy, and empower First Nations economic self-determination across Australia's agricultural industries by supporting and facilitating these opportunities.

We recognise that drought policy and programs must evolve and improve to ensure government support remains appropriate and meets the needs of stakeholders. This includes considering the approach to drought policy in the context of a changing climate.



To implement this policy approach, and in alignment with the National Drought Agreement, we are committed to delivering against 4 pillars:

Figure 3: Four pillars of the Australian Government Drought Plan



Drought Plan Action 1 – We will engage with stakeholders about our approach to drought policy. This includes proactive communications explaining our policy objectives and how they are being delivered, and providing opportunities for stakeholders to explore what elements are working well and what can be improved.



Pillar 1 Evidence-based decision-making

Access to planning information and tools is crucial for making informed decisions about drought and climate risks, and for taking proactive steps to manage drought. A range of information sources are available to assist decision-making.

This pillar of the plan aligns with the principles of the National Drought Agreement, particularly:

- **Principle 2:** Development and delivery of drought policies and programs should be evidenced based, and occur where there is a clear role for government and deliver a public benefit.
- **Principle 3:** Parties acknowledge that drought is one of a number of business risks that farmers and other businesses should actively prepare for and adapt to. Promoting and enabling a culture of self-responsibility is a shared goal, and drought policy and programs should support the agricultural sector and rural communities to prepare for drought and climate variability to enhance their long-term sustainability and resilience.
- **Principle 9:** Drought policies and programs should be flexible, streamlined and efficient to deliver timely assistance that best serves end-users in the agricultural sector, regions and rural communities across the drought cycle of preparedness, response and recovery.

Information to support decision-making

The Australian Government is investing in tools that help farming businesses, communities and other stakeholders understand and assess their weather, drought and climate risks.

Weather information and climate forecasting

Australia's climate can vary greatly from one year to the next. The influences on our climate and their impacts differ and depend on the region and time of year. The Bureau of Meteorology provides high quality forecasts and information to assist farming businesses, communities and government to plan. This information supports short-term operational decisions and long-term tactical decisions and is available through:

- short-term forecasts that provide location specific temperatures and rainfall ranges for the next few days
- nowcasts that provide current information about rainfall at specific locations
- seasonal forecasts that outline forecasts and climate influences for the next 2 weeks to 3 months.

The Bureau of Meteorology also provides information about past weather, which helps in decision-making. This information includes:

- a [monthly drought statement](#) that describes recent rainfall compared to historical records and the effect on soil moisture and water resources
- a [weekly rainfall update](#) that discusses rainfall for the past week and the effect on areas experiencing a rainfall deficiency.

The [Bureau of Meteorology toolbox](#) training course is available on the Bureau's learning platform. This course has been developed in partnership with industry to support the agricultural sector. The toolbox explores the weather forecasting process and explains how to identify and use the Bureau's weather tools to accurately inform on-farm decision-making.

The course was developed together with the grains, rice and cotton sectors but is appropriate for any farmer. A series of decision support videos targeted to the grains, sugar and rice sectors can also be viewed on the [Bureau's YouTube channel](#).

The Bureau of Meteorology has also completed initial research that could support the development of fit-for-purpose daily weather forecasts that extend beyond 7 days, managing the transition between the short-term 7-day weather forecast and the long-range forecast. The Bureau of Meteorology continues to pursue opportunities to progress research, provide services and develop products that will add value to the agricultural sector.

Climate Services for Agriculture program

The national [Climate Services for Agriculture](#) program, funded by the Future Drought Fund, provides a free online climate information digital platform called [My Climate View](#). This platform is delivered by the Bureau of Meteorology and CSIRO to provide accessible climate information to help farming businesses and communities understand the implications of climate change. It combines historical data, seasonal forecasts and future climate projections to give farming businesses and land managers climate information for their local area and commodity to help them better prepare for climate risks. The platform will continue to be improved through co-design with end users, and by exploring opportunities to integrate new data sets and information where appropriate.

Australian Agricultural Drought Indicators

The Australian Agricultural Drought Indicators project is assisting the Australian Government to plan by improving our understanding of how drought affects the agricultural sector. It is being delivered by ABARES in partnership with CSIRO. It combines weather data and forecasts with agricultural modelling to indicate the impacts on pasture growth, crop yields, soil moisture and farm profits. The Australian Government is using this tool to better understand areas that are being most exposed to drought impacts. Although outputs from the tool are not public, they are being actively used by ABARES to produce regular reporting including farm financial forecasts, which are published quarterly on ABARES' website. This tool does not declare regions as being in drought or provide a trigger that activates the provision of support.

Helping farming businesses and communities to plan

We are providing opportunities for farming businesses and communities to develop the skills they need to plan for and mitigate weather and climate risks.

The Future Drought Fund is investing in 2 programs, the Farm Business Resilience and Regional Drought Resilience Planning programs, to improve the capacity of farming businesses and support regional communities to make decisions that better manage climate risks including drought.



The [Farm Business Resilience Program](#) is delivered with state and territory governments. It provides farmers (including First Nations agribusinesses), farm managers and employees with access to subsidised learning and development opportunities in strategic business management, farm risk management and decision-making, natural resource management, and personal and social resilience. It also supports farmers to develop or update a farm business plan and provides opportunities for farmers to connect and learn from their peers. The program will include and integrate the Drought Resilience Scholarships initiative, which provides scholars with the opportunity to travel overseas to study drought resilience topics and learn from international leaders in the field – enabling them to better prepare themselves and their communities for drying conditions. Scholars are encouraged to share their knowledge to lift capability in others.

The Australian Government is also working with state and territory governments to deliver the next phase of the [Regional Drought Resilience Planning program](#). Implementation funding will be provided for eligible activities in approved regional drought resilience plans. Regions will be supported to govern and improve their plans, and agricultural regions that don't have a plan in place will have an opportunity to develop one. The regional plans developed under this initiative:

- are owned and led by communities, involving partners such as local governments, regional organisations, First Nations communities, the agricultural sector and local Drought Resilience Adoption and Innovation Hubs
- identify evidence-based actions to prepare for drought
- build on existing planning
- identify regional needs and priorities to inform future investment.

In addition, the Future Drought Fund will work in partnership with First Nations delivery partners to build and strengthen communities' resilience to drought. We have funded a pilot program from 2025 to 2026 to assist First Nations farmers and communities prepare for and mitigate the impact of drought on environmental, social, economic and cultural matters on Country. The pilot will facilitate place based First Nations-led activities, by working with First Nations individuals, businesses and communities to build drought and climate resilience.

Drought response framework

The Australian Government is implementing a drought response framework to support its own awareness, preparedness, planning and response. The framework regularly considers a range of qualitative and quantitative information to monitor drought conditions and impacts, which then supports proactive and informed government decision-making.

The framework draws from the Australian Agricultural Drought Indicators and the Bureau of Meteorology's weather information and forecasts. It also seeks regional and on-ground information through engagement with state and territory governments and numerous on-ground networks (see [Information sharing and collaboration](#)).

Having improved situational awareness allows us to understand impacts from a range of perspectives, recognise pressure points, and identify other challenges and compounding hardships farmers may be experiencing. This helps the Australian Government understand the ability of affected farmers to prepare for and respond to drought.

When drought conditions are developing and intensifying, the framework will consider whether:

- drought conditions are widespread, severe and forecast to be ongoing
- drought conditions are having a negative impact on farming business outcomes or farming communities, and the extent to which effects are felt across regions or nationally
- farming businesses and communities are drawing on their preparedness and risk-management activities
- recent and concurrent events have affected the capacity of farming businesses and communities to prepare for drought and are contributing to hardship
- the need and demand for existing measures are high and expected to increase.



When drought conditions are easing, the framework will consider whether:

- drought conditions are no longer severe, widespread and forecast to be ongoing
- improved conditions are leading to sustained improved outcomes for farming businesses and communities.

This approach recognises that each agricultural region and industry is affected by drought differently, and provides flexibility in decision-making to accommodate the unique nature of each drought. The framework reflects that we have a range of national support measures always available to those who need it, rather than having support triggered by drought conditions that meet predetermined thresholds. This is a simpler, fairer and more proactive approach to providing drought support. It acknowledges that dry conditions don't hit everyone at the same time, and it is important that farmers who are experiencing the impacts of drought can access support when they need it.

The drought response framework supports the delivery of our ongoing support programs in dry conditions – for example, it will proactively consider increased communication and resourcing needs for their delivery. The framework will also assist the Australian Government in considering additional support needs if drought conditions and their effects are prolonged and severe (see [Pillar 2](#)).

The Department of Agriculture, Fisheries and Forestry is the primary user of the framework. However, its operation has value to other Australian Government agencies responsible for delivering drought support and services.

Drought Plan Action 2 – We will monitor drought conditions and impacts to have clear situational awareness and to play our role in supporting farming businesses and communities across the drought cycle.

Drought Plan Action 3 – We will continually improve the drought response framework to take into account learnings from its use and additional information sources that may become available.

Pillar 2 Strategic drought support

The Australian Government employs a strategic approach to drought support, which involves encouraging farming businesses to draw on their preparedness activities, and available information and tools, to support their own financial self-reliance. However, we continually monitor drought conditions and impacts through the drought response framework and remain flexible in our response. If drought conditions and their effects are prolonged and severe, we may consider additional support needs.

Additional support must align with the principles for strategic drought support described in this pillar. Existing measures may also need adjustments to keep up with increased demand due to drought. Any additional support would not be provided at the first sign of drought conditions and impact, which reflects our expectation that farming businesses will be drawing on their preparedness activities.

This pillar aligns with the principles of the National Drought Agreement, particularly:

- **Principle 2:** Development and delivery of drought policies and programs should be evidenced based, and occur where there is a clear role for government and deliver a public benefit.
- **Principle 3:** Parties acknowledge that drought is one of a number of business risks that farmers and other businesses should actively prepare for and adapt to. Promoting and enabling a culture of self-responsibility is a shared goal, and drought policy and programs should support the agricultural sector and rural communities to prepare for drought and climate variability to enhance their long-term sustainability and resilience.
- **Principle 4:** Parties recognise that there can be times when even the most prepared and resilient may need support. Support provided should avoid market distortions and eligibility should be based on need, not activated by drought declarations.
- **Principle 8:** Drought policies and programs should recognise that health and wellbeing includes mental health, social cohesion and safety, and these are issues that can be exacerbated by drought. Opportunities to improve health and wellbeing should be actively fostered across the drought cycle.
- **Principle 9:** Drought policies and programs should be flexible, streamlined and efficient to deliver timely assistance that best serves end-users in the agricultural sector, regions and rural communities across the drought cycle of preparedness, response and recovery.



Principles for strategic drought support

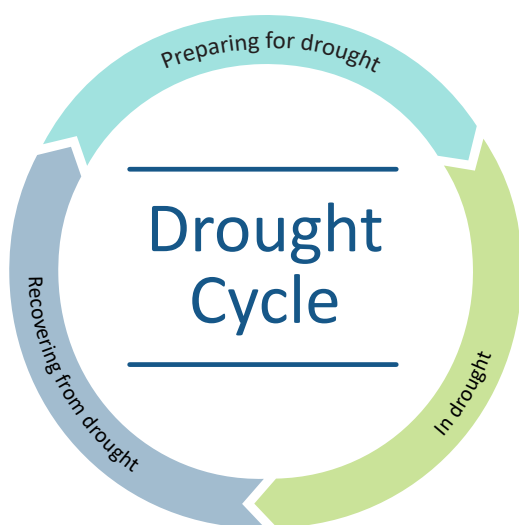
Australian Government drought support is guided by principles that seek to balance our policy objectives of enabling preparedness, risk management and financial self-reliance, with our role in providing an appropriate safety net.

The government provides support that:

- encourages preparedness, risk management and financial self-reliance
- is specific and targeted to identified needs
- where appropriate, is locally led and flexible
- is timely and scalable according to prevailing conditions and other relevant factors
- complements and leverages other support offered by the Australian Government, states and territories, and non-government services
- is consistent with intergovernmental agreements such as the National Drought Agreement.

The government does not provide support that:

- undermines the efficiency or growth prospects of the agricultural sector
- disincentivises preparedness
- is unable to demonstrate sufficient benefits for our society and the economy
- undermines Australia's trade law obligations or policy position with respect to tariffs, subsidies and other non-tariff barriers
- spreads the impacts of drought to areas not in drought for example through increasing input prices or creating shortages of resources such as fodder
- exacerbates the impacts of drought on other sectors
- is likely to make recovery more challenging
- unnecessarily favours certain commodities over others
- duplicates other support offered by the Australian Government, states and territories, and non-government services.



Support across the drought cycle

Farming businesses and communities are skilled at adapting to change. We offer tools to help them manage risk in a way that best suits their needs. This plan separates those tools into 3 categories that align with the drought cycle:

- enabling preparedness and risk management
- providing support during drought
- facilitating recovery.

Learn more about the [Australian Government's drought programs](#).

Enabling preparedness and risk management

We invest heavily in preparedness and risk-management measures to manage the financial, environmental, health and social challenges associated with drought. This support includes incentives and tools for farming businesses and communities, and programs to promote innovation and adoption.

Greater preparedness, risk management and financial self-reliance has a positive effect on farming businesses and communities. It facilitates improvements in farm performance and community wellbeing and reduces the need for the government to provide reactionary support during drought.

Incentives and tools for farming businesses

The incentives and tools we provide to farming businesses include measures aimed at improving their capacity to manage financial fluctuations caused by environmental and market conditions. For example, the [Farm Management Deposit Scheme](#) allows eligible primary producers to set aside pre-tax income during years of high cash-flow, which can be drawn upon when needed, including during drought. Primary producers can also access income tax averaging provisions to even out their income and tax payable from year to year.

Preparing for drought can involve investing in on-farm infrastructure. Tax incentives, such as accelerated depreciation arrangements for water and fodder infrastructure and fencing, are available to primary producers. Loans from the [Regional Investment Corporation](#) offer concessional interest rates to farming businesses in financial need and these can be used to support on-farm investments in preparing for drought, such as water-efficient infrastructure.

The [Future Drought Fund](#) is a significant government investment in building drought preparedness and resilience. Future Drought Fund programs and tools help farming businesses and communities prepare for drought by building resilience through resources, practices and capabilities. Regardless of conditions, these resources and capabilities can be drawn on throughout the drought cycle to prepare for and build resilience to drought. They also contribute to multiple outcomes, including climate resilience, natural resource management, sustainable agriculture and water management. These programs enable farmers, agribusinesses, First Nations peoples, regional communities and others to plan ahead and make decisions about how to best manage the risks and impacts of drought and climate change.



Incentives and tools for farming businesses

- Farm Management Deposit Scheme
- Income tax averaging and taxation incentives
- Regional Investment Corporation concessional loans
- Future Drought Fund programs

Encouraging natural resource management

- Climate-Smart Agriculture Program – Regional Soil Coordinators and Sustainable Agriculture Facilitators
- Resilient Landscapes Program

Promoting innovation and adoption

- Drought Resilience, Adoption and Innovation Hubs
- Rural Research and Development Corporations
- Scaling Success program
- Innovation Challenges Pilot
- Long-term Trials program
- Climate-Smart Agriculture Program – Partnership and Innovation Grants



Encouraging natural resource management

Managing natural resources on-farm can support drought resilience. For example, increasing groundcover can improve soil health and its ability to more effectively capture and store water, making it available to pastures during dry times.

The Natural Heritage Trust is the Australian Government's key investment platform for achieving its natural resource management, sustainable agriculture and environmental protection outcomes. Through the Natural Heritage Trust we have established the [Climate-Smart Agriculture Program](#). It is being delivered through a series of investments that focus on increasing the capacity and capability of the agricultural sector to adopt sustainable and climate-smart agricultural practices. The program is enabling extension and facilitation through national networks of Regional Soil Coordinators and Sustainable Agriculture Facilitators. These networks are:

- connecting farmers, landholders, community groups and the agricultural industry to relevant information and programs on climate-smart, sustainable agricultural practices
- coordinating and supporting soil extension services
- facilitating partnerships and connections
- supporting the delivery of sustainable agricultural projects in their region.

We are also supporting environmental resilience outcomes through a range of Future Drought Fund programs, by supporting the development and adoption of drought-resilient farming and land management practices. The [Resilient Landscapes program](#) is a key investment that will support projects to demonstrate how practices to manage natural resources contribute to building drought and climate resilience at scale, targeting opportunities for long-term transformational change.

Activities to improve soil health can also support on-farm drought resilience. The [National Soil Action Plan 2023 to 2028](#) is the first of 4 action plans to be developed under the National Soil Strategy. As part of the plan, Regional Soil Coordinators are working to identify local soil issues and gaps in knowledge and create networks to facilitate collaboration and knowledge sharing. The coordinators help farmers and land managers improve their soil management and increase productivity, profitability and sustainability.

Promoting innovation and adoption

Adjustment, change and innovation are fundamental to improving agricultural productivity and maintaining Australia's competitiveness in world markets. Farmers are adapting to the recent climate shifts through improvements in technology and management practices, which are helping to increase their productivity (Hughes et al. 2019). To support this, the Australian Government undertakes a range of activities to drive innovation and adoption.

We have invested in 8 [Drought Resilience, Adoption and Innovation Hubs](#) to connect farmers with regional agricultural experts, innovation and new practices. Hub activities have been designed in collaboration with farmers to meet local drought resilience needs. Examples include:

- on-farm trials of transformational technologies and practices
- developing tools and technologies to support farmers in planning, management and decision making
- supporting the adoption of these practices, tools and technologies
- fostering networks and peer-to-peer learning to share knowledge and build professional networks.

Australia's [Rural Research and Development Corporations](#) have helped drive agricultural innovation since 1989. They allow the Australian Government and primary producers to co-invest in research, development and extension to improve the profitability, productivity, competitiveness and long term sustainability of Australia's primary industries. Rural Research and Development Corporations invest government and levy-payer funds in diverse research development and extension projects, including projects on water efficiency, improved crop varieties and grazing management.

The Future Drought Fund [Scaling Success](#) program will deliver broader scale change by extending the reach of projects previously funded by the Future Drought Fund that have proved successful in building drought and climate resilience.

The Future Drought Fund's [Long-term Trials](#) program will be extended and expanded to test and generate evidence of prospective drought and climate resilience farming practices across additional agricultural sectors. Projects supported by the program will use a combination of sites and at least one trial location for scientific evaluation. This evidence-based approach will provide farmers with the information they need to try the practices themselves. The Future Drought Fund will also deliver the [Innovation Challenges Pilot](#), which will call for innovative solutions to address complex and multi-dimensional challenges, defined by industry experts, which are imposed by drought and climate impacts on a region, industry or sector.

Uptake of innovative practices is also being supported through the [Partnership and Innovation Grants of the Climate-Smart Agriculture Program](#). These grants foster innovation in climate-smart, sustainable agriculture practices, supporting large-scale projects to be delivered across Australia through partnerships. This grant opportunity is providing a valuable opportunity to develop, trial and implement new and innovative tools that lead to practice change.

Through CSIRO we have a dedicated focus on improving drought resilience. In partnership with CSIRO, digital tools like My Climate View and the Australian Agricultural Drought Indicators are bringing valuable forecasting and longer-term climate insights to farmers and policy makers respectively. CSIRO is also exploring socioeconomic measures of drought impacts and, through a First Nations led project, is bringing Indigenous perspectives to our national understanding of drought impacts. CSIRO is working with local communities on measuring broader system change in drought resilience and, with the agriculture industry, is analysing different ways to use available water better, grow adoption of livestock feed gap solutions, and develop innovative new approaches to destocking and risk transfer. More examples and information can be found at the [Drought Resilience Mission](#) website.





Providing support during drought

Drought affects different regions, businesses and communities at different times. It is one of the biggest challenges that farming businesses and communities face, and one of a number of business risks they should actively prepare for and adapt to. Our support focuses on investment in preparedness but recognises there can be times when even those most prepared and resilient may need support.

Our drought response package is always available to Australians suffering significant financial, mental health and wellbeing impacts. Access to many of the measures in the package is not limited to hardship resulting from drought and none of the measures rely on triggers such as drought declarations as a mechanism for providing support. The government uses the drought response framework to monitor drought conditions and impacts. Where drought conditions and their effects are prolonged and severe, the government may bolster the package with additional support. The package and any additional support must align with the principles for strategic drought support described at the start of this pillar. Areas for support during drought include:

- support for individuals experiencing hardship
- programs and services to enable financial self-reliance
- mental health support
- programs that promote community wellbeing
- investment in regional infrastructure.

Supporting individuals in hardship

Australia's social security system has evolved to meet challenges facing Australians. It is a system based on need where income and assets tests are considered the fairest way to make this assessment and treat people in similar situations in a similar way. Droughts can cause affected farming businesses to have significantly limited or no financial return from impacted seasons. The [Farm Household Allowance](#) provides assistance to farmers and their partners running commercial operations that are experiencing low cash flow. The program is not drought-specific however, drought conditions are the largest single driver of uptake.

There are 4 financial components of the Farm Household Allowance, underpinned by practical support, to help people examine their business and make sustainable changes for their long-term financial security. Importantly, as with any small business experiencing low cashflow, farmers tend to heavily curtail their spending and this in turn affects other small businesses, leading to community impacts. The program helps to alleviate the cash crunch in communities when farmers and their partners claim the payment and maintain a level of spending in their local businesses.

Supporting individuals in hardship

- Farm Household Allowance
- JobSeeker and Youth Allowance
- Emergency relief
- Choice Affordability Fund
- Community Child Care Fund

Enabling financial self-reliance

- Regional Investment Corporation concessional loans
- Farm Management Deposit Scheme
- Rural Financial Counselling Service
- Small Business Debt Helpline
- NewAccess for Small Business Owners

Providing mental health support

- Primary Health Networks
- Head to Health, Headspace, 13YARN
- Medicare Mental health Centres

Promoting community wellbeing

- Future Drought Fund communities initiatives

Investing in regional Australia

- Growing Regions Program

Individuals working on-farm or in communities and businesses reliant on agriculture may also lose their employment. Individuals who are looking for work may be able to seek financial support by claiming JobSeeker Payment or Youth Allowance as a job seeker and should contact Services Australia to test their eligibility. We also provide emergency relief, which is delivered by community organisations. Although not targeted at drought, these services can help alleviate financial crisis for individuals who are experiencing financial distress or hardship and have limited means or resources. Emergency relief providers can also assist eligible clients to meet immediate needs, such as food, clothing and part-payment of utility bills.

The financial hardship impacts of drought can affect children's access to non government education services. During drought, it is important that critical education services remain available. The Choice and Affordability Fund provides funding to the non-government school sector to assist schools affected by unexpected special circumstances, including drought, particularly where this creates short-term financial difficulty for the school. The [Community Child Care Fund](#) is available to help eligible child care services address barriers to participation, including due to drought. The Temporary Financial Hardship element of the Additional Childcare Subsidy helps families experiencing temporary financial hardship due to a range of circumstance, including drought. This assistance is designed to ensure continuity of care and support the physical safety, health and wellbeing of children.

Enabling financial self-reliance

The Australian Government will only provide measures that meet our principles for strategic drought support. We will not provide businesses with:

- programs that subsidise employee costs
- programs that subsidise purchasing fodder or water, or its transport
- payments that subsidise interest costs
- disaster payments or grants.

Our support focuses on enabling financial self-reliance.

The [Farm Management Deposit Scheme](#) incentivises financial self-reliance by providing a tax concession to primary producers to encourage them to build cash reserves in high-income years for drawing on in low-income years. Taxation measures are also available for primary producers who experience abnormal income, including where income is affected by drought. These include favourable taxation arrangements for profits from the forced disposal of livestock or when wool growers undertake 2 wool clips in a season.

We also provide concessional loans via the [Regional Investment Corporation](#) that allow farming businesses and farm-related small businesses that meet the eligibility criteria to refinance existing debt and help reduce costs as they manage through drought.





The [Rural Financial Counselling Service](#) is available to farming businesses and small related businesses experiencing or at risk of financial hardship. The service aims to help clients out of financial crisis, improve their financial wellbeing and resilience, and improve the profitability of their business or facilitate a dignified exit through sale or succession.

Drought can lead to a reduction in spending in farming communities, which can expose non-farming businesses to financial downturns. We provide a range of supports to help small businesses through difficult times. This includes targeted mental health support through the [NewAccess for Small Business Owners](#) program, delivered by Beyond Blue, and financial counselling support via the Small Business Debt Helpline.

Providing mental health support

Drought is known to affect the mental health and wellbeing of individuals, both on-farm and in farming communities. Financial and work-related stress can create or exacerbate mental health concerns.

We fund a range of initiatives to improve the lives of people living with mental ill-health. This includes 31 independent, not-for-profit Primary Health Networks. The networks use a people centred approach to assess and commission appropriate mental health and suicide prevention services to meet the needs of their region. Based on their integral role in primary health care and their established relationships and ongoing engagement, the networks gather, share and distribute information and resources, commission services, and are well placed to support emergency planning, response and recovery activities.

Mental health information and services are available over the phone, online or in person. Free or low-cost services include [Head to Health](#), [Headspace](#) for people aged 12 to 25 years with or at risk of developing mental illness, and [13YARN](#) for First Nations people. Medicare rebates are available for clinical mental health services, and Medicare Mental Health Centres across Australia provide free mental health care for adults, without needing a referral. [Lifeline](#), [Kids Helpline](#), [Beyond Blue](#) and other non-government services are also available.

Promoting community wellbeing

Droughts can be protracted events that come with uncertainty and no known end date. They impact social connectedness and community wellbeing, including through reduced participation in community activities and higher incidence of volunteer fatigue.

We are investing to build and maintain community cohesion before drought, so that farming communities are able to access established support networks during times of hardship. Communities initiatives of the [Future Drought Fund](#) are establishing and supporting a national cohort of community leaders, networks, mentors and organisations to drive local action to prepare for drought. Agriculture-dependent communities, including First Nations communities, can draw on these networks and support during times of hardship.

Investing in regional Australia

Drought can result in reduced local spending, employment and investment. Non-drought specific programs contributing to regional community infrastructure can provide economic stimulus to drought affected communities. For example, the [Growing Regions Program](#) provides grants to local government entities and not-for-profit organisations for capital works projects that deliver community and economic infrastructure projects across regional and rural Australia. This community-focused infrastructure revitalises regions and enhances amenity and liveability throughout regional Australia.

Facilitating recovery

Drought recovery does not happen immediately after climatic conditions improve. Farming businesses and communities will start their recovery at different times based on local conditions and their unique business or community characteristics. Mental health and wellbeing effects can linger, and the land takes time to recover before it is ready to support full farm productivity. Recovery requires strategic management decisions by businesses that may have experienced financial downturn.

Preparing for drought, and making sound business decisions during drought, can lead to improved recovery outcomes. Our investments in enabling preparedness and risk management also help farming businesses to recover. For example, the [Farm Business Resilience Program](#) provides subsidised learning and development opportunities in strategic business management, farm risk management and decision-making, all of which are important for recovery.

The programs that assist individuals and farming businesses during drought are also available to support recovery. Farming businesses and individuals can choose how and when to use that support to best meet their needs.

Support that can assist recovery includes concessional loans via the Regional Investment Corporation, and drawing down on existing Farm Management Deposits to restock or replant when conditions improve. The Farm Household Allowance and the Rural Financial Counselling Service can help farming businesses out of financial difficulty. Income tax averaging provisions can also be used by primary producers to smooth fluctuating incomes so that their tax liability is not greater than taxpayers on similar but steadier incomes.

Mental health and wellbeing support remains available for individuals and communities recovering from drought. This includes Primary Health Networks' face-to-face support and referrals to local support, online and telephone support and information, and Medicare rebates for clinical mental health services.

Supporting strong farming community networks and local leadership ahead of drought plays an important role in drought recovery. Our investment to support community cohesion will continue and enable drought recovery – for example, through the communities initiatives delivered by the [Future Drought Fund](#).

The wide-ranging effects of drought will test the planning and preparations of all stakeholders. Following recovery, all stakeholders should consider opportunities to share their experiences and learnings to improve drought policy in the long term (see [Pillar 3](#) and [Pillar 4](#)).



Supporting the capacity of farm businesses, communities and individuals to recover

- Farm Business Resilience Program
- Farm Management Deposit Scheme
- Regional Investment Corporation concessional loans
- Future Drought Fund's communities initiatives
- Primary Health Networks
- Head to Health, Headspace, 13YARN
- Medicare Mental Health Centres
- Medicare rebates for clinical mental health services

Drought Plan Action 4 – We will engage with stakeholders to explain our approach to strategic drought support, the suite of programs available across the drought cycle, and how we respond to droughts. This will include tailoring program and policy information to ensure it is relevant to regions and conditions across the drought cycle, addresses knowledge gaps and is delivered in a clear and consistent manner.



Pillar 3 Working together

Drought is a shared issue among all stakeholders. Working together is essential for formulating cohesive drought policy, providing consistent messaging, delivering aligned services and achieving better outcomes.

Drought also cuts across numerous policy areas and can exacerbate other difficulties. Support must evolve to meet changing stakeholder needs and a changing climate. The Australian Government collaborates with a range of stakeholders to share information, understand needs, and ensure that support is well targeted and part of a whole-of-government response.

This pillar aligns with the principles of the National Drought Agreement, particularly:

- **Principle 1:** Parties respect and acknowledge First Nations peoples as the Traditional Owners of Country throughout Australia, and their continuing connection to land, sea and community. Parties acknowledge the need to partner with First Nations peoples, communities and/or peak organisations when developing and delivering drought policies and programs.
- **Principle 6:** Parties should collaborate for improved and sustained coordination, planning and implementation of drought preparedness, response and recovery, and avoid duplication and adverse outcomes for stakeholders, including those in other jurisdictions, rural communities and environment. Such efforts can be coordinated and complementary whilst still being regionally suitable.
- **Principle 7:** Parties acknowledge the role of non-party stakeholders in drought preparedness, response and recovery efforts, and should engage with appropriate non-party stakeholders in their jurisdictions to coordinate and integrate planning and delivery of drought policies and programs.

Shared responsibilities

We have worked with stakeholders to identify responsibilities that are shared. The shared responsibilities are:

- Collaborate on approaches and strategies to prepare for, manage through and recover from drought.
- Reflect on experiences across the drought cycle and share learning and improvement opportunities between stakeholder groups.
- Provide clear and coordinated responses to drought and communicate those responses appropriately.
- Assess and share regional drought, climatic and hardship conditions, including support requirements, to inform timely responses to drought and hardship.
- Understand the drought-related risks that farming businesses and communities face (e.g. climate change) and the opportunities to mitigate these risks.
- Proactively seek practical solutions for working together to maintain relationships between stakeholder groups and stay connected across the drought cycle.

Information sharing and collaboration

The timely sharing of knowledge, experience and ideas allows government and stakeholders to make informed and clear decisions. It also enables drought policy to improve and adapt to climate change. Several mechanisms are in place to help stakeholders remain connected and foster collaboration. These mechanisms will be used to inform our drought response framework.

Working with states and territories

We work closely with the state and territory governments to facilitate drought policies and programs that are aligned nationally and consistent with the principles of the National Drought Agreement.

The Agriculture Ministers' Meeting Working Group on Drought is a forum for the National Drought Agreement parties (the Australian, state and territory governments). The working group shares information about drought conditions and activities, works together to achieve the goals and outcomes of the National Drought Agreement and makes decisions on priorities under the agreement. Meetings are held regularly, and their frequency can vary in response to changing conditions.

Our relationship with the states and territories enables us to have a shared understanding of drought conditions across Australia. As we move through the drought cycle, we facilitate and contribute to shared drought related policy and program issues. We also deliver joint engagement opportunities such as forums, roundtables and webinars, to ensure clear and consistent messaging on drought policies and measures to our stakeholders. We also share information such as factsheets, upcoming events and useful links through our extension networks to provide nationally consistent messaging.

Drought Plan Action 5 – We will work collaboratively with state and territory governments to implement the National Drought Agreement. This includes working to ensure drought policies and programs are aligned nationally and consistent with the principles of the agreement.



Collaboration within the Australian Government

Drought cuts across many areas of government policy and the Australian Government has several mechanisms that promote collaboration across portfolios (see [Links to other government policy](#)). These ensure information is shared, efforts are complementary and pressures or gaps in efforts are addressed.

The Interdepartmental Committee on Drought provides a whole-of-government mechanism to consider, coordinate and deliver Australian Government responses to drought. The committee provides clear and pre-determined channels for communicating drought conditions and impacts with decision makers. In addition, the Whole of Government Drought Communications Network meets every second month and includes representatives of the Australian Government and other entities delivering drought initiatives. The network assists in delivering consistent and effective whole-of-government drought information and messaging to audiences and stakeholders through collaborative communication approaches.

Drought Plan Action 6 – We will provide a whole-of-government approach to supporting farming businesses and communities across the drought cycle. This includes working across portfolios in the delivery of drought specific programs and on issues connected to drought.

National Drought Network

The National Drought Network is a forum for stakeholders to share information and improve understanding about drought conditions and drought initiatives, and to facilitate complementary and coordinated efforts across the drought cycle. The network includes representatives from the Australian, state, territory and local governments, industry, the financial sector and the not-for-profit sector. Membership is flexible to ensure appropriate representation over time. Meetings are held regularly, and their frequency can vary in response to changing conditions.

National Drought Forum

The Australian Government holds the National Drought Forum every 2 years to bring together representatives from the Australian, state, territory and local governments, industry, the financial sector, First Nations communities and the not-for-profit sector. The forum provides a platform for drought policy engagement, collaboration and co-design. The topics discussed at the forum are tailored to current events, stakeholder interest and relevant policy initiatives.

Other online and on-ground networks

We provide consistent national information about drought policy and support across different platforms, including websites, social media and mainstream media outlets. We also ensure that on-ground networks and trusted sources embedded within communities are informed and can provide localised and tailored information. Examples of on-ground networks include the rural financial counsellors and the Drought Resilience Adoption and Innovation Hubs. These networks are well placed to inform the government about regional drought conditions and impacts.

Partnering with First Nations Australians

We commit to partnering with First Nations stakeholders in the development and implementation of drought policy and programs. Partnering with First Nations stakeholders is essential in ensuring that policies are culturally inclusive and responsive to the specific needs and priorities of First Nations communities. The first principle of the National Drought Agreement reflects this commitment, which we will continue to focus on throughout the life of this plan. We acknowledge that the impacts of drought on First Nations communities are far reaching. Government drought policies and programs reflect this diversity of challenges – for example, through support for First Nations' agribusinesses from the Department of Agriculture, Fisheries and Forestry, and the management of water resources through the National Water Initiative.



A First Nations Advisory Group is being established to provide advice to the Future Drought Fund within the Department of Agriculture, Fisheries and Forestry on issues relating to drought and climate resilience. Terms of reference for the advisory group will be developed in partnership between the advisory group and the department. These will be culturally safe and support self-determination.

Drought Plan Action 7 – We will work in partnership with First Nations stakeholders to identify opportunities in drought policy and programs that support economic self-determination for First Nations people across Australia’s agricultural industries

International partnerships

We look internationally to facilitate new ideas, innovations and policies to support farming businesses and communities who face drought. Australia’s expertise in drought resilience is also highly sought after. We are progressing international relationships on drought to assist us in learning how other countries manage drought and increase drought resilience, as well as sharing Australia’s valuable experience.

Australia is a member of the United Nations Convention to Combat Desertification (UNCCD). This multilateral commitment unites governments, scientists, policymakers, the private sector and communities around a shared vision to restore and manage the world’s land. The UNCCD sits alongside the Convention on Biological Diversity (CBD) and the United Nations Framework Convention on Climate Change (UNFCCC) as one of 3 Rio Conventions.

In October 2023 Australia joined the International Drought Resilience Alliance. This network of countries is focused on making drought resilience a priority and provides a global platform for collaboration. It aims to catalyse political momentum and action to shift from disaster responses towards reducing the vulnerability of countries and communities to drought through preparedness and adaptation measures. The alliance was launched at the 2022 Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27).

In December 2023 Australia endorsed the Emirates Declaration on Sustainable Agriculture, Resilient Food Systems and Climate Action at the United Nations Climate Change Conference (COP28). The declaration commits countries to scale up adaptation and resilience activities in the agricultural sector and maximise the climate and environmental benefits associated with agriculture and food systems. Endorsing the Emirates Declaration strengthens and deepens our relationships with more than 150 countries that have joined the call.

Pillar 4 Learning and improving

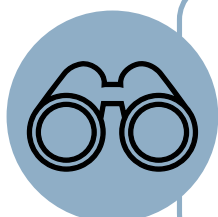
This plan has explained our drought policy and identified the programs and activities that deliver it. As the climate changes, managing drought will become more challenging. All stakeholders, including government, must learn from previous responses and improve their approach to preparing for, managing through and recovering from drought.

A framework for monitoring, evaluation and learning

Effective monitoring, evaluation and learning (MEL) is critical for ensuring drought policy, and the programs and activities that deliver it, are fit for purpose and responsive to the changing needs of farming businesses and communities. Existing MEL activities for drought programs consider the outcomes being sought at the program level only. To supplement this, we are developing an overarching MEL framework for drought policy that will consider the wider impacts of drought policy. It will allow the government and stakeholders to identify the elements of drought policy that are working well and the areas that can be improved. The framework will be developed in 2024–25 and published on the Department of Agriculture, Fisheries and Forestry website at drought.gov.au.

Articulating how policy is implemented

The MEL framework will map government programs against the [3 objectives of drought policy](#) outlined in our current drought policy. The map will include a description of how programs deliver on each objective and will form the basis for activities under the framework.



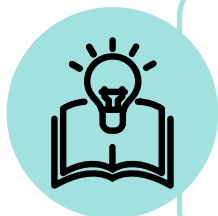
Monitoring

We will monitor drought policy by tracking information that demonstrates progress against desired outcomes, including at the program level. For example, data on the number of farmers accessing drought planning workshops, and case studies of how the workshops helped them, are indicators of how well we are delivering on our policy objective to enable preparedness and risk management.



Evaluation

An evaluation of drought policy is important for ensuring the desired outcomes and policy delivery are appropriate, effective and efficient. The MEL framework will detail the arrangements for such an evaluation, including guiding questions and timing of activities.



Learning

The monitoring of progress and an evaluation of impacts are vital for assessing drought policy. However, these activities are only successful if the findings are incorporated into future work and shared with stakeholders. The MEL framework will detail a learning strategy that outlines how we will action and share the results of monitoring and evaluation.

Drought Plan Action 8 – We will develop and implement a Monitoring, Evaluation and Learning Framework for drought policy to ensure our policy approach, and its delivery, remains appropriate, effective and efficient.

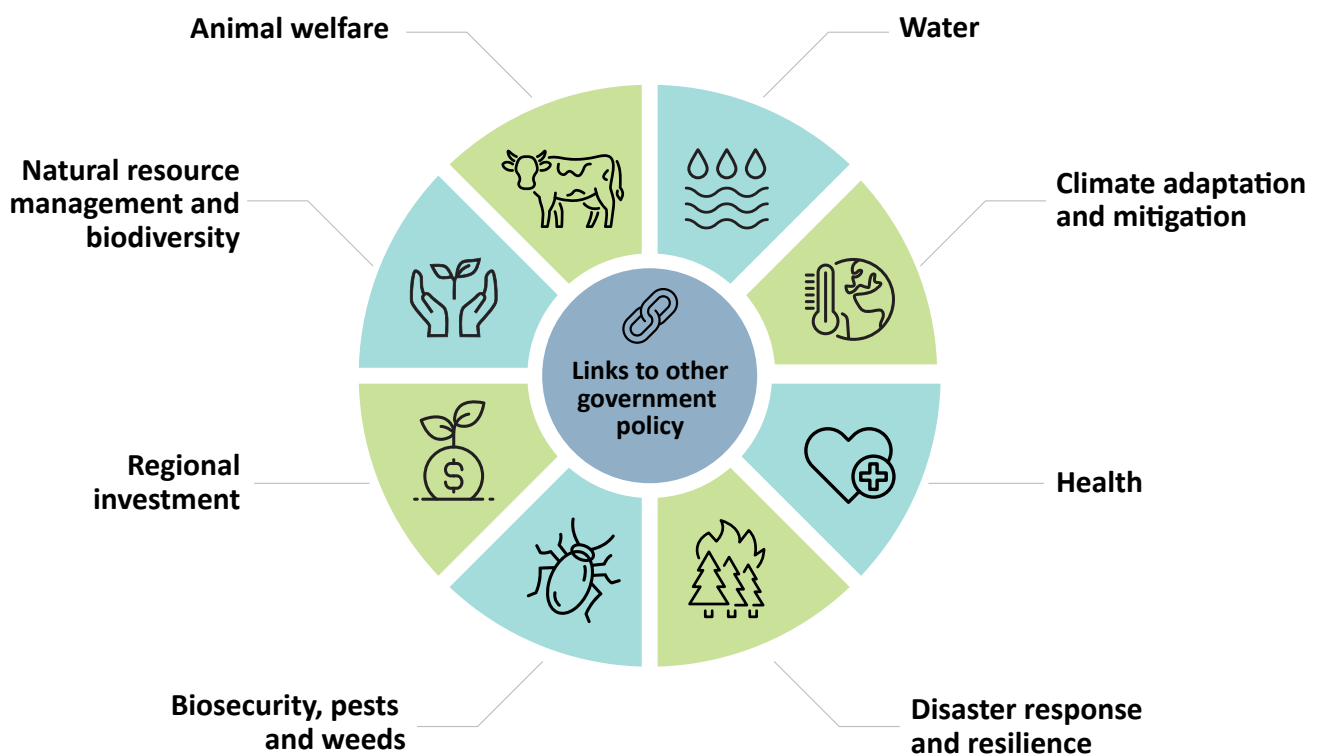


Links to other government policy

Drought is a far-reaching phenomenon that cuts across many areas of government policy. These connected issues have distinct policies, and feature programs that are complementary to those targeting drought. Many of these issues involve differing responsibilities across the Australian Government as well as between the Australian, and state and territory governments. Although some of these policies and programs don't explicitly relate to drought, their objectives and outcomes may cross over with those of drought policy and benefit individuals, farming businesses and communities impacted by drought.

There are arrangements within the Australian Government to understand the relationships between the range of complementary policies that link to drought to ensure they are complementary and to identify opportunities to support farming businesses and communities across the drought cycle. We are also working closely with our state and territory government counterparts. The mechanisms for this collaboration, coordination and information sharing are outlined in [Pillar 3](#).

Recognition of the broader impacts of drought, the need to develop drought policies and programs across relevant agencies and the need to seek alignment with intersecting policies and programs reflects principle 5 of the National Drought Agreement.



Water

Australia faces challenges associated with climate variability, water scarcity and increasing demand for water. Agencies at different levels of government have a role in managing water resources to ensure a sustainable water supply for industry, the environment and communities. State and territory governments are primarily responsible for managing water within their jurisdictions. The Australian Government provides national coordination and leadership to drive reforms to manage water resources sustainably and productively, achieve water security for future generations and build preparedness for a range of climate risks, including drought.

We are committed to safeguarding the Murray–Darling Basin for future generations through the implementation of the [Basin Plan 2012](#). The Basin Plan aims to bring the Basin back to a healthier and sustainable state by ensuring enough water is available to support the rivers, lakes and wetlands, and the plants and animals that depend on them, while also continuing to support the communities that rely on the Basin.

The Basin Plan and Murray–Darling Basin Agreement work together to prioritise water for critical human water needs in the River Murray system. This is supported by the work Basin state governments do. All accredited Water Resource Plans across the Basin must describe how Basin states plan to meet critical human water needs during extreme events like drought.

A review of the Basin Plan will be completed in 2026 with climate change one of the key considerations. The Review provides the opportunity to consider options for addressing water quality and critical water need risks in the northern Basin. It will consider areas of ongoing concern regarding water quality and availability issues, including the limitations of existing Basin Plan provisions for critical human water needs, and the roles and responsibilities of state governments in establishing measures to meet critical human water needs during extreme events, as required by the Basin Plan.

We have committed to work with states and territories to renew the National Water Initiative. Renewing the initiative offers the opportunity to better reflect climate change, provide for increased First Nations influence in water resource management, ensure access to safe and secure drinking water and take a strategic approach to groundwater management.

We are working with state and territory governments to invest in water projects that ensure the long-term viability of our communities and economy. The National Water Grid Fund investment program aims to improve water access and security by delivering nationally important water infrastructure projects that unlock potential, build resilience, and promote growth and sustainability.

We also provide interjurisdictional leadership by working across state boundaries to implement Great Artesian Basin and Lake Eyre Basin programs that help achieve water security for industries, communities and the environment. This includes continuing to explore opportunities to build on existing programs in the Great Artesian Basin that support drought resilience. We also undertake work to meet the Commonwealth's responsibilities under the Lake Eyre Basin Intergovernmental Agreement by working with states to address matters of national interest within the Basin that relate to sustainable agriculture and water resource management.

Our Resourcing Australia's Prosperity initiative is comprehensively mapping Australia's natural resources. This includes mapping the groundwater resource potential to strengthen climate resilience, help grow Australia's regions, increase agricultural output and support water security for communities.



Climate adaptation and mitigation

Even with strong global action to reduce emissions, the effects of climate change will continue to increase over the coming decades due to past greenhouse gas emissions. Practical action is needed to adapt to climate change to protect individuals, communities, organisations and natural systems. Australians must anticipate, manage and invest in adapting to climate risks and impacts. Adaptation involves everyone and needs to be integrated into decision-making at all levels. Governments, households, industry, businesses and community organisations all have a role to play.

The Australian Government provides leadership on national adaptation reform. We are strengthening adaptation policy to ensure that action is well-targeted and effective through the delivery of the [National Climate Risk Assessment](#) and [National Adaptation Plan](#). Together with the states and territories, we are a signatory to the [National Statement on Climate Change and Agriculture](#). The statement presents a unified vision and a shared commitment by ministers to work in partnerships with the sector to ensure Australia continues to lead the world in climate-smart practices.

This work will complement a range of government, private sector and community initiatives that strengthen adaptation, including delivering science, research and evidence-based tools. It also includes climate projections and scenarios and nationally consistent approaches to the development of next generation climate projections through the [National Partnership for Climate Projections](#).

State and territory governments deliver adaptation responses in their areas of policy and regulation, such as emergency services, health, the natural environment, planning and transport. Each of the state and territory governments have undertaken various levels of climate risk assessment and adaptation planning for their jurisdictions. Local governments are similarly instrumental in adaptation, including in developing local adaptation plans and managing local assets.

Agriculture and land will have an important role to play in helping Australia mitigate the impacts of climate change. As a party to the Paris Agreement, the Australian Government is committed to global climate action and has legislated ambitious emission reduction targets, including reaching net zero by 2050. Six sectoral plans will support this work, including the [Agriculture and Land Sectoral Plan](#). These plans will explore ways to contribute to economy-wide goals to reduce emissions.

To support initial emissions reduction efforts in the agricultural sector, the Australian Government is providing investment to help build the capacity and resilience of Australian farmers and trusted advisers, improve greenhouse gas accounting at national and farm levels, and drive emissions reduction and carbon sequestration in the sector. Projects under the Australian Carbon Credit Unit Scheme aim to avoid the release of greenhouse gas emissions or remove and sequester carbon from the atmosphere. Carbon projects conducted under the scheme can provide an additional income stream that could support farm business resilience, and generate environmental, economic, social and cultural co-benefits. Through the new Zero Net Emissions Agriculture Cooperative Research Centre, the government supports long-term research into emission reductions from Australian agriculture.



Health

Environmental hazards such as extreme heat, floods, fires and drought have negative effects on human health and wellbeing. Our [National Health and Climate Strategy](#) sets out actions that will build healthy, climate-resilient communities, and a sustainable, resilient, high-quality, net-zero health system.

As climate changes, more communities are being affected by concurrent and compounding drought and disaster events. Mental health support for people in affected communities, emergency service workers and volunteers is a priority for government. The National Disaster Mental Health and Wellbeing Framework provides guidance to governments and recovery partners to respond to, and support, people's mental health before, during and after disasters. The Australian Government is progressing implementation of the framework in close consultation with state and territory governments, local governments and regional bodies.

State and territory governments also provide funding for public sector services and set legislative, regulatory and policy frameworks for mental health service delivery within their jurisdictions.

Animal welfare

Animal welfare is a major concern during drought. Scarce food or water and temperature extremes that often accompany drought can have direct and indirect effects. Stressed animals are at increased risk of injury, infection and disease. State and territory governments, as the primary regulators for animal welfare, support farming businesses to prepare for dry times and meet their legal obligation to care for their stock. The Australian Government is responsible for trade and international agreements relating to animal welfare. We are strengthening animal welfare by renewing the [Australian Animal Welfare Strategy](#), which will confirm Australia's commitment to a modern, sustainable and evidence-based approach to animal welfare.

Biosecurity, pests and weeds

Biosecurity risk factors are increasing as a result of climate change, which is altering the habitat, range and distribution of many pests, weeds and diseases, as well as increasing their ability to spread and establish in new areas. The growth in biosecurity risk factors was a key driver for the development of Australia's [National Biosecurity Strategy](#), which provides a shared vision for a strengthened national biosecurity system and strategic roadmap for its evolution over the next 10 years.

Established pest animals and weeds pose a significant threat to Australian agriculture, productivity and natural assets, including exacerbating the effects of drought and hindering drought recovery. Pest animals can damage crops, compete with livestock for pastures and reduce ground cover. Diseases can attack drought-stressed plants and animals, and weeds may outcompete pasture and crop species. Pest and weed management is primarily the responsibility of state and territory governments and land managers. The Australian Government contributes to pest and weed management through national strategies and action plans, such as the Australian Weed Strategy 2017–2027, Australian Pest Animal Strategy 2017–2027 and national action plans for feral deer, feral pigs and wild dogs. This includes through investing in research, development and innovation, national coordination, supporting capability and capacity building and some priority on-ground control activities.

Regional investment

Drought can reduce local employment, spending and investment in regional communities. The Australian Government's [Regional Investment Framework](#) sets out an approach to delivering regional investment, coordinating across governments to make investment work better for regions, and placing regions and their people at the centre of decision-making. Under this framework, government investment will be targeted and support better outcomes for regional people, the places they live in, the communities and services they rely on, and the regional industries and economies that are core to Australia's prosperity.

Natural resource management and biodiversity

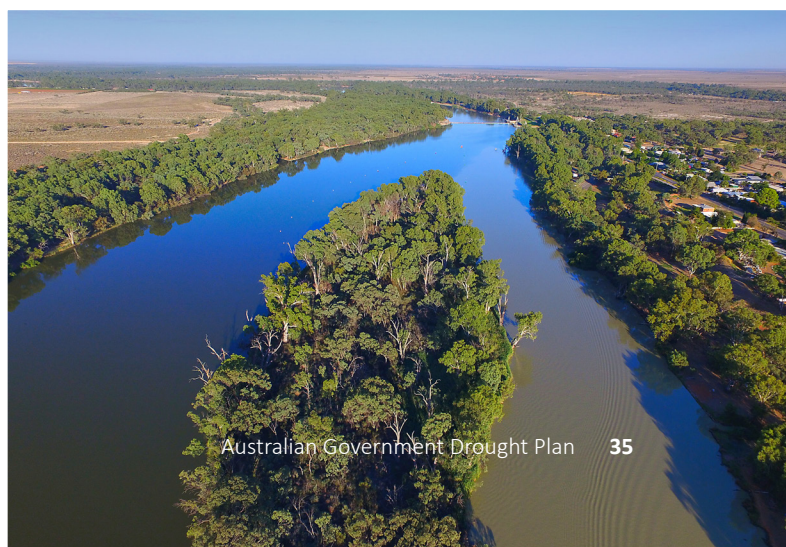
Australian agriculture depends on a biodiverse and well-managed natural resource base. During drought, natural resources, including soil, water, native vegetation and wildlife, are all at heightened risk of degradation. Sound on-farm natural resource management practices can help mitigate these risks and build a more resilient landscape across the drought cycle, benefiting agriculture and the environment. State and territory governments are responsible for managing natural resource issues during drought.

The Australian Government is partnering with industry, the community sector, academia and First Nations organisations to enhance the natural resource base we all rely on, including through the [Natural Heritage Trust](#).

Soil provides essential ecosystem services that support and contribute to Australia's economic, environmental and social wellbeing – including food and fibre production, water storage, filtration and nutrient cycling, and carbon storage. The [National Soil Strategy](#) sets out how Australia will value, manage and improve its soil for the next 20 years. The National Soil Action Plan 2023 to 2028 sets priority actions that have been committed to by the Australian, state and territory governments and partner organisations that contribute National Soil Strategy objectives.

Drought can also affect natural ecosystems and harm fish, wildlife and plant species. We recognise the importance of biodiversity conservation and, in collaboration with states and territories, have set a national framework for biodiversity conservation over the next decade. [Australia's Strategy for Nature 2024 to 2030](#) guides how governments, the community, industry and scientists manage and protect Australia's plants, animals and ecosystems. We have also released the [2022–2032 Threatened Species Action Plan](#), which maps a pathway to protect, manage and restore Australia's threatened species and important natural places.

Private investment has a role to play in enhancing Australia's environment. The Nature Repair Act 2023 establishes a transparent framework for a legislated, national, voluntary, biodiversity market, whereby landholders can be issued with biodiversity certificates for projects that enhance, protect, manage or restore biodiversity in native species. The [Nature Repair Market](#) will mobilise private finance to help to repair and protect our unique natural environment and will provide income to landholders for protecting biodiversity.





The Australian Government is trialling approaches for the Nature Repair Market through the Agriculture Biodiversity Stewardship Pilots. Under this initiative, the Carbon + Biodiversity Pilot and Enhancing Remnant Vegetation Pilot are testing how a market arrangement for landholders could create new income from environmental enhancement and plantings that deliver biodiversity improvements and carbon abatement.

These pilots provide funding to landholders to carry out activities such as biodiverse carbon plantings, grazing control, weed control, pest control, infill planting and revegetation. These activities can improve on-farm drought resilience while benefiting the wider landscape. The Nature Repair Market will provide opportunities like this for landholders to create income from nature repair projects.

Disaster response and resilience

Drought can amplify the impact of natural hazards, and natural hazards can amplify the impact of droughts. However, drought is not considered a disaster. Similarities between drought and disaster management provide opportunities for identifying good practice and ways to improve – for example, through sharing lessons and insights about resilience building, risk reduction, preparation and recovery.

The National Disaster Risk Reduction Framework (2019) outlines steps to reduce disaster risk across sectors, minimise new risks and manage risks including through better climate and disaster risk information.

Recovery for communities is lengthy and complex, involving many stakeholders and all levels of government. Each state and territory have their own disaster-recovery policies, but often complex, compounding and concurrent disasters happen across jurisdictions. The Australian Disaster Recovery Framework provides a common approach to recovery efforts.

Australia's disaster risk continues to increase, with new risks emerging at an accelerated pace. The Australian Government has announced up to \$1 billion for the [Disaster Ready Fund](#) over 5 years from 1 July 2023. The fund is the Australian Government's flagship disaster resilience and risk reduction initiative. It will deliver projects that support Australians to manage the physical and social impacts of disasters caused by climate change and other natural hazards.

Appendix A: List of actions

The development of drought policy does not end with the publication of this plan. The plan and the actions we have identified will be implemented to ensure our policy continues to evolve and adapt.

Drought Plan Action 1 – We will engage with stakeholders about our approach to drought policy. This includes proactive communications explaining our policy objectives and how they are being delivered, and providing opportunities for stakeholders to explore what elements are working well and what can be improved.

Drought Plan Action 2 – We will monitor drought conditions and impacts to have clear situational awareness and to play our role in supporting farming businesses and communities across the drought cycle.

Drought Plan Action 3 – We will continually improve the drought response framework to take into account learnings from its use and additional information sources that may become available.

Drought Plan Action 4 – We will engage with stakeholders to explain our approach to strategic drought support, the suite of programs available across the drought cycle, and how we respond to droughts. This will include tailoring program and policy information to ensure it is relevant to regions and conditions across the drought cycle, addresses knowledge gaps and is delivered in a clear and consistent manner.

Drought Plan Action 5 – We will work collaboratively with state and territory governments to implement the National Drought Agreement. This includes working to ensure drought policies and programs are aligned nationally and consistent with the principles of the agreement.

Drought Plan Action 6 – We will provide a whole-of-government approach to supporting farming businesses and communities across the drought cycle. This includes working across portfolios in the delivery of drought specific programs and on issues connected to drought.

Drought Plan Action 7 – We will work in partnership with First Nations stakeholders to identify opportunities in drought policy and programs that support economic self-determination for First Nations people across Australia’s agricultural industries.

Drought Plan Action 8 – We will develop and implement a Monitoring, Evaluation and Learning Framework for drought policy to ensure our policy approach, and its delivery, remains appropriate, effective and efficient.

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