

Joint ministerial statement - Stocktake Report on SDL Adjustment Mechanism released

27 August 2015

The Murray–Darling Basin Ministerial Council today released an Independent SDL Adjustment Stocktake Report showing a supply contribution of about 500 gigalitres is plausible under the SDL Adjustment Mechanism and that a further contribution is feasible. This encouraging finding means that it is reasonable for governments to work towards a supply outcome of up to 650 gigalitres.

Basin ministers originally requested the Basin Plan include this mechanism as a way of improving outcomes for communities, industries and the environment. The stocktake findings give ministers confidence that the mechanism is able to achieve the outcomes originally envisaged by the Ministerial Council and that governments are on the right track.

The Commonwealth is prioritising infrastructure and is capping water purchase at 1500 gigalitres. The operation of the SDL Adjustment Mechanism will help to further reduce the need for water purchase.

This will provide Basin communities with confidence that the Basin Plan is delivering the best possible social, economic and environmental outcomes.

Under the Basin Plan, supply measures enable the plan's environmental outcomes to be achieved with less water.

The Australian Government is committed to further consultation with states and communities before trialling its Efficiency Measures Programme and to ensuring that efficiency measures will complement current state-led activities to close their remaining water recovery obligations under the Basin Plan. Efficiency measures are projects such as on-farm efficiencies that recover more water for the environment in ways that entail neutral or better socio-economic outcomes.

The stocktake also reported that state progress in the development of business cases for constraint measures is on track. Constraint projects provide additional flexibility needed to deliver water more effectively and as noted in the stocktake report, also offer potential as supply measures to reduce the water recovery target.

Ministers have committed to continued consultation and engagement with landholders and communities in the development of all project proposals.

In May, the Ministerial Council commissioned a stocktake on the progress of projects required for the successful operation of the SDL Adjustment Mechanism, with a view to getting the best possible triple bottom line outcomes from the operation of the mechanism in late 2016.

The Stocktake Report represents a point-in-time assessment of progress under the SDL Adjustment Mechanism and provides ministers with an indication of potential outcomes

from proposed projects as currently scoped. Since the report was commissioned states have progressed a significant body of work and improvement to the proposals and business cases is ongoing. Importantly, the stocktake noted that governments should develop a finalisation plan, including a protocol to allow for the resolution of large and complex projects, in a diligent and considered manner, in time for all projects to be agreed by Basin governments by 30 June 2016.

The Stocktake Report is available at [Independent stocktake of SDL adjustment measures](#)

The report on the trial of the supply measure assessment framework undertaken by the MDBA can be found at [SDL adjustment assessment framework for supply measures](#)

A list of state projects submitted to date can also be found on the MDBA website.

The Hon. Bob Baldwin (Commonwealth and council chair)

The Hon. Niall Blair MP (NSW)

The Hon. Lisa Neville MP (Victoria)

The Hon. Anthony Lynham (Queensland)

The Hon. Ian Hunter (South Australia)

Mr Simon Corbell MLA (ACT)

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