

Water ministers agree Basin Plan package

22 April 2016

- See list of [SDL adjustment proposals](#)

The Murray–Darling Basin Ministerial Council met in Brisbane today to discuss progress towards major milestones in the implementation of the Basin Plan.

The council is chaired by the Hon. Barnaby Joyce MP (Commonwealth). Members attending from each basin state included the Hon. Niall Blair MP (NSW), the Hon. Lisa Neville MP (Victoria), the Hon. Anthony Lynham (Queensland) and the Hon. Ian Hunter (South Australia). Officials attended on behalf of Mr Simon Corbell MLA (ACT). Senator the Hon. Anne Ruston, Assistant Minister for Agriculture and Water Resources (Commonwealth) was also present.

A key milestone was reached today when Ministers agreed to a package of supply, efficiency and constraints measures that will result in changes to the sustainable diversion limits (SDL) of the Murray–Darling Basin Plan.

In taking this step, Ministers have taken the opportunity to improve the socio-economic and environmental outcomes of the Basin Plan.

The agreement is expected to deliver a significant reduction in the water recovery needed to achieve Basin Plan outcomes. Projects are expected to be completed over the next eight years, providing a welcome boost to regional economies and the health of the basin's rivers.

Ministers emphasised that more work needs to be done to maximise the benefits and meet stakeholders' expectations of the SDL adjustment.

Accordingly the Ministerial Council has requested that the Commonwealth amend the Basin Plan to provide for a second SDL adjustment step by 30 June 2017. This would allow for a second tranche of projects to be developed to further improve the outcomes of the Basin Plan.

Ministers also reiterated their request for officials, after 30 June 2016, to consider opportunities for a wider range of complementary projects, such as carp control, to provide triple bottom line benefits under the Basin Plan.

Ministers also agreed on the principles (set out below) that would guide the implementation of the SDL adjustment package, and provide the basis for updating the current Intergovernmental Agreement on Implementing Water Reform in the Murray–Darling Basin.

The MDBA has so far modelled 15 of the 37 nominated supply measures, which have an estimated SDL offset of 370 gigalitres. We anticipate that this estimate will increase in line with the stocktake report. The MDBA will provide updated figures to the Council as the modelling progresses and a final number will be known when the MDBA has modelled the complete package. The Council agreed to keep the community informed of

progress. A list of measures to be notified will be made available on mdba.gov.au early next week.

Ministers were also briefed on progress with the northern basin review, which is exploring different diversion limits for the north. The MDBA expects to finalise the review outcomes by mid-July 2016, including options for possible amendments to the Basin Plan. In light of further stakeholder consultation and comments from Ministers, the MDBA then expects to settle any proposed amendment and commence formal consultations on this from September 2016, a process that could take up to 12 months.

Ends

For further information, contact MDBA media: (02) 6279 0141

Principles for new IGA Schedule for implementing the SDL adjustment mechanism

Purpose of the principles

Basin governments intend to implement the sustainable diversion limit (SDL) adjustment mechanism in a cooperative manner.

These principles form the agreed basis for next steps, including to guide drafting of a new Schedule to the Intergovernmental Agreement on Implementing Water Reform in the Murray–Darling Basin (IGA), with Parties agreeing to work together in the spirit of comity to implement the package of supply, efficiency and constraints measures and to maximise the benefits of the SDL adjustment mechanism.

These principles will also inform the development of processes from 1 July 2016 to 30 June 2024, to inform and enable the implementation and finalisation of the Basin Plan, in relation to settling inter- jurisdictional matters as part of the SDL adjustment mechanism.

The principles may also be used for communication activities by the Parties to explain the rationale and approach for developing the new IGA Schedule.

Principles

Objectives

1. The objective of the new IGA Schedule is that all Parties are working together to implement supply, efficiency, constraints and unimplemented policy measures and to maximise the benefits of the SDL adjustment mechanism.
 - a. Acknowledging that many Basin Plan obligations are delivered through state water management frameworks.
 - b. Acknowledging that meeting social, economic and environmental outcomes requires a balanced approach.
 - c. Acknowledging the importance of the SDL adjustment mechanism operating in a transparent and legally sound basis using the best available science.

Implementation of measures

2. To achieve the best outcomes, Parties will need to cooperate and assist each other in the implementation of measures for which they are responsible:
 - a. Implementation, operation and maintenance of supply, constraints and unimplemented policy measures is the responsibility of proponent states, except where otherwise agreed.
 - b. Implementation of efficiency measures may be the responsibility of the Commonwealth or of any Basin State. The Parties will cooperate to support timely implementation of Commonwealth efficiency measures in each state. The Commonwealth will ensure its program complements current state-led activities to close their remaining water recovery obligations under the Basin Plan. This contemplates that efficiency measures and other state-led water recovery measures can operate in parallel.
 - c. The Parties agree to work together to finalise projects and expedite funding commitments under the IGA as soon as possible.
 - d. The Parties recognise that supporting work is needed to clarify the Framework for River Murray Operations amendments to allow for agreed supply, constraints and unimplemented policy measures to take effect.
3. In implementing these projects to achieve their intended outcomes it is acknowledged that adaptive management approaches may be employed.
4. The Parties acknowledge that implementation arrangements that manage and minimise any potential implications of the Northern Basin Review will need to be clarified.

Accountabilities and risk management

5. Responsibility for risks associated with the implementation of measures will be assigned to the proponents unless otherwise agreed to be located with another Party that is better placed to manage and control those risks:
 - a. 'Bridging the gap' by 30 June 2019 is the responsibility of the Commonwealth, in cooperation with each State.
 - b. The Commonwealth will consult with the states on its water recovery strategy in each state, and until the final outcome of the SDL adjustment mechanism is known, will ensure that any recoveries are strategic and minimise the risk of over recovery.
 - c. Bridging any residual SDL gap in the event that material changes to agreed supply, constraints or unimplemented policy measures result in a smaller supply contribution at reconciliation in 2024 is the responsibility of the proponent state unless otherwise agreed.
 - d. While the Commonwealth and state jurisdictions have specific roles for implementing the Basin Plan, it is important that in cases where levels of risk are uncertain and cannot be quantified, that each party is able to propose ways to limit their exposure to risk for agreement with other Parties.
6. Where relevant, Basin states will incorporate supply measures into their long-term watering plans and annual environmental watering priorities. Noting this, the Parties will encourage all environmental water holders to make effective use of

supply measures, noting the need for any environmental watering decisions to be consistent with their statutory obligations.

Stakeholder engagement

7. The Parties value effective community engagement, aiming to make their processes and decisions as transparent as possible and to collaborate on public communication.
8. Responsibility for community engagement in the implementation of measures rests with the proponent jurisdiction. In the case of Murray River projects in NSW, Victoria and South Australia, it is particularly important that information provided to the public by these states and the MDBA is consistent.