



Australian Government



Report summary:

Murray–Darling Basin Sustainable Diversion Limit Compliance Outcomes 2019–20

August 2021

The Murray–Darling Basin Sustainable Diversion Limit Compliance Outcomes report for the 2019–20 water year is the first compliance report that examines how water use by Basin state governments is tracking in accordance with the Basin Plan.

One of the primary objectives of the Basin Plan is to ensure the water resources of the Basin are shared between all water users in a sustainable way; striking a balance and maintaining a healthy and productive system to sustainably support industries, the environment and communities.

Fundamental to the success of this objective is the implementation of and compliance with sustainable diversion limits (SDLs).

The SDLs expand on the Murray–Darling Basin Cap on diversions to explicitly cover all forms of water take defined in the Basin Plan. These forms of take include take from watercourses and regulated rivers, by floodplain harvesting, runoff dams, commercial plantations, under basic rights and groundwater. SDL compliance relates only to the water taken for consumptive use.

Roles and responsibilities

Basin state governments are the frontline for regulating water use in the Basin. Individual compliance with licence conditions and local rules is the responsibility of these governments. They are responsible for ensuring Basin state compliance systems are effective, and for enforcing the rules, many of which are outlined in water resource plans (WRPs). The *Water Act 2007* (the Water Act) also requires Basin state governments to provide an annual

report to the Murray–Darling Basin Authority (MDBA) on the volumes of water take for each SDL resource unit.

The MDBA is responsible for assessing and monitoring Basin state compliance with SDLs. The MDBA will work with Basin state governments to ensure that any potential breaches of SDLs are investigated, and that appropriate action is taken if water use grows over time and does not remain within the SDL.

In September 2020, Minister for Resources and Water, the Hon Keith Pitt MP announced the establishment of a new Inspector-General of water compliance for the Murray–Darling Basin. The relevant legislative amendments to give effect to this announcement will soon take effect. As this occurs, the MDBA will continue to work with Basin state governments and Commonwealth agencies to identify, report on and manage SDL compliance in the Basin.

Assessing sustainable diversion limit compliance



Sustainable diversion limits are how much water, on average, can be used in the Basin by towns, communities, industry and farmers. These limits consider climate, trade, usage patterns and development of infrastructure.



Permitted take is how much water was expected to be used under the SDL, based on the climate and water patterns of that water year.



Actual take is how much water was actually intercepted or used in the SDL resource unit in a given water year. It is measured or otherwise estimated.

The 2019–20 water year

- The 2019–20 water year is the first year SDLs are enforceable under the Basin Plan, where WRPs are accredited.
- Only one WRP had been accredited by 30 June 2019 (the Warrego-Paroo-Nebine WRP area) and can be formally assessed under the Basin Plan.
- Assessments of SDL compliance for the remainder of the Basin have been undertaken under [bilateral agreements](#) between the MDBA and Basin state governments, as WRPs had not been accredited by 30 June 2019.

Assessment method

- The MDBA reviews permitted and actual take and the cumulative balance to check that water use remains within the limits set by the Basin Plan in both the short and long-term.
- The outcome of the assessment will result in an SDL resource unit being:
 - **Compliant:** the water resources have been managed within 20% of the SDL for that SDL resource unit.
 - **Compliant with a reasonable excuse:** there has been an exceedance and the Basin state government has provided a report to the MDBA setting out the reasons for the excess and the steps it will take to reduce the cumulative balance of the register so that there is no excess. The MDBA may accept the reasonable excuse as being valid under the Basin Plan upon review of evidence provided.
 - **Non-Compliant:** a Basin state government must advise the actions it proposes to ensure that the SDL is complied with in the future. Appropriate compliance actions may also apply against the Basin state government.
- The method and tests used to assess compliance are outlined in the SDL Reporting and Compliance Framework. (<https://www.mdba.gov.au/publications/policies-guidelines/sustainable-diversion-limit-reporting-compliance-documents>)

Outcomes

- For the 2019–20 water year the MDBA found that 97 percent of the catchments across the Basin are within the Basin Plan limits in year 1 of SDL accounting – which is good news.
- New South Wales (NSW) reported water use above the allowable limits in three areas, including the Barwon-Darling Watercourse, the Upper Macquarie Alluvium and the Lower Murrumbidgee Deep groundwater catchments.
- NSW claimed reasonable excuse for these exceedances, claiming they were adhering to their draft water resource plans for all three SDL resource units, and in addition claimed incomplete water recovery for the Barwon-Darling.
- The MDBA accepted the NSW explanation for the Upper Macquarie Alluvium and Lower Murrumbidgee Deep groundwater exceedance areas as reasonable and valid.
- The MDBA found that NSW did not operate in a manner fully consistent with the submitted water resource plan in the 2019–20 water year for the Barwon-Darling SDL resource unit, and therefore found this claim was invalid.
- As 2019–20 was the first application of the SDL Reporting and Compliance Framework, the MDBA requested the Independent Assurance Committee (IAC) to review its compliance assessment processes. The outcome of the IAC assessment is available on the MDBA website www.mdba.gov.au/sites/default/files/pubs/independent-assurance-committee-review-of-authority-compliance-assessment.pdf

Next steps

- NSW has committed to re-double efforts to improve measurement, management and regulation of water resources. Significant work has been undertaken by NSW to meet Compliance Compact obligations.
- In response to the MDBA's assessment, NSW has outlined its 'make good' steps and set out a work plan which is available on the MDBA website www.mdba.gov.au/publications/mdba-reports/murray-darling-basin-sustainable-diversion-limit-compliance-outcomes-2019
- The MDBA will closely monitor use in these areas in future years as more information is needed to consider the trends and patterns.

The Murray–Darling Basin



For more information visit

mdba.gov.au/publications/mdba-reports/transitional-sdl-water-take-reports

Office locations

Adelaide, Albury–Wodonga, Canberra, Goondiwindi, Griffith, Mildura, Murray Bridge, Toowoomba

☎ 1800 230 067

@ engagement@mdba.gov.au

🌐 mdba.gov.au