Commonwealth's socio-economic assessment of project proposals under the Water Efficiency Program (WEP)

This project was approved prior to a change in the department's internal processes and templates.

### 1. Purpose of this form

This form documents the socio-economic assessment of project reference number 593879 submitted under the Water Efficiency Program (WEP).

The design of this form outlines information from the project proposal application form submitted by the delivery partner and facilitates the Commonwealth's own assessment and subsequent process of communicating with relevant stakeholders.

#### 2. State's contact details

Detail	Description
Name	
Position in organisation	
Contact details	

## 3. Project information

Applicant (Section B.1)	Reference Number 593879
Project Id (Section C)	S-On-0006-SAM-DEL
Project stream (Section C.5)	On-farm
Catchment/ region (Section C.7)	Zone 12 – River Murray Class 3 – All Purpose
Project name or project description? (Section C.8)	The project involves replacement of the irrigation pump and the addition a of a Variable Speed Drive
	Water Savings – 3.1 ML
	Total Project Area -41 ha
	Total Irrigation Area -41 ha
	Crop - Grape Vines (Wine)
	Location – Lyrup
Volume of water for the Cth (Section C.9)	3.1 ML

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Estimated project cost (Section C.12)

\$35,484.93 (GST exclusive) requested from the Commonwealth

### 4. Outcome of state's socio-economic assessment

Pass  $\boxtimes$  or Fail  $\square$ 

Brief Commonwealth overall comments

The Commonwealth believes there is merit in the proposal.

# 5. State's assessment against socio-economic and environmental criteria

Criteria	Assessment	Comments
1. Projects must be made public <sup>1</sup> 1d. Following in-principle government approval, non-sensitive information about project applications must be advertised to allow relevant stakeholders to make submissions to the proposal	Not applicable	NA
2. Projects do not negatively impact on social and environmental outcomes  2a. Projects are required to describe the expected socio-economic and environmental benefits. Partners must coordinate and communicate with local communities and community bodies on the project(s) and describe the expected socio-economic and environmental impacts of each project on the local community, region or state	Meets requirement	This project involves an upgrade of an existing fixed speed pump. This upgrade will improve water efficiency.
2b. Social values may include the amenity to local communities of weirs, storages and parks that may be affected by efficiency projects	Meets requirement	The proposal will not directly impact on social values but will contribute on-going benefits to the local region.
<ul> <li>2c. Large projects (total cost ≥ \$4 million) must describe the expected socio-economic outcomes and address the following:</li> <li>• the anticipated socio-economic impacts to the local community, region or state</li> <li>• their project's strategy for increasing the socio-economic benefit to participants and their communities (e.g. local sourcing of goods, services and labour)</li> <li>• if and how the project will contribute to regional investment and development in the geographic area</li> </ul>	Not applicable	N/A
2d. Both Project and Delivery Partners are required to comply with all relevant laws including work health and safety laws. Each project must show an understanding of all relevant legislation or regulation (including environmental laws and regulations) that will require approval prior to works commencing.	Meets requirement	No approvals are required to conduct the works as the works are occurring on private property and the activities will not have an adverse environmental impact on the property or surrounds.

 $<sup>^{\</sup>rm 1}$  Criteria 1a to 1d do not apply to proponents

Criteria	Assessment	Comments
2e. Australian Government to fund facilitators to work with communities to develop proposals that have community support and positive social and economic outcomes	Not applicable	N/A
3. The project assessment for funding must be clear, timely, simple and transparent, and not unduly increase red tape	Not applicable	N/A
4. Projects need to demonstrate how they contribute to the current and future viability of proponent businesses and irrigation districts  4a. Proposals must consider how projects would contribute to the	Meets requirement	The project is not located within an irrigation infrastructure network and will improve the viability of the business.
current and future financial viability of the irrigation district/ region where they would occur, including identification of potential irrigation network improvements		
4b. Proposals must avoid upgrading water supply infrastructure where the systems, or parts of the systems, are not going to be used in the future	Meets requirement	
4c. Proposals in irrigation districts must take account of relevant irrigation business strategies or plans	Meets requirement	
<ul><li>5. Programs or projects support regional economies</li><li>5a.Proposals must identify opportunities to support local industry and regional development</li></ul>	Meets requirement	Ensuring sustainability will support regional economics.
5b. Proposals must focus on increasing water use efficiency in ways that address industry, network/ system and local/ regional priorities, future needs and risks	Meets requirement	
5c. Proposals in an irrigation district must not reduce the overall productive capacity of the relevant region	Meets requirement	
5d. Proposals must not impact negatively on regional jobs	Meets requirement	
6. Programs or projects do not have negative third party impacts on the irrigation system, water market or regional communities 6a. Where a project is located within an irrigation network, the proposal must provide evidence that the relevant network operator or water corporation is involved in or aware of the project	Meets requirement	The project does not impart negatives on third parties.

Criteria	Assessment	Comments
6b. Proponents must consult with relevant stakeholders, e.g. industry bodies, irrigation network operators, regional development organisations, on regional approaches to water efficiency projects that address industry/ network/ system and local/ regional priorities, future needs, and risks. Regional water efficiency approaches may include research and extension services	Meets requirement	
6c. Socio-economic assessments must consider impacts not just on participants, but for broader regions	Meets requirement	
7. Projects need to be assessed for their potential to impact on the price of water  7a. Proponents must only transfer water rights that they own at the time of application. They cannot receive funding to acquire water rights. A project cannot transfer more water than the project will save and the proposed quantity must be independently verified as being a conservative estimate of the resulting water savings. A proponent may keep any water savings beyond the amount transferred  7b. Proponents applying for project funding would be required to provide evidence that the water entitlements have been held for a minimum of 3 years at the time of application	Meets requirement  Meets requirement	The handback of 3.1 ML will not have an adverse impact on price.
7c. Project proponents must ensure there is no direct impact on the reliability of water from cumulative implementation of projects	Meets requirement	
7d. Projects must not directly increase the price of water	Meets requirement	
8. Any cultural impacts identified, protected or improved 8a. Projects are required to describe the expected cultural benefits of their proposed project, with Partners required to coordinate and communicate with local communities and community bodies on projects and describe the expected cultural benefits of each project on the local community, region or state	Meets requirement	No negative impact.

Criteria	Assessment	Comments
<ul> <li>8b. Projects must describe the expected cultural benefits of their proposal. In doing so, they must address the following:</li> <li>the anticipated cultural benefits to the local community, region or state</li> <li>their project's strategy for increasing the cultural benefit to participants and their communities (e.g. local sourcing of goods, services and labour)</li> </ul>	Meets requirement	
8c. Projects over \$3 million must identify cultural heritage sites and manage any impacts in accordance with relevant Commonwealth and State laws.	Not applicable	
<ul> <li>9. Program design should include close engagement with community and industry leaders</li> <li>9a. The proponent must consult with industry bodies, IIOs, local governments or regional development organisations, or investment corporations on relevant strategic regional projects, and consider community support</li> </ul>	Meets requirement	Close engagement with key stakeholders was undertaken.
9b. The consultation should focus on increasing water use efficiency in ways that address industry, network/system and local/regional priorities, future needs and risks and may include research and extension services	Meets requirement	
10. Where practical, seek to develop and implement integrated implementation of efficiency measures to maximise benefits to the irrigation network and local enterprises  10a. Programs or projects must focus on increasing water use efficiency in ways that address industry, network/system and local/regional priorities, future needs and risks and may include research and extension services. This would include integrated proposals	Meets requirement	The project supports regional economies and the engagement with stakeholders was undertaken.
11. Monitoring and evaluation, including of socio-economic outcomes, should be built into programs and used to regularly review and adapt programs as required  11a. The Commonwealth will develop a monitoring and evaluation framework to assess the progress of projects in real time, post-approval	Meets requirement	The MERI framework will be applied to this project.

Criteria	Assessment	Comments
12. Projects must deliver real water savings and not result in profiteering or rorting  12a. Projects must not allow participants to individually profit without creating water savings	Meets requirement	This proposal was professionally assessed with water savings confirmed.
13. Projects should identify improved capacity to respond to changes in business environment including drought and climate resilience	Meets requirement	This project provides greater flexibility to changing circumstances.
13a. Provide information on how the project will improve resilience to climate variability		