

Ministerial Forum response to the Second Review of the Lake Eyre Basin Intergovernmental Agreement

Overview:

The Lake Eyre Basin (the Basin) is the largest internally-draining river system in Australia and amongst the largest in the world, covering about 1,200,000 square kilometers, including much of inland Queensland, large portions of South Australia and the Northern Territory and western New South Wales. It supports about 60,000 people who live and work in the Basin as well as a large number of wildlife. It has no major irrigation, diversions or flood-plain developments. Low density grazing is the major land use, occupying 82% of the total land within the Basin.

The Lake Eyre Basin Intergovernmental Agreement (the Agreement) between the Commonwealth, South Australia, Queensland and Northern Territory Governments covers a large part of the Basin. It is valued by stakeholders as a vehicle to provide for the development or adoption, and implementation of policies and strategies concerning water and related natural resources in the Lake Eyre Basin Agreement Area to avoid or eliminate so far as reasonable practicable adverse cross-border impacts.

Response to recommendations:

The Ministerial Forum (the Forum) welcomes the findings and recommendations of this, the Second Review of the Lake Eyre Basin Intergovernmental Agreement (the Review). Further, the Forum acknowledges the comments from stakeholders that the Agreement is a framework and a conduit for interaction between the Commonwealth, states and the territory; and recognises there are opportunities to strengthen the Agreement. The Australian Government and Basin jurisdictions will work collaboratively to address the recommendations and seek to further the goals of the Agreement into the future.

Recommendations:

1. **Develop a Risk Based Strategic Plan to provide firm action and guidance for Agreement parties. This plan will be informed by scientific and community views**

The Ministerial Forum **supports** this recommendation.

Ministers agree that a long term risk-based, strategic plan (the Plan), utilising a proactive and adaptive approach in reviewing risks to the Basin's environmental, social, cultural and economic factors, is necessary. The Plan will harness the aspirations of the Lake Eyre Basin community and other interested parties around the protection, enhancement and sustainable use of the Basin's natural assets.

The Plan will be developed through public consultation with key stakeholders to seek scientific and community views and in particular through liaison with the Lake Eyre Basin Community Advisory Committee (the Committee) and Scientific Advisory Panel (the Panel).

2. **Investigate the option of multi-year budgeting to align with 10-year review cycle, with Ministerial discretion on annual budgets.**

The Ministerial Forum **supports** this recommendation.

Multi-year budgets provide a level of certainty for contributing Parties and funding security for the Lake Eyre Basin program, both of which will enhance medium and long term planning, projects and outcomes for the Basin.

The current single year budget approval process puts significant constraints on planning and activities. However, it is not feasible or desirable to develop 10 year budgets.

The Ministerial Forum proposes developing a three-year rolling budget process with annual reviews. This approach will facilitate greater certainty for policy setting and management of operations in the Basin, whilst allowing the flexibility to respond to major events and/or evolving/emerging risks. In practice this would see Ministers approve year one of the budget and formally endorse the two out years during each budget approval process.

In accordance with the activities identified by the Community Advisory Committee, Scientific Advisory Panel and strategic planning, and subject to the availability of respective appropriations, the Commonwealth, States and Territory will make available the financial and other resources for the operation of the Ministerial forum and associated activities. A LEB budget protocol will be developed and agreed by Senior Officers to formalise the arrangements for appropriate cost sharing arrangements in accordance with the annual reviews of the three year rolling budgets. The protocol will outline the quantum of funding, how contributions will be split between participating jurisdictions, and processes and timeframes for ongoing budget administration.

The formal three-year rolling budget process would commence from the establishment of the 2021/22 budget.

3. Expand the Agreement to cover the whole hydrologic boundary of the basin

The Ministerial Forum **supports** this recommendation ‘in principle’.

The Ministerial Forum notes that expanding the Agreement boundary was a key theme of stakeholder feedback during the review of the Agreement. The Forum agrees that there may be benefit in the Agreement covering Lake Eyre and some other parts of the Basin currently excluded from the Agreement. Further, the Forum notes the high cultural importance of the western part of the Basin (the area between the Finke and Macumba river systems) specifically mentioned by the Committee and Panel.

The Ministerial Forum commits to working with basin jurisdictions and stakeholders to understand the impacts of any expansion of the Intergovernmental Agreement Area boundary and where appropriate, to bring any such expansion into effect. A recommendation report will be developed by the Commonwealth, in consultation with jurisdictions and key stakeholders, and delivered to the Ministerial Forum by the end of 2020.

To date, New South Wales has not been a Party to the Agreement As a first step, the Commonwealth water minister will write to his NSW counterpart encouraging their future involvement in Lake Eyre Basin matters.

4. Investigate connections between the Lake Eyre Basin surface water and the Great Artesian basin groundwater to assess whether there is need for aligned governance in the future.

The Ministerial Forum **supports** this recommendation ‘in principle’, but proposes examining the feasibility of aligning the governance approach whilst maintaining their separation.

An examination of the geographical and hydrological connections of the Great Artesian and Lake Eyre Basins will be undertaken. It is important that critical issues that affect both surface and groundwater be addressed holistically and some level of governance alignment would assist in

this. Given the overlapping nature of the two basins, the Ministerial Forum agree that there may be potential for efficiencies and benefits to be achieved through a more aligned governance approach, however there is no intention for governance arrangements to merge. The Forum commits to examining options relating to a greater alignment of management arrangements, with a focus on ensuring that there is no loss of on-ground expertise relating to either basin in order that no risk matters relating to one basin overwhelm those of the other.

Consideration will be given to practical ways to align management, including establishing sub-committees across both basins, to discuss matters of mutual importance, such as tourism, environmental interests and extractive industries, cultural interests; or undertaking regular forums involving meetings of the stakeholder committees for both basins and potentially Ministers responsible.

The Ministerial Forum noted that there are different implications for the state jurisdictions, with the largest area of the Great Artesian Basin located in Queensland. The Forum further noted the potential for Great Artesian Basin related matters to dominate the agenda if there was one governance body for both basins.

5. Senior Officers Group and Ministerial Forum to review the terms of reference and operating protocols of the Scientific Advisory Committee and Community Advisory Committee with a view to broaden their portfolios to include socioeconomic factors.

The Ministerial Forum **supports** this recommendation.

The Ministerial Forum notes that the Review found that the Agreement is broadly achieving its purpose as stated in Clause 2.2 which outlines its objectives. The current collaborative management structure which includes the Community Advisory Committee and Scientific Advisory Panel, provides pathways for community and stakeholder engagement and feedback, allows and supports data collection and assessment, and provides a method of communication between stakeholders, senior officers and Basin ministers.

The Ministerial Forum agrees to a review of the Committee and Panel operations, including the operating protocols. In practice, socioeconomic factors are already represented and examined by both the Committee and Panel but the Ministerial Forum agree that there could be further clarity on the role and operation of the Committee and Panel, including in relation to socioeconomic matters.

6. Assess current water demands across the Basin from development, agriculture and other industry to establish levels of current consumptive levels.

The Ministerial Forum **notes** this recommendation.

The Ministerial Forum does not consider that additional work is required at this time, given the water planning regimes in place across the jurisdictions and the low take evidenced across the Basin. The Forum will however continue to seek feedback from the Committee, Panel and jurisdictions regarding changes in demand and will request that this is considered as part of the Monitoring and Evaluation strategy currently under development by the Panel.

7. The Senior Officers Group review the 6 Policies and Strategies Policies from 2010 to assess relevance and implementation, and provide advice to Ministerial Forum no later than mid-2019.

The Ministerial Forum **supports** this recommendation.

The following six policies were established by the Forum to facilitate a whole-of-basin approach to cross border management of water and related natural resources:

- River Flows Policy
- Water Quality Policy
- Water and Related Natural Resources Policy
- Existing Entitlements and Water Resource Development Policy
- Research and Monitoring Policy
- Whole-of Basin Approach Policy

The Ministerial Forum acknowledges that there is more work required to meaningfully incorporate them into Basin management or policy development.

The Ministerial Forum agrees to a review of the Policies and Strategies and has tasked the Commonwealth to lead an initial body of work, in consultation with basin jurisdictions. The role and development of existing and future Policies and Strategies will be considered in both the development of a Strategic Plan (recommendation 1) and review of the Intergovernmental Agreement (Commonwealth recommendation).

A report will be completed and provided to the Ministerial Forum in 2020.

The completion of this review will also fulfil the requirement for a review of all Policies and Strategies as stipulated by Clause 10.3 of the Agreement.

8. Maintain a 10 year review cycle of the Intergovernmental Agreement with a 5 year desktop review.

The Ministerial Forum **supports** this recommendation.

The 10-year Review would continue to be a wholesale review of all elements of the Agreement, with stakeholder consultation being a core component. The five-year desktop review will be implemented and will be a high level review of the policies, strategies, procedures and operating protocols used in the operation of the Agreement.

Commonwealth Recommendation

Acknowledging the Agreement is now 18 years old, the Review recommends the Commonwealth initiate a review of the consistency, currency and relevance of the Act with modern legislation drafting principles, and to provide advice to the Ministerial Forum by not later than mid-2019.

The Ministerial Forum **supports** this recommendation.

The Commonwealth will undertake an 'in-house' review of the *Lake Eyre Basin Intergovernmental Agreement Act* and provide advice to the Chair of the Ministerial Forum (Commonwealth Water Minister).

The 'in-house' review will include an examination of the Agreement's consistency, currency and relevancy, including in relation to National Water Initiative principles. Consideration will also be given to options for strengthening how the Agreement operates, though the use of subsidiary instruments including annexes, rules and regulations, as suggested by the Review report.

The 'in-house' review will be undertaken as a matter of priority and a report will be provided to the Ministerial Forum in the first half of 2020, noting that the mid-2019 deadline proposed by the Review has passed.