



Australian Government  
Department of Agriculture,  
Water and the Environment

# Basin state performance assessment

Federation Funding Agreement –  
Environment Schedule on  
Implementing Water Reform in the  
Murray-Darling Basin

September 2021



© Commonwealth of Australia 2021

### **Ownership of intellectual property rights**

Unless otherwise noted, copyright (and any other intellectual property rights) in this publication is owned by the Commonwealth of Australia (referred to as the Commonwealth).

### **Creative Commons licence**

All material in this publication is licensed under a [Creative Commons Attribution 4.0 International Licence](https://creativecommons.org/licenses/by/4.0/) except content supplied by third parties, logos and the Commonwealth Coat of Arms.

Inquiries about the licence and any use of this document should be emailed to [copyright@awe.gov.au](mailto:copyright@awe.gov.au).



### **Cataloguing data**

This publication (and any material sourced from it) should be attributed as: *Basin state performance assessment: Federation Funding Agreement – Environment Schedule on Implementing Water Reform in the Murray–Darling Basin, September 2021*, Department of Agriculture, Water and the Environment, Canberra, September. CC BY 4.0.

ISBN 978-1-76003-466-5 (online)

This publication is available at [agriculture.gov.au/water/funding-agreements-to-implement-water-reform](http://agriculture.gov.au/water/funding-agreements-to-implement-water-reform)

Department of Agriculture, Water and the Environment

GPO Box 858 Canberra ACT 2601

Telephone 1800 900 090

Web [awe.gov.au](http://awe.gov.au)

### **Disclaimer**

The Australian Government acting through the Department of Agriculture, Water and the Environment has exercised due care and skill in preparing and compiling the information and data in this publication. Notwithstanding, the Department of Agriculture, Water and the Environment, its employees and advisers disclaim all liability, including liability for negligence and for any loss, damage, injury, expense or cost incurred by any person as a result of accessing, using or relying on any of the information or data in this publication to the maximum extent permitted by law.

# Contents

<b>1</b>	<b>Background .....</b>	<b>1</b>
1.1	Assessor's role.....	1
1.2	Assessment scope and approach.....	1
<b>2</b>	<b>Assessment for the Australian Capital Territory .....</b>	<b>2</b>
2.1	Summary of findings.....	2
2.2	Full findings.....	3
<b>3</b>	<b>Assessment for New South Wales.....</b>	<b>6</b>
3.1	Summary of findings.....	6
3.2	Full findings.....	7
<b>4</b>	<b>Assessment for Queensland.....</b>	<b>11</b>
4.1	Summary of findings.....	11
4.2	Full findings.....	12
<b>5</b>	<b>Assessment for South Australia .....</b>	<b>15</b>
5.1	Summary of findings.....	15
5.2	Full findings.....	16
<b>6</b>	<b>Assessment for Victoria .....</b>	<b>19</b>
6.1	Summary of findings.....	19
6.2	Full findings.....	20
	<b>Appendix A: Milestones, key performance indicators and due dates.....</b>	<b>23</b>
	<b>List of acroymns .....</b>	<b>29</b>

## Tables

Table 1	Summary of findings for the Australian Capital Territory .....	2
Table 2	Summary of findings for New South Wales .....	6
Table 3	Summary of findings for Queensland.....	11
Table 4	Summary of findings for South Australia.....	15
Table 5	Summary of findings for Victoria.....	19

# 1 Background

The *Intergovernmental Agreement on Implementing Water Reform in the Murray–Darling Basin* (IGA) is an undertaking by the Australian Government and the Murray–Darling Basin state governments to build on existing achievements by implementing water reforms that further improve the health of the Murray–Darling Basin, and secure a future for its communities. Part 7 of the IGA committed the Australian Government to providing financial support to the Basin states via the *National Partnership Agreement on Implementing Water Reform in the Murray–Darling Basin* (NPA). Following expiry of the NPA on 30 June 2020, the Australian Government committed to providing further funding to support Basin state implementation of water reform through a one-year agreement – the [Federation Funding Agreement – Environment Schedule on Implementing Water Reform in the Murray–Darling Basin](#).

Each Basin state committed to implementing the schedule in accordance with milestones and key performance indicators (KPIs) set out in Tables 2A to 2E of the agreement (reproduced in [Appendix A](#)), and reporting on progress through a performance report delivered on 26 February 2021. The schedule was signed by all parties and executed by the minister in March 2021.

## 1.1 Assessor's role

Using the performance reports and any supporting documentation provided by each Basin state, the assessor (the Department of Agriculture, Water and the Environment) evaluated jurisdictional performance against KPIs in Tables 2A to 2E of the Schedule, as required in the Schedule's Additional Terms.

Based on this assessment, the assessor provided advice to the Australian Government minister with portfolio responsibility for water regarding Basin state performance against the KPIs in Tables 2A to 2E of the Schedule. The minister decided whether payment should be made to each Basin state under the Schedule.

## 1.2 Assessment scope and approach

This report provides a detailed commentary on Basin state progress against the actions listed in Tables 2A to 2E of the Schedule, in line with the assessment advice provided to the minister in May 2021. All performance reports and assessment commentary are based on Basin state performance to 31 December 2020 (for most milestones) or 15 February 2021 (for the Environmental water protection – southern Basin milestone).

In conducting the assessment, the assessor considered each Basin state's performance report in consultation with the Commonwealth Environmental Water Office (CEWO) and the Murray–Darling Basin Authority (MDBA). Basin states were given an opportunity to comment and provide feedback on this assessment report before it was finalised.

## 2 Assessment for the Australian Capital Territory

### 2.1 Summary of findings

The Australian Capital Territory (ACT) has met all its key performance indicators (KPIs) and made satisfactory progress under the Schedule.

The milestones and key performance indicators (KPIs) for the ACT are set out in Table 2A of the Schedule (see [Appendix A](#)). Findings for the ACT's performance against the KPIs are summarised in Table 1 below, in the order they appear in the Schedule. Full findings and details of the assessment are also included in this chapter.

**Table 1 Summary of findings for the Australian Capital Territory**

Output	Performance milestones	Key Performance Indicators	Finding
Progress ACT/NSW trade issue	ACT progresses two-way trade issue through participation in independent/department-led discussion process.	Meaningful participation in discussions to develop a two-way retail trade framework, and has demonstrated willingness to reach a resolution.	KPI met.
	ACT provides an update on progress to full BOC meeting	Providing an update on progress to BOC members by the end of 2020.	KPI met.
Progress on water recovery	ACT assists Commonwealth efforts to progress water recovery to meet remaining bridging-the-gap commitments and further water recovery towards the 62 GL of efficiency measures.	ACT provides advice and support to the department on bridging-the-gap water recovery projects and on the first 62 GL of efficiency measures projects, noting the Basin Plan provides for the recovery of up to 450 GL.	KPI met.
Compliance actions	ACT demonstrates progress and commitment towards delivery of actions as agreed in the Compliance Compact.	ACT demonstrates commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA.	KPI met.
		ACT participates in the Compliance Compact review being undertaken by the MDBA.	KPI met.
Monitoring, evaluation and reporting	ACT continues participation in key Basin monitoring working groups and Basin Plan monitoring, evaluation and reporting requirements.	ACT continues to participate in the JVMESC and the MEWG.	KPI met.
		ACT delivers Schedule 12 Matter 8 and Matter 12 reports.	KPI met.
Urban water accounting	ACT progresses urban stormwater accounting arrangements including	ACT produces an issues paper for consideration at BOC on urban water accounting	KPI met.

Output	Performance milestones	Key Performance Indicators	Finding
	increased runoff and stormwater harvesting.	arrangements regarding increased runoff and stormwater harvesting.	

## 2.2 Full findings

### 2.2.1 Progress on the ACT/NSW trade issue

#### **Meaningful participation in discussions to develop a two-way retail trade framework, including a demonstrated willingness to reach a resolution**

The ACT met this commitment.

The ACT has participated in discussions, scheduled meetings and developed meeting papers to progress the development of a retail water trading framework, and this work is ongoing. It has demonstrated a willingness to reach a resolution with New South Wales (NSW) by:

- working with NSW to develop a draft operating framework for water transfer/trading between the ACT and NSW, which is updated to reflect ongoing discussions
- contributing to the development of a joint workplan to facilitate ongoing progress
- preparing a scoping analysis to characterise ACT water resources eligible for trade.

While there is still a way to go to resolve issues, the ACT's willingness to work with NSW has resulted in significant shifts in position and allowed development of options for both states to work through.

#### **Providing an update on progress to BOC members by the end of 2020**

The ACT met this commitment.

The ACT supported NSW and the Commonwealth in drafting a status update to the Basin Officials Committee (BOC) Secretariat in December 2020, with future progress updates to BOC expected. The December update set out the agreed principles for negotiations, including a commitment to establishing trade, minimising water security and third-party risks, managing environmental water, implementing flexible practises, aligning with Basin Plan trading rules and streamlining trade process for both states. It advised that the ACT and NSW are working cooperatively on developing a water trade framework and a workplan outlining issues that need resolving.

### 2.2.2 Progress on water recovery

#### **Providing advice and support to the department on bridging-the-gap water recovery projects and on the first 62 GL of efficiency measures projects**

The ACT met this commitment.

The ACT reported that it has participated in several meetings and provided the department with:

- a draft response to water recovery criteria and a conceptual logic outlining the rational and proposal for the ACT meeting its water recovery targets
- technical feasibility reports undertaken as part of the due diligence assessment for ACT participation in the Water Efficiency Program (WEP)



- active briefs on ongoing work (peer reviewed by the Institute for Sustainable Futures)
- concept proposals outlining the efficiency streams being investigated in response to the Australian Government reconfiguring how they intended to achieve water recovery in the Murray–Darling Basin.

The ACT is working productively to achieve water trade with NSW, and when established this will allow the ACT to bring forward water recovery projects to bridge-the-gap and provide additional water for the 62 gigalitre (GL) efficiency measures target.

### **2.2.3 Compliance actions**

#### **Demonstrating commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA**

The ACT met this commitment.

Although the ACT demonstrated commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the Murray–Darling Basin Authority (MDBA), the MDBA advised the ACT's progress report did not provide enough information for it to properly assess the state's progress for many commitments. These include a metering policy and implementation plan which are not yet published. The ACT has not yet sought exemption from the MDBA on data transmission requirements, water information requirements and the improvements program review is pending. The ACT continues to reaffirm its commitment to continued improvement through a risk-based and proportionate approach to water compliance.

#### **Participating in the Compliance Compact review being undertaken by the MDBA**

The ACT met this commitment.

The ACT participated in the Compliance Compact review being undertaken by the MDBA, including through attending some meetings of the Intergovernmental Reference Group (IRG) established for the review, and notifying the IRG of the state's position to support the review's findings.

### **2.2.4 Monitoring, evaluation and reporting**

#### **Continuing to participate in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group**

The ACT met this commitment.

The ACT has participated in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group, where relevant.

#### **Delivering Schedule 12 Matter 8 and Matter 12 reports**

The ACT met this commitment.

The ACT has delivered Schedule 12 Matter 8 and 12 reports to the MDBA.

### **2.2.5 Urban water accounting**

#### **Producing an issues paper for consideration at BOC on urban water accounting arrangements regarding increased runoff and stormwater harvesting**

The ACT met this commitment.

The ACT has conducted technical analysis and produced an issues paper that is currently subject to internal consultation. The ACT reported that further work on the proposed approach is required including clarification if BOC is the right pathway if the solution is an administrative accounting approach.



## 3 Assessment for New South Wales

### 3.1 Summary of findings

New South Wales (NSW) has met all its key performance indicators (KPIs) and made satisfactory progress under the Schedule.

The milestones and key performance indicators (KPIs) for NSW are set out in Table 2B of the Schedule (see [Appendix A](#)). Findings for NSW's performance against the KPIs are summarised in Table 1 below, in the order they appear in the Schedule. Full findings and details of the assessment are also included in this chapter.

**Table 2 Summary of findings for New South Wales**

Output	Performance milestones	Key Performance Indicators	Finding
Progress NSW/ACT trade issue	NSW progresses two-way trade issue through participation in independent/department-led discussion process.	Meaningful participation in discussions to develop a two-way retail trade framework and has demonstrated willingness to reach a resolution.	KPI met.
	NSW provides an update on progress to full BOC meeting.	Providing an update on progress to BOC members by the end of 2020.	KPI met.
Progress on water recovery	NSW assists Commonwealth efforts to progress water recovery to meet remaining bridging-the-gap commitments and further water recovery towards the 62 GL of efficiency measures.	NSW provides advice and support to the department on bridging-the-gap water recovery projects and on the first 62 GL of efficiency measures projects.	KPI met.
		NSW to develop an agreement with the Commonwealth to ensure there is a documented process to transfer water efficiency savings from stock and domestic projects funded by the Commonwealth.	KPI met.
Supply and constraints measures	NSW progresses supply and constraints measures.	Demonstrated progress towards resolving outstanding issues between NSW and the Commonwealth as part of discussions on the SDLAM National Partnership for stage 2 implementation of supply and constraints measures.	KPI met.
		Support resolution of issues at BOC for consideration at MinCo	KPI met.
Environmental water protection – northern Basin	NSW documents protocols for active management in the Lower Gwydir, Lower Macquarie and Barwon-Darling catchments.	NSW develops and then publishes on the NSW DPIE Website, Active Management Procedures Manuals that document protocols for active management in these catchments.	KPI met.
		NSW finalises documentation on operating arrangements for	KPI met.

Output	Performance milestones	Key Performance Indicators	Finding
Environmental water protection – southern Basin	NSW progresses E-water accounting and data sharing arrangements.	E-water delivery for the Murrumbidgee.  NSW supports the development of the MDBA workplan for improving protection of environmental water in the southern Basin, including by participating in the process outlined to the Environmental Water Improvement Group by the MDBA.	KPI met.
Compliance actions	NSW demonstrates progress and commitment towards delivery of actions as agreed in the Compliance Compact.	NSW demonstrates commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA.  NSW participates in the Compliance Compact review being undertaken by the MDBA	KPI met.  KPI met.
Monitoring, evaluation and reporting	NSW continues participation in key Basin monitoring working groups and Basin Plan monitoring, evaluation and reporting requirements.	NSW continues to participate in the JVMESC and the MEWG.  NSW delivers Schedule 12 Matter 8 and Matter 12 reports.	KPI met.  KPI met.

## 3.2 Full findings

### 3.2.1 Progress on the NSW/ACT trade issue

#### **Meaningful participation in discussions to develop a two-way retail trade framework, including a demonstrated willingness to reach a resolution**

New South Wales met this commitment.

New South Wales has participated in a series of ongoing discussions (including attending four meetings held in November and December 2020 with the Australian Capital Territory (ACT) and the independent consultant engaged to progress the issue) and has demonstrated a willingness to reach a resolution.

While there is still a way to go to resolve issues, NSW's work with the ACT has resulted in significant progress and allowed development of options for both states to work through.

#### **Providing an update on progress to BOC members by the end of 2020**

New South Wales met this commitment.

New South Wales supported the Commonwealth in drafting a status update to the Basin Officials Committee (BOC) Secretariat in December 2020, with future progress updates to BOC expected. The December update set out the agreed principles for negotiations, including a commitment to establishing trade, ensuring that water security and third-party risks and impacts are minimised, managing environmental water, implementing flexible process, aligning with Basin Plan trading rules and streamlining trade process for both states. NSW and the ACT are working

cooperatively on developing a water trade framework and a workplan outlining issues that need resolving.

### **3.2.2 Progress on water recovery**

#### **Providing advice and support to the department on bridging-the-gap water recovery projects and on the first 62 GL of efficiency measures projects**

New South Wales met this commitment.

New South Wales reported that it has participated in the Efficiency Measures Working Group to provide strategic advice on efficiency measures and the Water Efficiency Program (WEP). It also advised it has supported progress on water recovery through each of the WEP project streams as detailed below.

- State-led projects: NSW submitted the stage 1 feasibility study report for the Local Water Utilities Efficiency Measures Project in December 2019. The Final Feasibility Study was submitted on 13 May 2021. NSW received the final milestone payment from the Commonwealth on 17 June 2021.
- Delivery partner projects: NSW assessed one application as not compliant with the WEP socio-economic assessment. NSW has been liaising with delivery partners on other projects.
- Project partner projects: NSW has received three project partner applications and assessed them as not compliant with the WEP socio-economic assessment. New South Wales has assisted the Commonwealth identify projects that may generate water savings through a stocktake of off-farm infrastructure proposals undertaken in 2020.

#### **Developing an agreement with the Commonwealth to ensure there is a documented process to transfer water efficiency savings from stock and domestic projects funded by the Commonwealth**

New South Wales met this commitment.

New South Wales developed a documented process to transfer water efficiency savings from stock and domestic projects funded by the Commonwealth. The draft process was submitted to the department in December 2020 and is under consideration.

### **3.2.3 Supply and constraints measures**

#### **Demonstrating progress towards resolving outstanding issues between NSW and the Commonwealth as part of discussions on the SDLAM National Partnership for stage 2 implementation of supply and constraints measures**

New South Wales met this commitment.

New South Wales has engaged in discussions at BOC and the Murray–Darling Basin Ministerial Council (MinCo), and with the department on the Sustainable Diversion Limit Adjustment Mechanism (SDLAM) national partnership for stage 2 implementation of supply and constraints measures. In June 2020, NSW with Victoria and South Australia prepared a Minco paper on policy matters for the national partnership and to progress the SDLAM. Ministers considered the paper and requested that officials bring back to the next meeting recommendations to resolve the outstanding issues for the stage 2 agreement.

In November 2020, ministers discussed the challenges with delivering the SDLAM projects. A proposed pathway forward was considered by ministers, but agreement could not be reached on flexibility for the 2024 statutory timeline that would allow high risk projects to progress, or on

the issues for the stage 2 agreement. The issues for the stage 2 agreement are expected to be progressed in 2021.

NSW subsequently identified a potential option for the acceleration of existing supply and constraints measures projects, or elements of existing projects, and had discussions with the department on this matter.

The department notes NSW's advice that not all notified projects under the SDLAM will be operational by 30 June 2024 and that during the year NSW progressed work under its stage 1 funding agreement for supply and constraints measures projects. During the year, NSW negotiated variations to these agreements to enable continued progress on the projects. The department notes that stakeholder engagement for constraints measures did not commence during the year. Further, Stage 1 activities for constraints and the more complex supply measures are expected have been foreshadowed to continue into late 2023 and 2024.

**Supporting resolution of issues at BOC for consideration at MinCo**

New South Wales met this commitment.

New South Wales has engaged in discussions and participated in decision-making at BOC and MinCo.

**3.2.4 Environmental water protection – northern Basin**

**Developing and publishing on the NSW DPIE Website, Active Management Procedures Manuals that document protocols for active management in these catchments**

New South Wales met this commitment.

New South Wales has developed and published [Active Management Procedures Manuals](#) that document protocols for active management in the Lower Gwydir, Lower Macquarie and Barwon-Darling catchments, and reports that Commonwealth held environmental water has been, and is being, protected by active management.

**3.2.5 Environmental water protection – southern Basin**

**Finalising documentation on operating arrangements for E-water delivery for the Murrumbidgee**

New South Wales met this commitment.

The prerequisite policy measures (PPM) procedures manual for the Murrumbidgee has been published which outlines the approach to operating arrangements, including trailing incremental losses. An environmental water accounting trial using incremental losses was implemented in spring 2020, and NSW reports that the method will be published shortly. A subsequent autumn 2021 environmental watering event is planned that uses the same incremental approach trialled in spring, confirmed via the NSW PPM working group. This demonstrates that NSW is improving environmental water protections from the Murrumbidgee to the Murray. NSW conducts an annual evaluation of their implementation of PPMs. These are due each year in March.

Accounting treatment of environmental flow re-use from mid-Murrumbidgee wetlands to Balranald has yet not been finalised – in part due to event delays due to dam infrastructure works – and the event is now planned for winter 2021.

**Supporting the development of the MDBA workplan for improving protection of environmental water in the southern Basin, including by participating in the process outlined to the Environmental Water Improvement Group by the MDBA**

New South Wales met this commitment.

New South Wales provided feedback on the Environmental Water Protection Strategy and Environmental Water Protection Implementation Plan and attended relevant meetings. The strategy and implementation plan were developed in collaboration with Basin states, the department, Commonwealth Environmental Water Office (CEWO) and Murray–Darling Basin Authority (MDBA). The Environmental Water Committee endorsed and agreed to oversight the Strategy and Plan to BOC for approval on 10 March 2021.

### **3.2.6 Compliance actions**

**Demonstrating commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA**

New South Wales met this commitment.

New South Wales participated in Compliance Compact reporting and the majority of actions required to be undertaken by NSW are considered complete or adequately progressing.

**Participating in the Compliance Compact review being undertaken by the MDBA**

New South Wales met this commitment.

New South Wales has participated in the Compliance Compact review through the Intergovernmental Reference Group (IRG) that was established for the purpose of conducting the review. Officers from the DPIE and the Natural Resources Access Regulator took part in this forum and participated by providing input on the review process at IRG meetings and providing feedback on draft versions of the review.

### **3.2.7 Monitoring, evaluation and reporting**

**Continuing to participate in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group**

New South Wales met this commitment.

New South Wales participated in Joint Venture Monitoring and Evaluation Steering Committee (JVMESC) and the Monitoring and Evaluation Working Group (MEWG) during the reporting period.

**Delivering Schedule 12 Matter 8 and Matter 12 reports**

New South Wales met this commitment.

New South Wales delivered Schedule 12 and Matter 8 and 12 reports to the MDBA.

## 4 Assessment for Queensland

### 4.1 Summary of findings

Queensland has met all its key performance indicators (KPIs) and made satisfactory progress under the Schedule.

The milestones and key performance indicators (KPIs) for Queensland are set out in Table 2C of the Schedule (see [Appendix A](#)). Findings for Queensland's performance against the KPIs are summarised in Table 3 below, in the order they appear in the Schedule. Full findings and details of the assessment are also included in this chapter.

**Table 3 Summary of findings for Queensland**

Output	Performance milestones	Key Performance Indicators	Finding
Progress on water recovery	Queensland assists Commonwealth efforts to progress water recovery to meet remaining bridging-the-gap commitments and further water recovery towards the 62 GL of efficiency measures.	Queensland provides advice and support to the department on bridging-the-gap water recovery projects and on the first 62 GL of efficiency measures projects, noting the Basin Plan provides for the recovery of up to 450 GL.	KPI met
Environmental water protection – northern Basin	Queensland develops and documents environmental accounting methods for cross-border held environmental water in consultation with NSW and the CEWO.	Demonstrates progress toward meeting its commitment under Measure 2, Appendix A of the Intergovernmental Agreement on Implementing Water Reform in the Murray–Darling Basin including the development of an accounting method supported by protocols and procedures for Queensland-to-NSW cross-border held environmental water.	KPI met
	Queensland supports the Commonwealth in the assessment and development of toolkit projects.	Provides further information requested from the Commonwealth to enable assessment of toolkit feasibility proposals and negotiates a Commonwealth funding agreement to support development of full business cases for approved projects.	KPI met
Compliance actions	Queensland demonstrates progress and commitment towards delivery of actions as agreed in the Compliance Compact.	Queensland demonstrates commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA.	KPI met
		Queensland participates in the Compliance Compact review being undertaken by the MDBA	KPI met

Long-term environmental watering plans (LTWPs)	Queensland's LTWPs are reviewed for consistency with Basin Plan requirements, the Basin Wide Watering Strategy as well as other jurisdictions' LTWPs.	LTWPs revised as they fall due or demonstrated progress toward development of revised LTWPs, including sharing with the MDBA the outcomes of a review of existing LTWPs and the scope and timing for any necessary updates.	KPI met
Monitoring, evaluation and reporting	Queensland continues participation in key Basin monitoring working groups and Basin Plan monitoring, evaluation and reporting requirements.	Queensland continues to participate in JVMESC and the MEWG.	KPI met
		Queensland delivers Schedule 12 Matter 8 and Matter 12 reports.	KPI met

## 4.2 Full findings

### 4.2.1 Progress on water recovery

#### **Providing advice and support to the department on bridging-the-gap water recovery projects and on the first 62 GL of efficiency measures projects**

Queensland met this commitment.

Queensland has provided advice and support to the department on bridging-the-gap water recovery projects, noting the very limited opportunities for water recovery through infrastructure investments in that state.

Queensland reported that it has provided administrative support and technical advice as required and submitted applications under the Water Efficiency Program. It noted there are approximately 14 gigalitres (GL) of surface water and 3 GL of groundwater to be recovered to bridge-the-gap in the Condamine and Balonne water resource plan area but advised there may be challenges associated with relying only on water recovery through off-farm water efficiency to complete recovery in the state, particularly in the Condamine and Balonne.

Queensland advised it has been available to provide advice and support towards the recovery of the 62 GL through engagement with the Basin Officials Committee (BOC) and other forums, while noting these efficiency measure projects are focused in the Southern Basin.

### 4.2.2 Environmental water protection – northern Basin

#### **Demonstrating progress toward meeting its commitment under Measure 2, Appendix A of the Intergovernmental Agreement on Implementing Water Reform in the Murray–Darling Basin including the development of an accounting method supported by protocols and procedures for Queensland-to-NSW cross-border held environmental waters**

Queensland met this commitment.

Queensland reports it has had significant engagement with both New South Wales (NSW) and the Commonwealth Environmental Water Office (CEWO) regarding development of a new accounting method. Queensland had interim accounting arrangements in place in December 2020, to be trialled during suitable flow events (noting a trial subsequently undertaken in late March–April 2021 in the Lower Balonne system, with these flows presenting an opportunity to implement the method). This partially satisfies the IGA commitment that an “Accounting method



supported by protocols and procedures for Queensland-to-NSW cross-border held environmental water will be in place and operating by end 2020.”

Queensland is working towards finalising the improved cross-border water accounting arrangements, including formal supporting procedures and protocols, by 30 June 2021.

**Providing further information requested from the Commonwealth to enable assessment of toolkit feasibility proposals and negotiating a Commonwealth funding agreement to support development of full business cases for approved projects**

Queensland met this commitment.

Queensland submitted Stage 1 Toolkit feasibility proposals to the Commonwealth within agreed timeframes. Queensland continues to, where possible, provide additional information requested from the Commonwealth through attendance at the Northern Basin Project Committee, in bilateral discussions as well as through provision of further project costing information in writing. Queensland also continues to negotiate project delivery funding arrangements for development of full business cases for approved projects.

### **4.2.3 Compliance actions**

**Demonstrating commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA**

Queensland met this commitment.

Queensland participated in the 2020 Compliance Compact reporting and has progressed or completed many of its Compliance Compact commitments. However, some commitments relating to the areas of transparency and metering and measurement remain to be completed. These include that:

- further work may still be needed to ensure that Queensland’s new metering policy, which is still undergoing consultation, meets all requirements of the Compliance Compact, particularly around ensuring all new and replacement meters in the Murray–Darling Basin are compliant by 2025, identifying and defining high risk areas, demonstrating where telemetry will be required and determining any exemptions that may apply.
- A work program for improving transparency of information about water take, and a water information program following statewide review of hydrometric networks and hydrological models, are still to be published.

**Participating in the Compliance Compact review being undertaken by the MDBA**

Queensland met this commitment.

Queensland has participated in the Compliance Compact review through the Intergovernmental Reference Group that was established for the purpose of conducting the review. Officers from the Department of Regional Development, Manufacturing and Water (DRDMW) took part in this forum and participated by providing input on the review process at IRG meetings and providing feedback on draft versions of the review.

#### **4.2.4 Long-term environmental watering plans**

**Revising LTWPs as they fall due or demonstrating progress toward development of revised LTWPs, including sharing with the MDBA the outcomes of a review of existing LTWPs and the scope and timing for any necessary updates**

Queensland met this commitment.

Queensland advised the Murray–Darling Basin Authority (MDBA) it would not be able to submit its updated long-term environmental watering plans (LTWPs) for the Condamine-Balonne and Queensland Border Rivers Moonie in September 2020. Queensland has since formed a project team to review environmental assets and their watering requirements consistent with updated MDBA advice and Basin Plan requirements. Future work identified by the MDBA review of the Basin-Wide Watering Strategy including on climate change and cultural values will be considered in future revisions of the LTWPs.

#### **4.2.5 Monitoring, evaluation and reporting**

**Continuing to participate in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group**

Queensland met this commitment.

Queensland participated in the Joint Venture Monitoring and Evaluation Steering Committee (JVMESC) and the Monitoring and Evaluation Working Group (MEWG) during the reporting period.

**Delivering Schedule 12 Matter 8 and Matter 12 reports**

Queensland met this commitment.

Queensland delivered Schedule 12 Matter 8 and Matter 12 reports to the MDBA.

## 5 Assessment for South Australia

### 5.1 Summary of findings

South Australia has met all its key performance indicators (KPIs) and made satisfactory progress under the Schedule.

The milestones and key performance indicators (KPIs) for South Australia are set out in Table 2D of the Schedule (see [Appendix A](#)). Findings for South Australia's performance against the KPIs are summarised in Table 4 below, in the order they appear in the Schedule. Full findings and details of the assessment are also included in this chapter.

**Table 4 Summary of findings for South Australia**

Output	Performance milestones	Key Performance Indicators	Finding
Progress on water recovery	SA assists Commonwealth efforts to progress water recovery towards the 62 GL of efficiency measures.	SA provides advice and support to the department on the first 62 GL of efficiency measures projects.	KPI met
Supply and constraints measures	SA progresses supply and constraints measures.	Demonstrated progress towards resolving outstanding issues between SA and the Commonwealth as part of discussions on the SDLAM National Partnership for stage 2 implementation of supply and constraints measures.	KPI met
		Support resolution of issues at BOC for consideration at MinCo	KPI met
Environmental water protection – southern Basin	SA progresses E-water accounting and data sharing arrangements.	SA supports the development of the MDBA workplan for improving protection of environmental water in the southern Basin, including by participating in the process outlined to the Environmental Water Improvement Group by the MDBA.	KPI met.
Compliance actions	SA demonstrates progress and commitment towards delivery of actions as agreed in the Compliance Compact.	SA demonstrates commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA.	KPI met.
		SA participates in the Compliance Compact review being undertaken by the MDBA.	KPI met.
Long-term environmental watering plans (LTWPs)	SA's LTWPs are reviewed for consistency with Basin Plan requirements, the Basin Wide Watering Strategy as well as other jurisdictions' LTWPs.	LTWPs revised as they fall due or demonstrated progress toward development of revised LTWPs, including sharing with the MDBA the outcomes of a review of existing LTWPs and the scope	KPI met.

		and timing for any necessary updates.	
Monitoring, evaluation and reporting	SA continues participation in key Basin monitoring working groups and Basin Plan monitoring, evaluation and reporting requirements.	SA continues to participate in the JVMESC and the MEWG.	KPI met.
		SA delivers Schedule 12 Matter 8 and Matter 12 reports	KPI met.

## 5.2 Full findings

### 5.2.1 Progress on water recovery

**Providing advice and support to the department on the first 62 GL of efficiency measures projects**  
South Australia met this commitment.

South Australia has provided advice and support to the department on the first 62 gigalitres (GL) of efficiency measures projects and continues to contribute to the recovery of the 450 GL of environmental water through efficiency measures.

South Australia's Department for Environment and Water (DEW) has worked with Water Efficiency Program (WEP) delivery partners, the Australian Government and irrigators to deliver on-farm irrigation efficiency projects. Eighteen [projects](#) returning over 500 megalitres of water for the environment have been assessed against the WEP's socio-economic criteria and are at various stages in the project approval process.

South Australia completed a feasibility study into the contribution the Adelaide Desalination Plant can make to the 450 GL and expects to complete a second feasibility study in early 2021 assessing options for using alternative water supplies in urban areas instead of River Murray water.

South Australia has worked with the Australian Government to identify off-farm projects and has submitted five concept proposals as part of the Initial Report on the Stocktake of Off-Farm Infrastructure Proposals submitted to the Murray–Darling Basin Ministerial Council (MinCo).

### 5.2.2 Supply and constraints measures

**Demonstrating progress towards resolving outstanding issues between South Australia and the Commonwealth as part of discussions on the SDLAM National Partnership for stage 2 implementation of supply and constraints measures.**

South Australia met this commitment.

South Australia has engaged in discussions at BOC and the Murray–Darling Basin Ministerial Council (MinCo), and with the department on the Sustainable Diversion Limit Adjustment Mechanism (SDLAM) national partnership for stage 2 implementation of supply and constraints measures. In June 2020, South Australia, NSW with Victoria prepared a Minco paper on policy matters for the national partnership and to progress the SDLAM. Ministers considered the paper and requested that officials bring back to the next meeting recommendations to resolve the outstanding issues for the stage 2 agreement.

In November 2020, ministers discussed the challenges with the delivery of SDLAM projects. A proposed pathway forward was considered by ministers, but agreement could not be reached on the need for flexibility for the 2024 statutory timeline to allow high risk projects to progress or a

mechanism to resolve, the issues for the stage 2 agreement. The issues for stage 2 are expected to be progressed in 2021.

The department notes that South Australia has progressed its stage 1 activities for the South Australian constraints measure, and implementation of Flows for the Future. South Australia has reported that all projects for which it's lead proponent are either complete or on track for completion by 2024.

South Australia also worked with Victoria, New South Wales, the department and the MDBA to establish arrangements for the implementation of Enhanced Environmental Water Delivery and progressed the development of a multilateral funding schedule.

#### **Supporting resolution of issues at BOC for consideration at MinCo**

South Australia met this commitment.

South Australia has engaged in discussions and participated in decision-making at BOC and MinCo.

### **5.2.3 Environmental water protection – southern Basin**

#### **Supporting the development of the MDBA workplan for improving protection of environmental water in the southern Basin, including by participating in the process outlined to the Environmental Water Improvement Group by the MDBA**

South Australia met this commitment.

South Australia provided feedback and strategic direction on the Basin-wide Environmental Water Protection Strategy and Environmental Water Protection Implementation Plan and attended relevant meetings. The strategy and implementation plan were developed in collaboration with Basin states, the department, Commonwealth Environmental Water Office (CEWO) and Murray–Darling Basin Authority (MDBA). The Environmental Water Committee endorsed and agreed to oversight the Strategy and Plan to BOC for approval on 10 March 2021. South Australia also actively participated in the Environmental Water Improvement Group (EWIG) meetings and supported delivery of EWIG business.

South Australia developed a prerequisite policy measures (PPMs) implementation plan in partnership with the Murray–Darling Basin Authority (MDBA) and the Commonwealth Environmental Water Office (CEWO). The plan outlines the work required to continue to implement, operate, improve and review PPMs in the South Australia River Murray in 2020-2021, both internally and externally. The South Australian Pre-Requisite Policy Measures Working Group (SAPPMWG), which includes the CEWO and MDBA, was established to guide the implementation, operation, review and improvement of PPMs in South Australia, and the first meeting was held in October 2020.

### **5.2.4 Compliance actions**

#### **Demonstrating commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA**

South Australia met this commitment.

South Australia participated in the 2020 Compliance Compact reporting and has progressed or completed many of its Compliance Compact commitments.

**Participating in the Compliance Compact review being undertaken by the MDBA**

South Australia met this commitment.

South Australia has participated in the Compliance Compact review through the Intergovernmental Reference Group (IRG) that was established for the purpose of conducting the review. Officers from DEW took part in this forum and participated by providing input on the review process at IRG meetings and providing feedback on draft versions of the review.

**5.2.5 Long-term environmental watering plans**

**Revising LTWPs as they fall due or demonstrating progress toward development of revised LTWPs, including sharing with the MDBA the outcomes of a review of existing LTWPs and the scope and timing for any necessary updates**

South Australia met this commitment.

South Australia submitted updated versions of its long-term environmental watering plans (LTWPs) to the MDBA as they fell due: the South Australian Murray Region LTWP and Eastern Mount Lofty Ranges LTWP were submitted in August 2020, and the updated South Australian River Murray LTWP in November 2020. All the LTWP can be accessed from [DEW's website](#).

**5.2.6 Monitoring, evaluation and reporting**

**Continuing to participate in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group**

South Australia met this commitment.

South Australia participated in the Joint Venture Monitoring and Evaluation Steering Committee (JVMESC) including chairing this committee in 2020 and the Monitoring and Evaluation Working Group (MEWG) during the reporting period.

**Delivering Schedule 12 Matter 8 and Matter 12 reports**

South Australia met this commitment.

South Australia delivered Schedule 12 Matter 8 and Matter 12 reports to the MDBA. The information related to these matters is [published](#) in reports on DEW's website.

## 6 Assessment for Victoria

### 6.1 Summary of findings

Victoria has met all its key performance indicators (KPIs) and made satisfactory progress under the Schedule.

The milestones and key performance indicators (KPIs) for Victoria are set out in Table 2F of the Schedule (see [Appendix A](#)). Findings for Victoria's performance against the KPIs are summarised in Table 5 below, in the order they appear in the Schedule. Full findings and details of the assessment are also included in this chapter.

**Table 5 Summary of findings for Victoria**

Output	Performance milestones	Key Performance Indicators	Finding
Progress on water recovery	Victoria assists efforts to progress water recovery towards the Basin-wide target of 62 GL of efficiency measures.	Victoria provides advice and support to the department on the first 62 GL of efficiency measures projects.	KPI met
Supply and constraints measures	Victoria progresses supply and constraints measures.	Demonstrated progress towards resolving outstanding issues between Victoria and the Commonwealth as part of discussions on the SDLAM National Partnership for stage 2 implementation of supply and constraints measures.	KPI met
		Support resolution of issues at BOC for consideration at MinCo	KPI met
Environmental water protection – southern Basin	Victoria progresses E-water accounting and data sharing arrangements.	Victoria finalises documentation on operating arrangements for E-water delivery for the Goulburn.	KPI met
		Victoria supports the development of the MDBA workplan for improving protection of environmental water in the southern Basin, including by participating in the process outlined to the Environmental Water Improvement Group by the MDBA.	KPI met
Compliance actions	Victoria demonstrates progress and commitment towards delivery of actions as agreed in the Compliance Compact.	Victoria demonstrates commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA.	KPI met
		Victoria participates in the Compliance Compact review being undertaken by the MDBA.	KPI met
Long-term environmental watering plans (LTWPs)	Victoria's LTWPs are reviewed for consistency with Basin Plan	LTWPs revised as they fall due or demonstrated progress	KPI met



	requirements, the Basin Wide Watering Strategy as well as other jurisdictions' LTWPs.	toward development of revised LTWPs, including sharing with the MDBA the outcomes of a review of existing LTWPs and the scope and timing for any necessary updates.	
Monitoring, evaluation and reporting	Victoria continues participation in key Basin monitoring working groups and Basin Plan monitoring, evaluation and reporting requirements.	Victoria continues to participate in the JVMESC and the MEWG.	KPI met
		Victoria delivers Schedule 12 Matter 8 and Matter 12 reports.	KPI met

## 6.2 Full findings

### 6.2.1 Progress on water recovery

**Providing advice and support to the department on the first 62 GL of efficiency measures projects**  
Victoria met this commitment.

Victoria reported that since 2019 it has funded the development of feasibility studies and business cases for off-farm projects identified in its Northern Victoria Water Infrastructure Prospectus as potentially contributing to the 62 gigalitres (GL) of efficiency measures required under the Sustainable Diversion Limit Adjustment Mechanism (SDLAM). Victoria reported that it has advised proponents in the development of projects which align with the socio-economic criteria agreed by the Murray–Darling Basin Ministerial Council (MinCo). This includes the Goulburn-Murray Water (GMW) Water Efficiency Project, which the Department of Environment, Land, Water and Planning (DELWP) assessed and submitted it to the Commonwealth, with funding arrangements now being finalised.

### 6.2.2 5.3 Supply and constraints measures

**Demonstrating progress towards resolving outstanding issues between Victoria and the Commonwealth as part of discussions on the SDLAM National Partnership for stage 2 implementation of supply and constraints measures**  
Victoria met this commitment.

Victoria has engaged in discussions at BOC and the Murray–Darling Basin Ministerial Council (MinCo), and with the department on the Sustainable Diversion Limit Adjustment Mechanism (SDLAM) national partnership for stage 2 implementation of supply and constraints measures. In June 2020, Victoria, South Australia and NSW prepared a Minco paper on policy matters for the national partnership and to progress the SDLAM. Ministers considered the paper and requested that officials bring back to the next meeting recommendations to resolve the outstanding issues for the stage 2 agreement.

In November 2020, ministers discussed the challenges with delivering the SDLAM projects. A proposed pathway forward was considered by ministers, but agreement could not be reached on flexibility for the 2024 statutory timeline that would allow high risk projects to progress, or on the issues for the stage 2 agreement. The issues for the stage 2 agreement are expected to be progressed in 2021.

In light of the Government's Murray–Darling Communities Investment Package, Victoria flagged a potential option for the acceleration of the Goulburn constraints measures and had discussions with the department on this matter.

The department notes Victoria's comments that it has negotiated a stage 1A schedule for constraints. As at 31 Dec 2020 this schedule had not been signed by ministers. It is noted that stage 1 activities for constraints have been foreshadowed to continue to 2024.

The department notes that Victoria has progressed work under the stage 1 funding agreement for its nine environmental works measures. During the year, Victoria negotiated variations to the agreement to enable progress on these projects to continue.

Victoria also worked to establish arrangements for the implementation of Enhanced Environmental Water Delivery and progressed the development of a multilateral funding schedule.

**Supporting resolution of issues at BOC for consideration at MinCo**

Victoria met this commitment.

Victoria has engaged in discussions and participated in decision-making at BOC and MinCo.

### **6.2.3 Environmental water protection – southern Basin**

**Finalising documentation on operating arrangements for E-water delivery for the Goulburn**

Victoria met this commitment.

Operating arrangements for the Goulburn and Victorian Murray environmental water delivery were finalised in September 2020. These have been shared with environmental watering partners.

**Supporting the development of the MDBA workplan for improving protection of environmental water in the southern Basin, including by participating in the process outlined to the Environmental Water Improvement Group by the MDBA**

Victoria met this commitment.

Victoria provided feedback on the Environmental Water Protection Strategy and Environmental Water Protection Implementation Plan and attended relevant meetings. The strategy and implementation plan were developed in collaboration with Basin states, the department, Commonwealth Environmental Water Office (CEWO) and Murray–Darling Basin Authority (MDBA). The Environmental Water Committee endorsed and agreed to oversight the Strategy and Plan to BOC for approval on 10 March 2021.

### **6.2.4 Compliance actions**

**Demonstrating commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA**

Victoria met this commitment.

Victoria participated in the 2020 Compliance Compact reporting and has completed all their commitments.

**Participating in the Compliance Compact review being undertaken by the MDBA**

Victoria met this commitment.

Victoria has participated in the Compliance Compact review through the Intergovernmental Reference Group (IRG) that was established for the purpose of conducting the review. Officers from DELWP took part in this forum and participated by providing input on the review process at IRG meetings, and providing feedback on draft versions of the review.

### **6.2.5 Long-term environmental watering plans**

**Revising LTWPs as they fall due or demonstrating progress toward development of revised LTWPs, including sharing with the MDBA the outcomes of a review of existing LTWPs and the scope and timing for any necessary updates**

Victoria met this commitment.

Victoria revised and submitted its Wimmera-Mallee long-term environmental watering plan (LTWP) by the due date of 24 September 2020.

Victoria presented the outcomes from a review of existing LTWPs at a July 2019 meeting with the MDBA to discuss upcoming LTWP updates, and provided a plan for revising LTWPs following accreditation of Victoria's water resource plans and beyond. The progress and scope of Victoria's LTWP revisions was then presented at a workshop with the Environmental Water Working Group in July 2020.

### **6.2.6 Monitoring, evaluation and reporting**

**Continuing to participate in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group**

Victoria met this commitment.

Victoria participated in the Joint Venture Monitoring and Evaluation Steering Committee (JVMESC) and the Monitoring and Evaluation Working Group (MEWG) during the reporting period.

**Delivering Schedule 12 Matter 8 and Matter 12 reports**

Victoria met this commitment.

Victoria delivered Schedule 12 Matter 8 and Matter 12 reports to the MDBA.

# Appendix A: Milestones, key performance indicators and due dates

The following tables outline the performance milestones, key performance indicators and milestone due dates for each Basin State as per the [Federation Funding Agreement – Environment Schedule on Implementing Water Reform in the Murray-Darling Basin](#). One hundred percent of payments have been made to each Basin State (i.e. no partial payments).

**Table A1 Australian Capital Territory**

Output	Performance milestones	Key Performance Indicators	Milestone due
Progress ACT/NSW trade issue	ACT progresses two-way trade issue through participation in independent/Department-led discussion process.	Meaningful participation in discussions to develop a two-way retail trade framework, including a demonstrated willingness to reach a resolution.	31/12/2020
	ACT provides an update on progress to full BOC meeting.	Update on progress to BOC members by the end of 2020.	
Progress on water recovery	ACT assists Commonwealth efforts to progress water recovery to meet remaining bridging-the-gap commitments and further water recovery towards the 62 GL of efficiency measures.	ACT provides advice and support to the Department on bridging-the-gap water recovery projects and on the first 62 GL of efficiency measures projects, noting the Basin Plan provides for the recovery of up to 450 GL.	31/12/2020
Compliance actions	ACT demonstrates progress and commitment towards delivery of actions as agreed in the Compliance Compact.	1. ACT demonstrates commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA. 2. ACT participates in the Compliance Compact review being undertaken by the MDBA.	31/12/2020 aligned with MDBA reporting schedule
Monitoring, Evaluation and Reporting	ACT continues participation in key Basin monitoring working groups and Basin Plan monitoring, evaluation and reporting requirements.	1. ACT continues to participate in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group. 2. ACT delivers Schedule 12 Matter 8 and Matter 12 reports.	31/12/2020
Urban water accounting	ACT progresses urban stormwater accounting arrangements including increased runoff and stormwater harvesting.	ACT produces issues paper for consideration at BOC on urban water accounting arrangements regarding increased runoff and stormwater harvesting.	31/12/2020

**Table A2 New South Wales**

Output	Performance milestones	Key Performance Indicators	Milestone due
Progress ACT/NSW trade issue	NSW progresses two-way trade issue through participation in independent/Department-led discussion process.	Meaningful participation in discussions to develop a two-way retail trade framework, including a demonstrated willingness to reach a resolution.	31/12/2020
	NSW provides an update on progress to full BOC meeting.	Update on progress to BOC members by the end of 2020.	
Progress on water recovery	NSW assists Commonwealth efforts to progress water recovery to meet remaining bridging-the-gap commitments and further watery recovery towards the 62 GL of efficiency measures.	<ol style="list-style-type: none"> <li>1. NSW provides advice and support to the Department on bridging-the-gap water recovery projects and on the first 62 GL of efficiency measures projects, noting the Basin Plan provides for the recovery of up to 450 GL.</li> <li>2. NSW to develop an agreement with the Commonwealth to ensure there is a documented process to transfer water efficiency savings from stock and domestic projects funded by the Commonwealth.</li> </ol>	31/12/2020
Supply and constraints measures	NSW progresses supply and constraints measures	<ol style="list-style-type: none"> <li>1. Demonstrated progress towards resolving outstanding issues between NSW and the Commonwealth as part of discussions on the SDLAM National Partnership for stage 2 implementation of supply and constraints measures.</li> <li>2. Support resolution of issues at BOC for consideration at MinCo.</li> </ol>	31/12/2020
E-water protection – Northern Basin	NSW documents protocols for active management in the Lower Gwydir, Lower Macquarie and Barwon-Darling catchments.	NSW develops and then publishes on the NSW DPIE Website, Active Management Procedures Manuals that document protocols for active management in these catchments.	31/12/2020
E-water – Southern Basin	NSW progresses E-water accounting and data sharing arrangements.	<ol style="list-style-type: none"> <li>1. NSW finalises documentation on operating arrangements for E-water delivery for the Murrumbidgee.</li> <li>2. NSW supports the development of the MDBA workplan for improving protection of environmental water in the southern Basin, including by participating in the process outlined to the Environmental Water Improvement Group by the MDBA.</li> </ol>	15/02/21
Compliance actions	NSW demonstrates progress and commitment towards delivery of actions as agreed in the Compliance Compact.	1. NSW demonstrates commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA.	31/12/2020 aligned with MDBA reporting schedule

		2. NSW participates in the Compliance Compact review being undertaken by the MDBA.	
Monitoring, Evaluation and Reporting	NSW continues participation in key Basin monitoring working groups and Basin Plan monitoring, evaluation and reporting requirements.	1. NSW continues to participate in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group. 2. NSW delivers Schedule 12 Matter 8 and Matter 12 reports.	31/12/2020

**Table A3 Queensland**

<b>Output</b>	<b>Performance milestones</b>	<b>Key Performance Indicators</b>	<b>Milestone due</b>
Progress on water recovery	Queensland assists Commonwealth efforts to progress water recovery to meet remaining bridging-the-gap commitments and further water recovery towards the 62 GL of efficiency measures.	Queensland provides advice and support to the Department on bridging-the-gap water recovery projects and on the first 62 GL of efficiency measures projects, noting the Basin Plan provides for the recovery of up to 450 GL.	31/12/2020
E-water protection – Northern Basin	1. Queensland develops and documents environmental accounting methods for cross-border held environmental water in consultation with NSW and the CEWO.	1. Demonstrates progress toward meeting its commitment under Measure 2, Appendix A of the Intergovernmental Agreement on Implementing Water Reform in the Murray–Darling Basin including the development of an accounting method supported by protocols and procedures for Queensland-to-NSW cross-border held environmental water.	31/12/2020
	2. Queensland supports the Commonwealth in the assessment and development of toolkit projects.	2. Provides further information requested from the Commonwealth to enable assessment of toolkit feasibility proposals and negotiates a Commonwealth funding agreement to support development of full business cases for approved projects.	31/12/2020 aligned with MDBA reporting schedule
Compliance actions	Queensland demonstrates progress and commitment towards delivery of actions as agreed in the Compliance Compact	1. Queensland demonstrates commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA. 2. Queensland participates in the Compliance Compact review being undertaken by the MDBA.	
Long-term watering plans (LTWPs)	Queensland's LTWPs are reviewed for consistency with Basin Plan requirements, the Basin Wide Watering Strategy as well as other jurisdictions' LTWPs.	LTWPs revised as they fall due or demonstrated progress toward development of revised LTWPs, including sharing with the MDBA the outcomes of a review of existing LTWPs and the scope and timing for any necessary updates.	31/12/2020
Monitoring, Evaluation and Reporting	Queensland continues participation in key Basin monitoring working groups and Basin monitoring, evaluation and reporting requirements.	1. Queensland continues to participate in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group. 2. Queensland delivers Schedule 12 Matter 8 and Matter 12 reports.	31/12/2020



**Table A4 South Australia**

<b>Output</b>	<b>Performance milestones</b>	<b>Key Performance Indicators</b>	<b>Milestone due</b>
Progress on water recovery	SA assists Commonwealth efforts to progress water recovery towards the Basin-wide target of 62 GL of efficiency measures.	SA provides advice and support to the Department on the first 62 GL of efficiency measures projects, noting the Basin Plan provides for the recovery of up to 450 GL.	31/12/2020
Supply and constraints measures	SA progresses supply and constraints measures.	1. Demonstrated progress towards resolving outstanding issues between SA and the Commonwealth as part of discussions on the SDLAM National Partnership for stage 2 implementation of supply and constraints measures. 2. Support resolution of issues at BOC for consideration at MinCo.	31/12/2020
E-water – Southern Basin	SA progresses E-water accounting and data sharing arrangements.	SA supports the development of the MDBA workplan for improving protection of environmental water in the southern Basin, including by participating in the process outlined to the Environmental Water Improvement Group by the MDBA.	15/02/21
Compliance actions	SA demonstrates progress and commitment towards delivery of actions as agreed in the Compliance Compact.	1. SA demonstrates commitment towards delivery of actions as agreed in the Compliance Compact, in particular the SA schedule, through participation in 2020 reporting to the MDBA. 2. SA participates in the Compliance Compact review being undertaken by the MDBA	31/12/2020 aligned with MDBA reporting schedule
Long-term watering plans (LTWPs)	SA's LTWPs are reviewed for consistency with Basin Plan requirements, the Basin Wide Watering Strategy as well as other jurisdictions' LTWPs.	LTWPs revised as they fall due or demonstrated progress toward development of revised LTWPs, including sharing with the MDBA the outcomes of a review of existing LTWPs and the scope and timing for any necessary updates.	31/12/2020
Monitoring, Evaluation and Reporting	SA continues participation in key Basin monitoring working groups and Basin Plan monitoring, evaluation and reporting requirements.	1. SA continues to participate in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group. 2. SA delivers Schedule 12 Matter 8 and Matter 12 reports.	31/12/2020

**Table A5 Victoria**

<b>Output</b>	<b>Performance milestones</b>	<b>Key Performance Indicators</b>	<b>Milestone due</b>
Progress on water recovery	Victoria assists Commonwealth efforts to progress water recovery towards the Basin-wide target of 62 GL of efficiency measures.	Victoria provides advice and support to the Department on the first 62 GL of efficiency measures projects, noting the Basin Plan provides for the recovery of up to 450 GL.	31/12/2020
Supply and constraints measures	Victoria progresses supply and constraints measures.	1. Demonstrated progress towards resolving outstanding issues between Victoria and the Commonwealth as part of discussions on the SDLAM National Partnership for stage 2 implementation of supply and constraints measures. 2. Support resolution of issues at BOC for consideration at MinCo.	31/12/2020
E-water – Southern Basin	Victoria progresses E-water accounting and data sharing arrangements.	1. Victoria finalises documentation on operating arrangements for E-water delivery for the Goulburn. 2. Victoria supports the development of the MDBA workplan for improving protection of environmental water in the southern Basin, including by participating in the process outlined to the Environmental Water Improvement Group by the MDBA.	15/02/21
Compliance actions	Victoria demonstrates progress and commitment towards delivery of actions as agreed in the Compliance Compact.	1. Victoria demonstrates commitment towards delivery of actions as agreed in the Compliance Compact through participation in 2020 reporting to the MDBA 2. Victoria participates in the Compliance Compact review being undertaken by the MDBA.	31/12/2020 aligned with MDBA reporting schedule
Long-term watering plans (LTWPs)	Victoria's LTWPs are reviewed for consistency with Basin Plan requirements, the Basin Wide Strategy as well as other jurisdictions' LTWPs.	LTWPs revised as they fall due or demonstrated progress toward development of revised LTWPs, including sharing with the MDBA the outcomes of a review of existing LTWPs and the scope and timing for any necessary updates.	31/12/2020
Monitoring, Evaluation and Reporting	Victoria continues participation in key Basin monitoring working groups and Basin Plan monitoring, evaluation and reporting requirements.	1. Victoria continues to participate in the Joint Venture Monitoring and Evaluation Steering Committee and the Monitoring and Evaluation Working Group. 2. Victoria delivers Schedule 12 Matter 8 and Matter 12 reports.	31/12/2020

# List of acroymns

Term	Definition
ACT	Australian Capital Territory
BOC	Basin Officials Committee
CEWO	Commonwealth Environmental Water Office
DELWP	Department of Environment, Land, Water and Planning (Victoria)
DEW	Department for Environment and Water (South Australia)
DPIE	Department of Planning, Industry and Environment (NSW)
EWIG	Environmental Water Improvement Group
GL	gigalitres
GMW	Goulburn–Murray Water
IGA	<i>Intergovernmental Agreement on Implementing Water Reform in the Murray–Darling Basin</i>
IRG	Intergovernmental Reference Group
JVMESC	Joint Venture Monitoring and Evaluation Steering Committee
KPI	key performance indicator
LTWP	long-term environmental watering plan
MDBA	Murray–Darling Basin Authority
MEWG	Monitoring and Evaluation Working Group
MinCo	Murray–Darling Basin Ministerial Council
NPA	<i>National Partnership Agreement on Implementing Water Reform in the Murray–Darling Basin</i>
NSW	New South Wales
PPM	prerequisite policy measure
SDL	sustainable diversion limit
SDLAM	Sustainable Diversion Limit Adjustment Mechanism
WEP	Water Efficiency Program