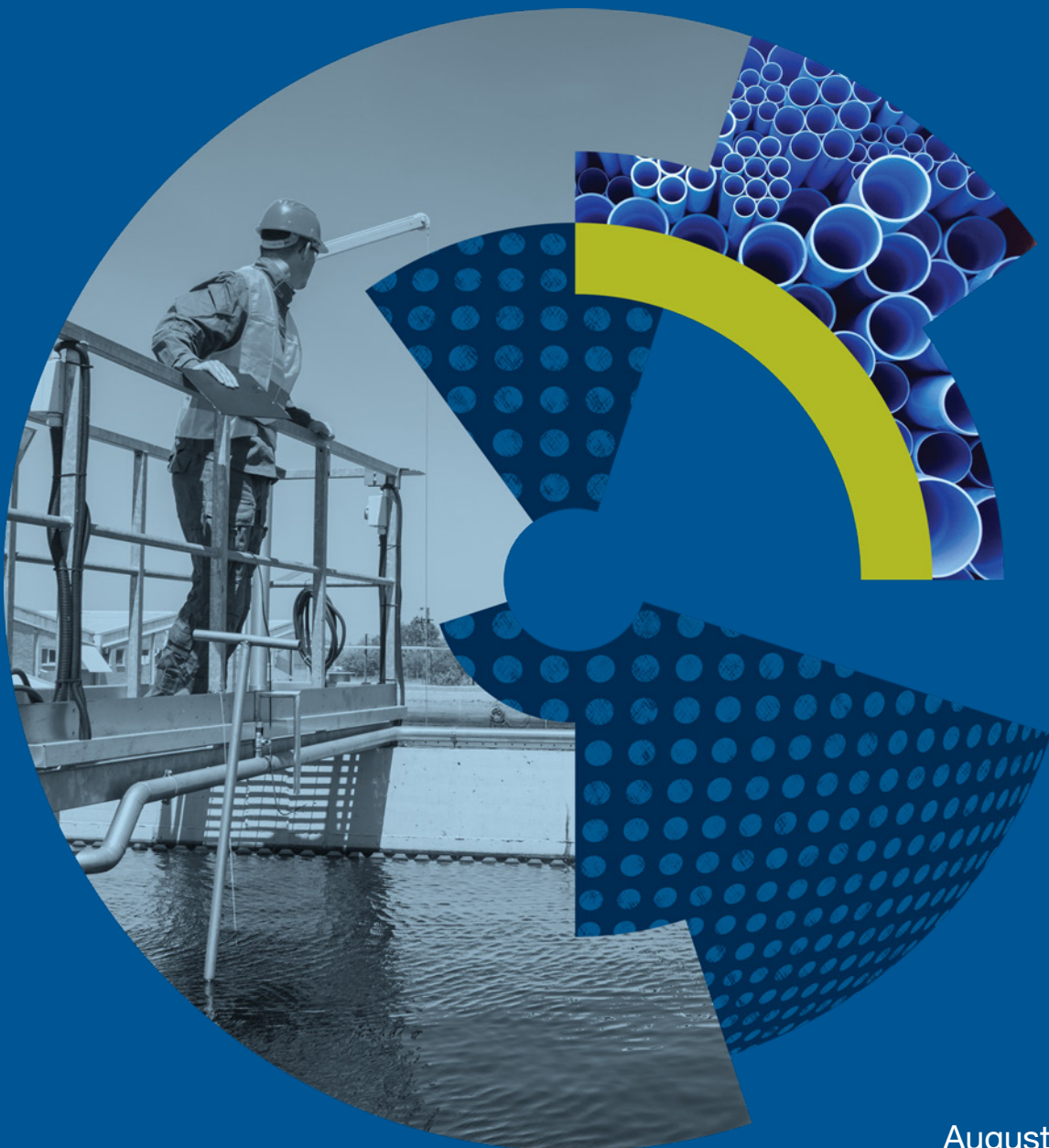


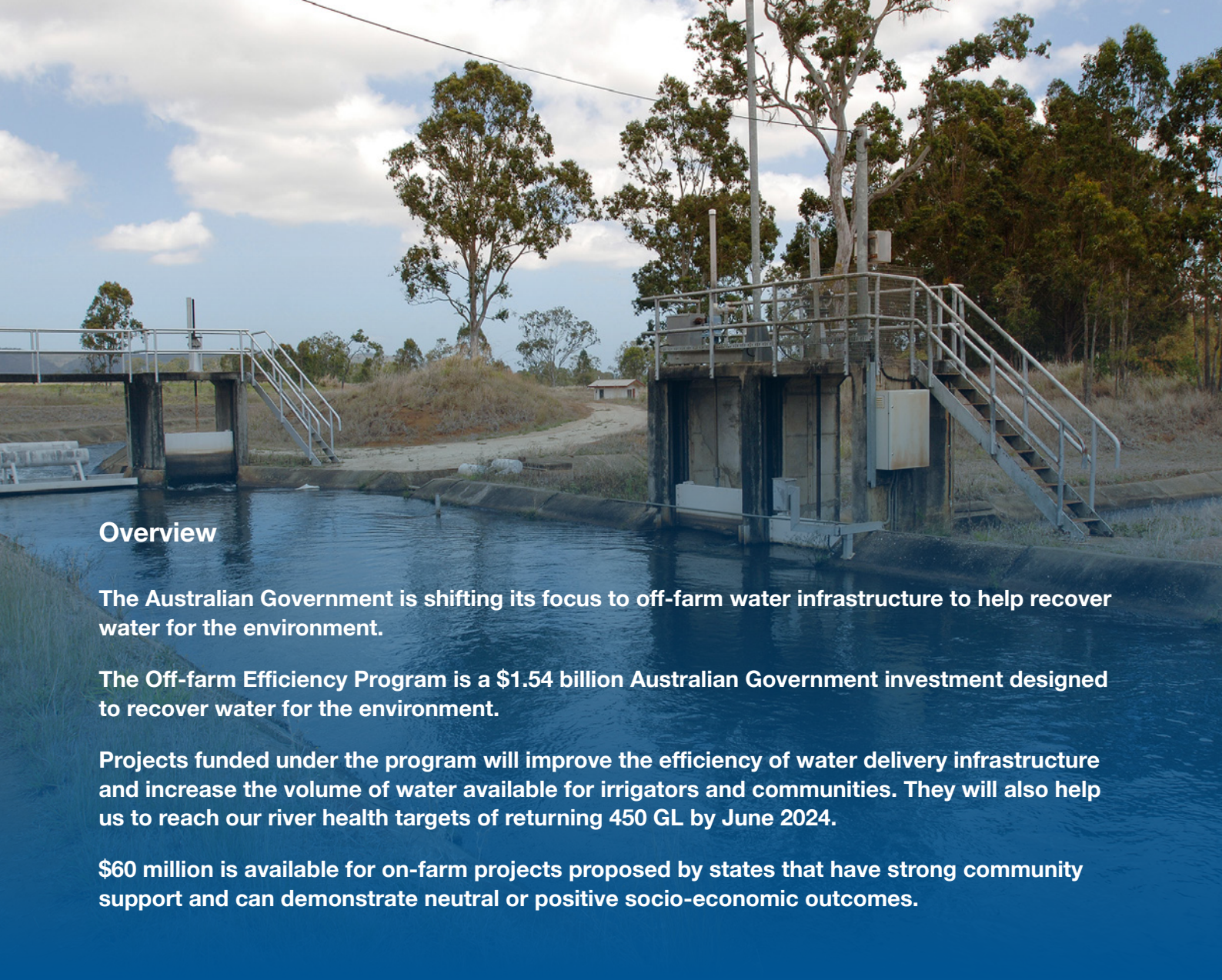


Australian Government
Department of Agriculture,
Water and the Environment

The Off-farm Efficiency Program



August 2021



Overview

The Australian Government is shifting its focus to off-farm water infrastructure to help recover water for the environment.

The Off-farm Efficiency Program is a \$1.54 billion Australian Government investment designed to recover water for the environment.

Projects funded under the program will improve the efficiency of water delivery infrastructure and increase the volume of water available for irrigators and communities. They will also help us to reach our river health targets of returning 450 GL by June 2024.

\$60 million is available for on-farm projects proposed by states that have strong community support and can demonstrate neutral or positive socio-economic outcomes.

Purpose

This document provides an overview of the Off-farm Efficiency Program, including its objectives, who and what kinds of projects are eligible for funding, and where to find further information on the program.

Program Outcomes

The Off-farm Efficiency Program invests in water delivery infrastructure to reduce water losses in the Murray–Darling Basin providing benefits to water users and the community by sharing the water saved between consumptive users and the environment.

Investing in water delivery infrastructure will help Basin communities adapt to emerging pressures and future challenges, changes in demand for agricultural products and the transformation of industries in the global economy.

Projects funded under the program will provide long-term benefits to irrigators by improving infrastructure and benefit communities by increasing water availability and creating jobs.

The Off-farm Efficiency Program delivers on the Australian Government’s commitment to put communities and jobs at the heart of the Murray–Darling Basin Plan by making \$1.54 billion available for projects to modernise water delivery networks under the Murray–Darling Communities Investment Package.

Program Objectives

The objectives of the program are to:

- better prepare water delivery networks, irrigators and communities for the future;
- provide economic stimulus to support regional communities;
- achieve neutral to positive socio-economic outcomes which are supported by the community;
- reduce water losses to increase the volume of water available for the environment, irrigation networks, irrigators and communities; and
- enhance environmental outcomes in the Murray–Darling Basin by increasing the volume of Murray–Darling Basin water resources available for environmental use by up to 450 GL.

What funding is available under the Off-farm Efficiency Program?

Funding under the Off-farm Efficiency Program is available through three streams:

- a. State Led Off-farm**, with \$1.33 billion available for Murray–Darling Basin state delivery of eligible off-farm proposals.
- b. Off-farm Efficiency Grants Program**, with \$150 million available for the Australian Government’s Business Grants Hub to deliver project proponents’ eligible off-farm proposals.
- c. State Led On-farm**, with \$60 million available for Murray–Darling Basin state delivery of eligible on-farm proposals.

Funding comes from the Water for the Environment Special Account established under the *Water Act 2007*.





Who is eligible for funding?

To apply for funding under the program, an applicant must be:

- a Murray–Darling Basin state for the State Led Off-farm and the State Led On-farm streams
- the owner of a water delivery network or similar organisation in the case of the Off-farm Efficiency Grants Program stream delivered through the Australian Government's Business Grants Hub.

For further information on the Off-farm Efficiency Program, please contact waterefficiency@awe.gov.au.

Project Eligibility

Eligible projects will:

- reduce the volume of water lost in the process of delivering water to irrigation networks, irrigators, urban areas, industrial water users or stock and domestic users,
- generate water savings which can be shared between users and the environment. The water for the environment will be transferred to the Commonwealth Environmental Water Holder,

- provide demonstrable public benefits, and
- have neutral or positive socio-economic impacts when assessed against the Murray-Darling Basin Ministerial Council's socio-economic criteria. The socio-economic criteria can be found at <https://www.awe.gov.au/sites/default/files/documents/efficiency-measures-agreed-criteria.pdf>

How long will the program run for and how can funding applications be made?

The program will run until 30 June 2024. Applications for funding under the Basin State Led Off-farm and the State Led On-farm streams are open now and will be considered until 30 June 2023 subject to available funding. Applications for the state-led streams can be made to the Department of Agriculture, Water and the Environment by a representative of a Basin state government.

Applications for funding for the Business Grants Hub led Off-farm Efficiency Grants Program stream, which will open later in 2021, will be to the Australian Government's Business Grants Hub. Information will be made available on [GrantConnect](#).

How is funding made available?

The Minister for Resources and Water will determine applications under the program.

Funding arrangements will be put in place with successful applicants, by way of:

- a. schedules to the relevant Federal Financial Agreement, in the case of the State Led Off-farm stream and the State Led On-farm stream, or
- b. A Commonwealth Grants Agreement, in the case of the Off-farm Efficiency Grants Program stream.

Roles and Responsibilities

The Department of Agriculture, Water and the Environment administers the overall program and supports the Minister for Resources and Water as the decision maker.

Basin states (in the state-led streams) work with project partners to put forward concepts for feasibility studies or fully developed projects for funding. Basin states are also responsible for assessing the socio-economic impacts of projects and providing advice on whether a project has a neutral or positive socio-economic impact.

The Business Grants Hub administers the Off-farm Efficiency Grants Program stream.

Further Information

Further information on the Off-farm Efficiency Program can be found on the department's website at [Efficiency Program](#).

