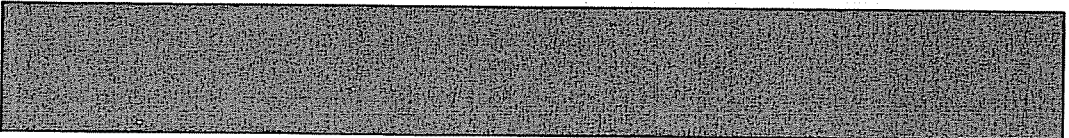
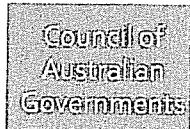


NATIONAL PARTNERSHIP AGREEMENT ON WATER FOR THE FUTURE



An agreement between

- the Commonwealth of Australia; and
- the States and Territories, being:-
 - ▼ the State of New South Wales,
 - ▼ the State of Victoria,
 - ▼ the State of Queensland,
 - ▼ the State of Western Australia,
 - ▼ the State of South Australia,
 - ▼ the State of Tasmania,
 - ▼ the Australian Capital Territory, and
 - ▼ the Northern Territory of Australia.

This National Partnership Agreement will contribute to increased efficiency of rural water use, protect and improve the environmental health of freshwater and freshwater dependent ecosystems, prepare communities for climate change, help secure water supplies for towns and cities and assist households and businesses to use water more efficiently.

This agreement does not cover projects outlined in the Inter Government Agreement on Murray Darling Basin Reform or the National Partnership Agreement on the Great Artesian Basin Sustainability Initiative.

National Partnership Agreement on Water for the Future

INTERGOVERNMENTAL AGREEMENT ON FEDERAL FINANCIAL RELATIONS

PRELIMINARIES

1. This Agreement is created subject to the provisions of the *Intergovernmental Agreement on Federal Financial Relations* and should be read in conjunction with that Agreement and subsidiary schedules. In particular, the schedules include direction in respect of performance reporting and payment arrangements.
2. This Agreement provides for funding from the Commonwealth's Water for the Future initiative for the States and Territories to undertake projects that meet the objectives of the initiative and to promote and facilitate the implementation of National Water Initiative commitments and continued progress and outcomes in agreed policy reform.
3. This Agreement does not include projects which are included in the Intergovernmental Agreement on Murray-Darling Basin Reform or those under the National Partnership Agreement on the Great Artesian Basin Sustainability Initiative.

PART 1 – FORMALITIES

Parties to this Agreement

4. The Parties to this Agreement are the Commonwealth of Australia and the States and Territories.
5. In entering this Agreement, the Parties recognise that they have a mutual interest in meeting the broad objectives of the Water for the Future initiative, implementation of the National Water Initiative and agreed policy reforms, and need to work together to achieve those outcomes.

Term of the Agreement

6. This Agreement will commence as soon as the Commonwealth and one other Party signs the Agreement and will, in respect to any State or Territory, expire when that Party has:
 - (a) completed all agreed Projects (excluding any Project terminated in accordance with this Agreement);

- (b) completed all applicable Reform Requirements; and
- (c) provided all of the Reports required under this Agreement.

Enforceability of the Agreement

- 7. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

Delegations

- 8. The Minister for Climate Change and Water is authorised to agree on behalf of the Commonwealth to Implementation Plans to be attached as schedules to this Agreement. The Minister may delegate the authority to agree to amendments to an Implementation Plan.
- 9. The Minister for Climate Change and Water or the Minister's delegate is authorised to certify that payments may be made to the States and Territories on the achievement of performance benchmarks specified in Implementation Plans.
- 10. The relevant State or Territory Minister for Water or the Minister's delegate is authorised to agree to Implementation Plans on behalf of their State or Territory. Each Minister may delegate the authority to agree to amendments to an Implementation Plan.

PART 2 – OBJECTIVES, OUTCOMES AND OUTPUTS

Objectives

- 11. In entering this Agreement, the Parties recognise that their mutual interest under the Water for the Future initiative to secure water supplies and to assist with climate change adaptation through:
 - (a) efficient water use and management of water resources;
 - (b) secure water supplies for towns and cities and helping households and businesses use water more efficiently; and
 - (c) adaptation to climate change and an environment of changed water availability.
- 12. The Parties have identified the need to work together to achieve these outcomes.

Outcomes

- 13. The Agreement will accelerate the implementation of the National Water Initiative and Water for the Future reforms:
 - (a) taking action on climate change:-
 - (i) reforms will have assisted industry and communities to adapt to lower water availability;
 - (b) using water wisely:-

- (i) there will be improved water efficiency in both urban and rural areas thereby assisting industries and communities to adapt to climate change;
- (c) securing supplies:-
 - (i) new water sources will have been developed for cities and towns so that there is less reliance on rainfall; and
- (d) healthy rivers and wetlands:-
 - (i) there will be improvements to the environment including by returning water to our rivers and wetlands.

Outputs

- 14. The objectives and outcomes of this Agreement will be achieved by:
 - (a) completion of Projects, as specified in the Implementation Plans; and
 - (b) implementation of the Reform Actions as specified in the Implementation Plans to this Agreement.
- 15. The Commonwealth has agreed in-principle to support the following projects:
 - (a) Adelaide desalination plant;
 - (b) Geelong Shell Water recycling;
 - (c) Black Rock recycled water (Victorian Surf Coast Growth Corridor)
 - (d) Efficient irrigation in Tasmania;
 - (e) Gascogyne irrigation pipeline;
 - (f) Wellington Dam desalination plant in Western Australia; and
 - (g) Western Australia Urban Waterways Renewal.
- 16. The Commonwealth may choose to provide a further financial contribution to support additional projects that meet the objectives of this agreement.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

- 17. To realise the objectives and commitments in this Agreement, each Party agrees to meet the specific roles and responsibilities as defined in the Implementation Plans under this Agreement.
- 18. Each State or Territory party agrees to ensure that prior agreement is reached with the Commonwealth on the nature and content of any events, announcements, promotional material or publicity relating to activities under an Implementation Plan, and the roles of both Parties will be acknowledged and recognised appropriately.

PART 4 – PERFORMANCE BENCHMARKS AND REPORTING

19. The Parties agree to meet the key Reporting Requirements and performance benchmarks, indicators and milestones for Projects specified in the Implementation Plans.

PART 5 – FINANCIAL ARRANGEMENTS

Funding

20. The Commonwealth will provide funding to a State or Territory as set out in the Implementation Plans.
21. The amount the Commonwealth will pay to a State or Territory will be clearly specified against performance benchmarks in the Implementation Plans.
22. The Commonwealth will make a financial contribution to the estimated cost of the projects specified in Implementation Plans attached as schedules to this Agreement. The Commonwealth's funding contribution will not be reduced where the States and Territories secure funding from other activity partners through innovative and collaborative partnerships.
23. Having regard to the estimated costs of projects specified in an Implementation Plan, a State or Territory will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project. Similarly, the States and Territories bear all risk should the costs of a project exceed the estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the States and Territories to deliver projects cost-effectively and efficiently.

Projects

24. The Commonwealth has agreed-in-principle to provide a financial contribution to the following projects:
 - (a) Adelaide desalination plant (\$328 million [Stage 1 \$100 million, Stage 2 \$228 million]);
 - (b) Geelong Shell Water recycling (\$20 million);
 - (c) Black Rock recycled water (Victorian Surf Coast Growth Corridor) (\$10 million);
 - (d) efficient irrigation in Tasmania (\$135.4 million);
 - (e) Gascogyne irrigation pipeline (\$6.6 million);
 - (f) Wellington Dam desalination plant in Western Australia (\$10 million); and
 - (g) Western Australian Urban Waterways Renewal (\$4 million).

PART 6 – GOVERNANCE ARRANGEMENTS

Dispute Resolution

25. Any Party may give notice to the other Party of a dispute under this Agreement.
26. The relevant delegates will attempt to resolve any dispute in the first instance.
27. If a dispute is unable to be resolved between the relevant delegates it may be escalated to relevant Ministers for consideration.
28. If a dispute is then not able to be resolved by the relevant Ministers, it may be referred by a Party to the Council of Australian Governments for consideration.
29. In the event of a dispute, each Party agrees to continue to perform its responsibilities under this Agreement other than the responsibility to make a payment of funds, where that payment is the subject of a dispute under this Agreement.

Review of this Agreement

30. The Agreement will be reviewed at least once every three years with regard to progress made by the Parties in respect of achieving the agreed outcomes.

Variation of the Agreement

31. This Agreement may be amended at any time by agreement in writing by the relevant Parties.

Termination of the Agreement

32. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.

The Parties have confirmed their commitment to this agreement as follows:

*Signed for and on behalf of the Commonwealth
of Australia by*



The Honourable Kevin Rudd MP
Prime Minister of the Commonwealth of Australia

.....2009

*Signed for and on behalf of the
State of New South Wales by*

The Honourable Nathan Rees MP
Premier of the State of New South Wales

.....2009

*Signed for and on behalf of the
State of Victoria by*

The Honourable John Brumby MP
Premier of the State of Victoria

.....2009

*Signed for and on behalf of the
State of Queensland by*

The Honourable Anna Bligh MP
Premier of the State of Queensland

.....2009

*Signed for and on behalf of the
State of Western Australia by*

The Honourable Colin Barnett MP
Premier of the State of Western Australia

.....2009

*Signed for and on behalf of the
State of South Australia by*

The Honourable Mike Rann MP
Premier of the State of South Australia

.....2009

*Signed for and on behalf of the
State of Tasmania by*

The Honourable David Bartlett MP
Premier of the State of Tasmania

.....2009

*Signed for and on behalf of the Australian
Capital Territory by*

Mr Jon Stanhope MLA
Chief Minister of the Australian Capital Territory

.....2009

*Signed for and on behalf of the Northern
Territory by*

The Hon Paul Henderson MLA
Chief Minister of the Northern Territory

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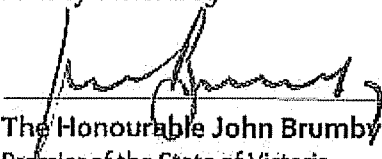
.....2009

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State of New South Wales by*

The Honourable Nathan Rees MP
Premier of the State of New South Wales

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State of Victoria by*


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Premier of the State of Victoria

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Premier of the State of Queensland

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Premier of the State of Western Australia

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Premier of the State of South Australia

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Premier of the State of Tasmania

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Chief Minister of the Australian Capital Territory

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Chief Minister of the Northern Territory

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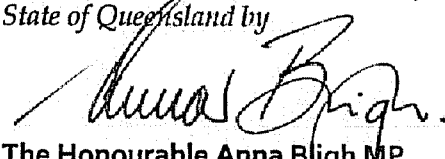
*Signed for and on behalf of the
State of Victoria by*

The Honourable John Brumby MP

Premier of the State of Victoria

.....2009

*Signed for and on behalf of the
State of Queensland by*


The Honourable Anna Bligh MP

Premier of the State of Queensland

17th September
.....2009

*Signed for and on behalf of the
State of Western Australia by*

The Honourable Colin Barnett MP

Premier of the State of Western Australia

.....2009

*Signed for and on behalf of the
State of South Australia by*

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Premier of the State of South Australia

.....2009

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The Honourable David Bartlett MP

Premier of the State of Tasmania

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Chief Minister of the Australian Capital Territory

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Premier of the State of Western Australia

.....21/12/09.....2009

*Signed for and on behalf of the
State of South Australia by*

The Honourable Mike Rann MP
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Premier of the State of Tasmania

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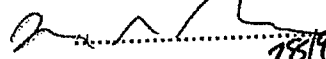
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State of Western Australia by*

The Honourable Colin Barnett MP
Premier of the State of Western Australia

.....2009

*Signed for and on behalf of the
State of South Australia by*

The Honourable Mike Rann MP
Premier of the State of South Australia

.....2009
28/9

*Signed for and on behalf of the Australian
Capital Territory by*

Mr Jon Stanhope MLA
Chief Minister of the Australian Capital Territory

.....2009

*Signed for and on behalf of the
State of Tasmania by*

The Honourable David Bartlett MP
Premier of the State of Tasmania

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The Honourable Kristina Keneally MP
Premier of the State of New South Wales

28 April 2009
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State of Victoria by**

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