

# Implementing Water Reform in the Murray–Darling Basin

## FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth Australian Capital Territory
Duration	This Schedule is expected to expire on 30 June 2028.
Purpose	<p>This Schedule will support the continued delivery of Murray–Darling Basin water reforms by Basin States through implementation of the <a href="#">Murray–Darling Basin Plan</a> and associated water reform.</p> <p>The Schedule is further to the work completed or underway by Basin States under the <i>National Partnership Agreement on Implementing Water Reform in the Murray–Darling Basin</i> which expired on 30 June 2020, and the <i>Implementing Water Reform in the Murray–Darling Basin (2021/22 – 2023/4)</i> schedule to the <i>Federation Funding Agreement – Environment</i> which was due to expire on 30 June 2024 (subject to completion of the initiative, including final performance reporting and processing of final payments against milestones).</p>

<p>Estimated financial contributions</p>	<p>The Commonwealth will provide an estimated total financial contribution to the Australian Capital Territory of up to \$2.605 million in respect of this Schedule.</p> <table border="1" data-bbox="432 331 1445 815"> <thead> <tr> <th>Table 1 - (\$ million)</th> <th>2024-25</th> <th>2025-26</th> <th>2026-27</th> <th>2027-28</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td><b>Estimated total budget</b></td> <td><b>0.780</b></td> <td><b>0.780</b></td> <td><b>0.655</b></td> <td><b>0.390</b></td> <td><b>2.605</b></td> </tr> <tr> <td>Less estimated Commonwealth Payments</td> <td>0.780</td> <td>0.780</td> <td>0.655</td> <td>0.390</td> <td>2.605</td> </tr> <tr> <td>- Australian Capital Territory</td> <td>0.780</td> <td>0.780</td> <td>0.655</td> <td>0.390</td> <td>2.605</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Table 1 - (\$ million)	2024-25	2025-26	2026-27	2027-28	Total	<b>Estimated total budget</b>	<b>0.780</b>	<b>0.780</b>	<b>0.655</b>	<b>0.390</b>	<b>2.605</b>	Less estimated Commonwealth Payments	0.780	0.780	0.655	0.390	2.605	- Australian Capital Territory	0.780	0.780	0.655	0.390	2.605	Balance of non-Commonwealth contributions	0	0	0	0	0
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<p>Additional terms</p>	<p><b>Milestones and Key Performance Indicators</b></p> <p>Basin States will respond to requests for advice or guidance on the development of policy, regulatory or standards instruments to support the Key Performance Indicators (KPIs) in Table 2E.</p> <p><b>Reporting &amp; Payment Process</b></p> <p>The reporting period is listed in the header of table below (Table 2E). Each Basin State will report to the Commonwealth on or before the reporting date listed in the header of the table below against all milestones and key performance indicators (KPIs) as listed in Table 2E.</p> <p>Using these reports and any supporting information (including that provided by the Murray–Darling Basin Authority (MDBA), the Commonwealth Environmental Water Holder, the Inspector-General of Water Compliance (IGWC) and the Bureau of Meteorology (the Bureau), the Commonwealth Department of Climate Change, Energy, the Environment and Water (the Department)) will assess each Basin State’s progress against its KPIs.</p> <p>The Commonwealth will take into account where one Basin State has completed all actions required to fulfill an outcome (or output), but another Basin State or Commonwealth entity has not fulfilled their actions required to complete the outcome or output.</p> <p>All milestones and KPIs are subject to acceptance and satisfaction by the Commonwealth that they have been ‘met.’ Basin States will receive payment upon fulfillment of the milestones and KPIs in Table 2E.</p>																														

The Department will advise the Commonwealth Minister with portfolio responsibility for water (the Minister) of its assessment. The Minister's delegate exercising delegation authority under clause 41 of the Federation Funding Agreement – Environment will authorise payment to be made to each Basin State based on the funding arrangements in Table 1, and performance milestones and KPIs in relevant Basin State tables.

Basin States will be advised by the Department as to the outcomes of the assessment as soon as possible.

After payment is authorised, and Basin States have been notified, the Department will prepare an annual assessment report for publication on its website. The Basin States will be provided with an opportunity to comment before the report is published.

**Roles and responsibilities of Commonwealth agencies**

As the administrator of the Schedule, the Department (including the Water Divisions, Commonwealth Environmental Water Holder, and other relevant areas) is responsible for monitoring, evaluation and final reporting on performance by the Basin States. This annual assessment report is made public for increased transparency and accountability.

Basin States will work closely with the Department, the MDBA, the IGWC and the Bureau to deliver several Key Performance Indicators (KPIs). The Department, MDBA, the IGWC and the Bureau will act as assessors of performance under the Schedule during reporting periods for the relevant KPIs.

**Table 2E: Australian Capital Territory – Performance requirements, reporting and payment summary**
**Year 1: 2024-2025**
**Milestone report due: 28 February 2025**
**Reporting period – 01 July 2024 to 28 February 2025**

Output	Performance milestones	Key Performance Indicators	Payment
Water Recovery	1. Work with the Commonwealth to deliver the 450 GL/year target for enhanced environmental outcomes via the Restoring our Rivers framework.	<p>1.a Provide written advice as requested by the Commonwealth on approaches* to deliver water recovery programs towards reaching the 450 GL/year target of additional environmental water under the Restoring our Rivers Framework.</p> <p>*This includes:</p> <ul style="list-style-type: none"> <li>• Providing advice on the establishment of the Resilient Rivers Water Infrastructure Program with the Commonwealth, and delivering on infrastructure projects, rules changes, or other mechanisms to recover water for enhanced environmental outcomes (particularly those associated with Schedule 5 of the Basin Plan).</li> <li>• Providing advice during the establishment and the implementation of the Commonwealth's Voluntary Water Purchase Program towards recovery of 450 GL target on specific matters requested by the Commonwealth.</li> </ul>	\$ 0
Coordinated environmental water use	2. Deliver environmental water accounting data and information.	<p>2. a Environmental water accounting data and information (i.e., water use and return flows) are provided to the Commonwealth Environmental Water Holder (and other environmental water holders) consistent with the agreed ACT Protocol for Annual Assurance Reporting on Water delivery.</p> <p>Note: Where there are any changes in the conditions or rules associated with the ACT water holdings that may affect the Commonwealth, or where additional water is recovered that is able to be callable, controlled or managed by the Commonwealth, then the reporting period will need to be revised.</p>	\$15,000
		<p>2.b Establish an ACT water accounting framework consistent with the Australian Water Accounting Standard.</p>	\$30,000

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Coordinated environmental water use (cont'd)	3. Improve environmental watering plans and strategies, including by updating Long-Term Watering Plans (LTWPs) within agreed timeframes.	3.a. Develop annual environmental watering priorities or plans, in consultation with relevant stakeholders and First Nations, that operationalise the long-term watering plan.	\$ 30,000
		3.b Provide input to the next edition of the Basin-wide Environmental Watering Strategy, including input on climate adaptation approaches and techniques.	\$30,000
		3.c Review and update the long-term watering plan (or alternatively agreed tool) in line with the next edition of the Basin-wide environmental water strategy within agreed timeframes.	\$ 30,000
	4. Establishing a new hydrological indicator site.	4.a Work with the MDBA to establish a new hydrological indicator site within the upper Murrumbidgee River.  This will see a hydrological indicator site in the ACT developed to a similar standard for eco-hydrological analysis as other sites throughout the Basin, in the view of the MDBA. This would involve, as a component of the ACT Water Resource Plan Area Long Term Watering Plan (LTWP), identification of ecologically significant flow regime components (known as environmental water requirements or EWRs) and appropriate representation in the Basin-wide EWR assessment tool.	\$ 45,000
	5. Improve the implementation of environmental water throughout the upper Murrumbidgee River.	5.a Conduct analysis to support the review of the Snowy Water Inquiry Outcome Implementation Deed and Snowy Licence.	\$ 44,000
Water Quality	6. Support the review of Basin Plan water quality targets and objectives.	6.a Contribute to the review of Basin Plan water quality and salinity targets and objectives, as led by the Water Quality Advisory Panel, through written advice.	\$ 19,000
Implementation of the Basin Plan	7. Contribute to delivery of the MDBA-led SDL Accounting Framework Improvement Strategy 2020-2025 work plan or future work plans.	7.a Contribute to developing a work plan to implement current and future iterations of the Sustainable Diversion Limit (SDL) Accounting Framework Improvement Strategy led by the MDBA and agreed by BOC Alternates.	\$ 15,000

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Implementation of the Basin Plan (cont'd)		7.b Support * the MDBA to implement the SDL Accounting Framework Improvement Strategy work plan, including the integration of the urban run-off accounting.  *provide technical support and modelling advice to the MDBA and independent reviewers on request, and participate in intergovernmental committees including the Run-off Dams working group (RDWG), Surface water advisory panel (SAP) and groundwater advisory panel (GAP).	\$ 34,000
	8. Deliver required Basin Plan monitoring, evaluation, science and reporting.	8.a Deliver Basin Plan monitoring and reporting under Schedule 12.	\$ 34,000
		8. b Review the draft Findings and Recommendations of the 2025 Basin Plan Evaluation.	\$ 30,000
		8.c Support the MDBA to deliver on agreed strategic activities under the Basin Monitoring Evaluation and Reporting Working Group annual work plan subject to endorsement by Basin Officials Committee-Alternates (BOCA).	\$ 19,000
	9. States support the MDBA in delivery of its Sustainable Yields Project up until 31 December 2025 by attending interjurisdictional meetings and undertaking technical review.	9.a Work with MDBA on: <ul style="list-style-type: none"> <li>• Provision of advice and guidance to support project planning and outcomes review.</li> <li>• Supporting development of reference and hydroclimate scenarios for the purposes of the Basin Plan Review.</li> </ul>	\$ 44,000
Statutory Review Processes	10. Contribute to statutory review processes.	10. a: Basin states are to: <ul style="list-style-type: none"> <li>• Attend a minimum of 90% of meetings as organized by the MDBA (as required) on the Basin Plan review.</li> <li>• provide information to the MDBA as requested by the MDBA towards the Basin Plan review.</li> </ul>	\$ 34,000
Water Market Improvement	11. Contribute to the implementation of water markets reforms as specified in the <i>Market Reform: Final Roadmap Report (2022)</i> .	11. a ACT are to: <ul style="list-style-type: none"> <li>• Draft a communication and engagement plan to ensure that up-to-date information regarding relevant Commonwealth statutory instruments giving effect to water market reforms is communicated to stakeholders within the ACT. The communication and engagement plan is to be agreed by the Commonwealth, and must provide a clear implementation timeline.</li> </ul>	\$30,000

<p>Water Market Improvement (cont'd)</p>		<ul style="list-style-type: none"> <li>• Engage with the Commonwealth throughout the development of statutory instruments prescribed under the <i>Restoring Our Rivers Act 2024</i> (Cth) (the Act) including:             <ul style="list-style-type: none"> <li>○ The Water Markets Intermediaries Code and associated regulations under Part 5 of the Act</li> <li>○ Water markets decisions under Part 5A of the Act</li> <li>○ Water market information under Part 7A of the Act.</li> </ul> </li> <li>• Review and provide comment into policy papers and Exposure Drafts for Commonwealth consideration, including, but not limited to:             <ul style="list-style-type: none"> <li>○ Policy papers: Water Markets Decisions, Water Markets Information and Water Markets Intermediaries Code and associated regulations, including educational materials</li> <li>○ Exposure draft: Water Markets Intermediaries Code and associated regulations.</li> </ul> </li> </ul> <p>(These requirements contribute to recommendations 1-5 and 9 of the <i>Water Market Reform: Final Roadmap Report</i>).</p>	
		<p>11.b Provide an implementation plan or other documentation clearly setting out steps and timelines required to transfer data (including the form, timeframe and frequency of data provision) to the Bureau to implement the Water Markets Data Standards and other regulatory instruments under Part 5A and Part 7A of the <i>Restoring Our Rivers Act 2023</i> (Cth) Act.</p> <p>Provide evidence that the ACT has worked with the Bureau of Meteorology (the Bureau) to determine the "fit-for-purpose" Basin state system enhancements and/or modifications that will be required to transfer data to the Bureau of Meteorology.</p> <p>(These requirements contribute to recommendation 10 of the <i>Water Market Reform: Final Roadmap Report</i>)</p>	<p>\$30,000</p>

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<p>Water Market Improvement (cont'd)</p>		<p>11.c During development of the Bureau of Meteorology's (the Bureau) new water markets website, and the Murray–Darling Basin Water Information Portal, provide written input and advice as requested by the Bureau on the ACT's definitions, business rules and methodology that underpin the calculation and reporting of trade approval times.</p> <p>(These requirements contribute to recommendation 12 of the <i>Water Market Reform: Final Roadmap Report</i>).</p>	<p>\$30,000</p>
		<p>11.d Subject to the BOC nominating a committee to progress outcomes under recommendation 18 of the Water Market Reform: Final Roadmap Report, Basin states must:</p> <ul style="list-style-type: none"> <li>• Provide relevant jurisdictional information to contribute to the preparation of a public report which will be coordinated by the relevant BOC committee in consultation with the Trade Working Group. The report will detail how to increase transparency around how environmental water trade, transfer and delivery is managed (to help with public perceptions and confidence in the water management system).</li> <li>• Assist and provide input into the preparation of a paper which details next steps to improve environmental water data transparency and timeliness, including environmental water trade, transfer and delivery, as well as other water flows in the system (data improvements), for BOC agreement.</li> </ul> <p>(These requirements contribute to recommendation Recommendation 18 of the <i>Water Reform: Final Roadmap Report</i>)</p>	<p>\$30,000</p>
<p>Improved compliance and reporting</p>	<p>12. Implement revised Metrological Assurance Framework (MAF2).</p>	<p>12.a ACT is to develop and maintain its non-urban water metering policy to conform with the relevant MAF2 rules and guidelines.</p> <p>Note: Where a jurisdiction's non-urban metering policy does not conform to MAF 2 (or subsequent agreed Framework), then the jurisdiction will develop an implementation plan, and implement that plan.</p>	<p>\$ 30,000</p>



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Improved compliance and reporting (cont'd)	13. Work with the Inspector General of Water Compliance (IGWC) in an effective and efficient manner to provide compliance and performance data and reports to support improved monitoring in the Murray–Darling Basin.	13.a The submission of compliance performance data in accordance with requests made by the IGWC under the Compliance Reporting Framework and in accordance with applicable reports, frameworks and guidance documents.	\$ 30,000
		13.b The submission of measurement data and narrative in accordance with requests made by the IGWC, including metering data, in accordance with applicable reports, frameworks and guidance documents.	\$ 19,000
		13.c Report to the IGWC against MAF2 Chapter 15 at least annually or in accordance with IGWC guidelines.	\$ 15,000
		13 d Provide input to the IGWC on the development of new IGWC-issued guidelines and standards	\$ 30,000
	14. Water Resource Plan (WRP) Compliance.	14.a Participation in the development of fit-for-purpose annual WRP compliance reporting requirements and associated reporting guidelines, specifications and reporting framework in accordance with requests made by the IGWC (either directly or via the MDBA).	\$ 19,000
Enhanced and coordinated consultation and engagement with all Basin communities	15. States to undertake consultation and strategic engagement in collaboration with the Commonwealth and other Basin governments.	15.a Develop a communications and engagement plan to support strategic consultation, coordination and engagement with Basin communities.	\$ 19,000
First Nations Water	16. Improve outcomes for First Nations Australians in relation to holding water.	16.a Provide advice to the Commonwealth on implementation of the Aboriginal Water Entitlements Program and First Nations (strategic land and water acquisitions partnership) programs, as relevant to the ACT.	\$ 0
		16.b Assist the Commonwealth to identify opportunities for First Nations Australians (including non-Native Title Holders) towards holding water entitlements in the Murray-Darling Basin	\$ 0
	17. Undertake engagement, consultation, and partnerships with First Nations Australians within the Basin.	17.a Develop a communications and engagement plan to support strategic consultation, coordination and engagement with Basin First Nations communities in the ACT, in partnership with the Commonwealth.	\$ 45,000
<i>Total payment for the Australian Capital Territory for Year 1 if all KPIs are met</i>			\$780,000

**Table 2E: Australian Capital Territory – Performance requirements, reporting and payment summary**
**Year 2: 2025-2026**
**Milestone report due: 28 February 2026**
**Reporting period: 01 March 2025 – 28 February 2026**

Output	Performance milestones	Key Performance Indicators	Payment
Water Recovery	1. Work with the Commonwealth to deliver the 450 GL/ year target for enhanced environmental outcomes via the Restoring our Rivers framework.	1.a Provide advice when requested to the Commonwealth on approaches* to deliver water recovery programs towards reaching the 450 GL/year target of additional environmental water under the Restoring our Rivers Framework.  *This includes: <ul style="list-style-type: none"> <li>• Providing advice on the establishment of the Resilient Rivers Water Infrastructure Program with the Commonwealth, and delivering on infrastructure projects, rules changes, or other mechanisms to recover water for enhanced environmental outcomes (particularly those associated with Schedule 5 of the Basin Plan).</li> <li>• Providing advice during the establishment and the implementation of the Commonwealth’s Voluntary Water Purchase Program towards recovery of 450 GL target on specific matters requested by the Commonwealth.</li> </ul>	\$ 0
Coordinated environmental water use	2. Deliver environmental water accounting data and information.	2. a Environmental water accounting data and information (i.e., water use and return flows) is provided to the Commonwealth Environmental Water Holder (and other environmental water holders) consistent with the agreed ACT Protocol for Annual Assurance Reporting on Water delivery.  Note: Where there are any changes in the conditions or rules associated with the ACT water holdings that may affect the Commonwealth, or where additional water is recovered that is able to be callable, controlled or managed by the Commonwealth, then the reporting period will need to be revised.	\$ 15,000

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Coordinated environmental water use (cont'd)	3. Improve environmental watering plans and strategies, including by updating Long-Term Watering Plans (LTWPs) within agreed timeframes.	3. a Develop annual environmental watering priorities or plans, in consultation with relevant stakeholders and First Nations, that operationalise the long-term watering plan.	\$ 40,000
		3. b Review and update the long-term watering plan (or alternatively agreed tool) in line with the next edition of the Basin-wide environmental water strategy within agreed timeframes.	\$ 30,000
	4. Improve the implementation of environmental water throughout the upper Murrumbidgee River.	4.a Conduct analysis to support the review of the Snowy Water Inquiry Outcome Implementation Deed and Snowy Licence.	\$ 59,000
Water quality	5. Support the review of Basin Plan water quality targets and objectives.	5.a Basin States are to contribute to the review of Basin Plan water quality and salinity targets and objectives via the Water Quality Advisory Panel, through written advice.	\$ 19,000
Implementation of the Basin Plan	6. Contribute to delivery of the MDBA-led SDL Accounting Framework Improvement Strategy work plan or any future work plan.	6.a Contribute to developing a work plan to implement current and future iterations of the SDL Accounting Framework Improvement Strategy led by the MDBA and agreed by BOC Alternates (BOCA).	\$ 30,000
		6.b Support * the MDBA to implement the SDL Accounting Framework Improvement Strategy work plan, including the integration of the urban run-off accounting.  *provide technical support and modelling advice to the MDBA and independent reviewers on request, and participate in intergovernmental committees including the Run-off Dams working group (RDWG), Surface water advisory panel (SAP) and groundwater advisory panel (GAP).	\$ 34,000
	7. Deliver required Basin Plan monitoring, evaluation, science and reporting.	7.a Deliver Basin Plan reporting under Schedule 12.	\$ 34,000
		7.b Review the draft Findings and Recommendations of the 2025 Basin Plan Evaluation.	\$ 30,000
		7.c Support the MDBA to deliver on agreed strategic activities under the Basin Monitoring Evaluation and Reporting Working Group annual work plan subject to endorsement by BOCA.	\$ 19,000

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Implementation of the Basin Plan (cont'd)	8. States support the MDBA in delivery of its Sustainable Yields Project up until 31 December 2025 by attending interjurisdictional meetings and undertaking technical review.	8.a Basin States to work with MDBA on: <ul style="list-style-type: none"> <li>• Provision of advice and guidance to support project planning and outcomes review.</li> <li>• Supporting development of reference and hydroclimate scenarios for the purposes of the Basin Plan Review</li> </ul>	\$ 44,000
Statutory Review Processes	9. Contribute to statutory review processes.	9.a Basin States to: <ul style="list-style-type: none"> <li>• Attend a minimum of 90% of meetings organized by the MDBA on the Basin Plan Review (as required).</li> <li>• provide information as requested by the MDBA towards the Basin Plan Review.</li> </ul>	\$ 30,000
		9. b Basin States to produce the input required for the review of the role Inspector-General of Water Compliance commencing on 01 July 2025 as referenced in s215Z of the <i>Water Act 2007</i> (Cth).	\$ 30,000
Water market improvement	10. Contribute to the implementation of the water market reform recommendations specified in the <i>Water Market Reform: Final Roadmap Report (2022)</i> .	10.a ACT are to: <ul style="list-style-type: none"> <li>• Implement the agreed communication and engagement plan, in accordance with the implementation timeline.</li> <li>• Engage with the Commonwealth, throughout the development of statutory instruments prescribed under the <i>Restoring Our Rivers Act 2023</i> (Cth) (the Act) including: <ul style="list-style-type: none"> <li>○ the Water Markets Intermediaries Code and associated regulations under Part 5 of the Act</li> <li>○ water markets decisions under Part 5A of the Act</li> <li>○ water market information under Part 7A of the Act.</li> </ul> </li> <li>• Review and provide comment into policy papers and Exposure Drafts for Commonwealth consideration, including, but not limited to: <ul style="list-style-type: none"> <li>○ Exposure Drafts: Water Markets Decisions and Water Markets Information</li> <li>○ Educational materials: Water Markets Intermediaries Code, Water Markets Decisions, Water Markets Information insider trading and market manipulation prohibitions.</li> </ul> </li> </ul>	\$ 30,000

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<p>Water Market Improvement (cont'd)</p>		<p>(These requirements contribute to recommendations 1-5 and 9 of the <i>Water Market Reform: Final Roadmap Report</i>).</p>	
		<p>10.b ACT to work with the Bureau of Meteorology by:</p> <ul style="list-style-type: none"> <li>• providing input and advice as requested and required for the development of the Bureau of Meteorology's new water markets website and the Murray–Darling Basin Water Information Portal (the portal).</li> <li>• undertaking required user testing of the Bureau of Meteorology's new website and/or materials published through the portal.</li> </ul> <p>(These requirements contribute to Recommendation 6 of the <i>Water Market Reform: Final Roadmap Report</i>)</p>	<p>\$ 30,000</p>
		<p>10.c During development of the Bureau of Meteorology's (the Bureau) new water markets website, and the Murray–Darling Basin Water Information Portal, Basin States to review the consolidated materials prepared by the Bureau and provide written feedback within Bureau-specified timeframes, prior to publication to ensure information is accurately reported.</p> <p>(These requirements contribute to Recommendation 12 of the <i>Water Market Reform: Final Roadmap Report</i>)</p>	<p>\$ 30,000</p>
		<p>10. d Subject to the Basin Official Committee's (BOC) agreement to the paper, implement the measures outlined in the paper to improve environmental water data transparency and timeliness, including environmental trade, transfer and delivery, as agreed by BOC.</p> <p>(These requirements contribute to Recommendation 18 of the <i>Water Market Reform: Final Roadmap Report</i>).</p>	<p>\$ 30,000</p>

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Water Market Improvement (cont'd)	11. Establish two-way entitlement and trade between ACT and NSW, and to ensure protection of future environmental water downstream from the ACT.	11.a ACT to: <ul style="list-style-type: none"> <li>implement in full the processes agreed with NSW to enable the transfer/trade of ACT-sourced environmental water into NSW from 1 July 2025.</li> <li>demonstrate that work towards enabling retail two-way allocation/entitlement trade between the NSW and the ACT is on track for full trade from 1 July 2027, with reference to the final ACT-NSW water trade framework agreed in 2024/25.</li> </ul>	\$ 44,000
Improved compliance and reporting	12. Implement revised Metrological Assurance Framework (MAF2).	12.a ACT is to develop and maintain its non-urban water metering policy to conform with the relevant MAF2 rules and guidelines. Note: Where a jurisdiction's non-urban metering policy does not conform to MAF 2 (or subsequent agreed Framework), then the jurisdiction will develop an implementation plan, and implement that plan.	\$ 30,000
	13. Work with the Inspector General of Water Compliance (IGWC) in an effective and efficient manner to provide compliance and performance data and reports to support improved monitoring in the Murray–Darling Basin.	13.a The submission of compliance performance data in accordance with requests made by the IGWC under the Compliance Reporting Framework and in accordance with applicable reports, frameworks and guidance documents.	\$ 19,000
		13.b The submission of measurement data and narrative in accordance with requests made by the IGWC, including metering data in accordance with applicable reports, frameworks and guidance documents.	\$ 30,000
		13.c Report to the IGWC against MAF2 Chapter 15 at least annually or in accordance with IGWC guidelines.	\$ 15,000
		13. d Provide input to the IGWC on the development of new IGWC-issued guidelines and standards.	\$ 30,000
14. Water Resource Plan (WRP) Compliance.	14.a Participate in the development of fit-for-purpose annual WRP compliance reporting requirements and associated reporting guidelines, specifications and reporting framework in accordance with requests made by the IGWC (either directly or via the MDBA).	\$ 15,000	
Enhanced and coordinated consultation and engagement with all Basin communities	15.States to undertake consultation and strategic engagement in collaboration with the Commonwealth and other Basin governments.	15.aDevelop a communications and engagement plan to support strategic consultation, coordination and engagement with Basin communities.	\$ 15,000

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First Nations	16. Improve outcomes for First Nations Australians in relation to holding water.	16.a Provide advice to the Commonwealth on implementation of the Aboriginal Water Entitlements Program and First Nations (strategic land and water acquisitions partnership) programs, as relevant to the ACT.	\$ 0
		16.b Assist the Commonwealth to identify opportunities for First Nations Australians (including non-Native Title Holders) towards holding water entitlements in the Murray-Darling Basin.	\$ 0
	17.Undertake engagement, consultation, and partnerships with First Nations Australians within the Basin.	17.a Implement actions as per agreed in the Communications and Engagement Strategy.	\$ 48,000
<i>Total payment for the Australian Capital Territory for Year 2 if all KPIs are met</i>			\$ 780,000

**Table 2E: Australian Capital Territory – Performance requirements, reporting and payment summary**
**Year 3: 2026-2027**
**Milestone report due: 28 February 2027**
**Reporting period: 01 March 2026 – 28 February 2027**

Output	Performance milestones	Key Performance Indicators	Payment
Water Recovery	1. Work with the Commonwealth to deliver the 450 GL/ year target for enhanced environmental outcomes via the Restoring our Rivers framework.	1.a Provide advice when requested to the Commonwealth on approaches* to deliver water recovery programs towards reaching the 450 GL/year target of additional environmental water under the Restoring our Rivers Framework.  *This includes: <ul style="list-style-type: none"> <li>• Providing advice on the establishment of the Resilient Rivers Water Infrastructure Program with the Commonwealth, and delivering on infrastructure projects, rules changes, or other mechanisms to recover water for enhanced environmental outcomes (particularly those associated with Schedule 5 of the Basin Plan).</li> <li>• Providing advice during the establishment and the implementation of the Commonwealth's Voluntary Water Purchase Program towards recovery of 450 GL target on specific matters requested by the Commonwealth.</li> </ul>	\$ 0



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Coordinated environmental water use	2. Deliver environmental water accounting data and information.	2. a Environmental water accounting data and information (i.e., water use and return flows) is provided to the Commonwealth Environmental Water Holder (and other environmental water holders) consistent with the agreed ACT Protocol for Annual Assurance Reporting on Water delivery.  Note: Where there are any changes in the conditions or rules associated with the ACT water holdings that may affect the Commonwealth, or where additional water is recovered that is able to be callable, controlled or managed by the Commonwealth, then the reporting period will need to be revised.	\$ 20,000
	3. Improve environmental watering plans and strategies, including by updating Long-Term Watering Plans (LTWPs) within agreed timeframes.	3. a Develop annual environmental watering priorities or plans, in consultation with relevant stakeholders and First Nations, that operationalise the long-term watering plan.	\$ 30,000
		3. b Review and update the long-term watering plan (or alternatively agreed tool) in line with the next edition of the Basin-wide environmental water strategy within agreed timeframes.	\$ 30,000
	4. Improve the implementation of environmental water throughout the upper Murrumbidgee River.	4.a Conduct analysis to support the review of the Snowy Water Inquiry Outcome Implementation Deed and Snowy Licence.	\$ 65,000
Water Quality	5. Support the review of Basin Plan water quality targets and objectives.	5.a Basin States are to contribute to the review of Basin Plan water quality and salinity targets and objectives via the Water Quality Advisory Panel through written advice.	\$ 20,000

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Implementation of the Basin Plan	6. Contribute to delivery of the MDBA-led SDL Accounting Framework Improvement Strategy work plan, including supplying data and quality assurance documentation.	6.a Implement the SDL Accounting Framework Improvement Strategy work plan, led by the MDBA and agreed by BOC Alternates (BOCA).	\$ 30,000
		6.b Support the MDBA to implement the SDL Accounting Framework Improvement Strategy work plan, including the integration of the urban run-off accounting.  *provide technical support and modelling advice to the MDBA and independent reviewers on request, and participate in intergovernmental committees including the Run-off Dams working group (RDWG), Surface water advisory panel (SAP) and groundwater advisory panel (GAP).	\$ 30,000
	7. Deliver required Basin Plan monitoring, evaluation, science and reporting.	7.a Deliver Basin Plan reporting under Schedule 12.	\$ 20,000
		7.b Deliver on agreed strategic activities under the Basin Monitoring Evaluation and Reporting Working Group annual work plan as endorsed by BOCA.	\$ 30,000
		7.c Support the MDBA to deliver on agreed strategic activities under the Basin Monitoring Evaluation and Reporting Working Group annual work plan subject to endorsement by BOCA.	\$ 20,000
Statutory Review Processes	8. Contribute to statutory review processes.	8.a Basin States to: <ul style="list-style-type: none"> <li>• Attend a minimum of 90% of meetings organized by the MDBA on the Basin Plan Review (as required).</li> <li>• provide information as requested by the MDBA towards the Basin Plan review.</li> </ul>	\$ 30,000

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<p>Statutory Review Processes (cont'd)</p>		<p>8.b Basin States to:</p> <ul style="list-style-type: none"> <li>• attend a minimum of 90% of meetings organized by the Commonwealth on the Water Act review (as required).</li> <li>• provide information as requested by the reviewers towards the Water Act review.</li> </ul>	<p>\$ 30,000</p>
<p>Water market improvement</p>	<p>9. Contribute to the implementation of the water market reform recommendations specified in the <i>Water Market Reform: Final Roadmap Report (2022)</i>.</p>	<p>9.a ACT are to:</p> <ul style="list-style-type: none"> <li>• Implement the agreed communication and engagement plan in accordance with the implementation timeline.</li> <li>• Engage with the Commonwealth throughout the development of statutory instruments prescribed under the <i>Restoring Our Rivers Act 2023 (Cth)</i> (the Act) including: <ul style="list-style-type: none"> <li>○ Water Markets Decisions under Part 5A of the Act</li> <li>○ Water market information under Part 7A of the Act</li> </ul> </li> <li>• Review and provide comment into policy papers and Exposure Drafts for Commonwealth consideration, including, but not limited to: <ul style="list-style-type: none"> <li>○ Educational materials: Water Markets Decisions, Water Markets Information, insider trading and market manipulation</li> </ul> </li> </ul>	<p>\$ 30,000</p>

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Water market improvement (cont'd)		prohibitions. (These requirements contribute to Recommendations 1-5 and 9 of the <i>Water Market Reform: Final Roadmap Report</i> ).	
		9. b Subject to Basin Officials Committee (BOC) agreement, deliver public information on how environmental water is delivered and measured throughout the system.  (These requirements contribute to Recommendation 18 of the <i>Water Market Reform: Final Roadmap</i> )	\$ 20,000
	10. Establish two-way entitlement and allocation trade between the ACT and NSW, and to ensure protection of future environmental water downstream from the ACT.	10.a ACT to demonstrate that work towards enabling retail two-way allocation/entitlement trade between NSW and the ACT is on track for full trade from 01 July 2027, with reference to the final ACT-NSW water trade framework agreed in 2024/25.	\$ 60,000
Improved compliance and reporting	11. Implement revised Metrological Assurance Framework (MAF2).	11.a ACT is to develop and maintain its non-urban water metering policy to conform with the relevant MAF2 rules and guidelines.  Note: Where a jurisdiction's non-urban metering policy does not conform to MAF 2 (or subsequent agreed Framework), then the jurisdiction will develop an implementation plan, and implement that plan.	\$ 20,000
	12. Work with the Inspector General of Water Compliance (IGWC) in an effective and efficient manner to provide compliance and performance data and reports to support improved monitoring in the Murray-Darling Basin.	12.a The submission of compliance performance data in accordance with requests made by the IGWC under the Compliance Reporting Framework and in accordance with applicable reports, frameworks and guidance documents.	\$ 20,000

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Improved compliance and reporting (cont'd)		12.b The submission of measurement data and narrative in accordance with requests made by the IGWC, including metering data, in accordance with applicable reports, frameworks and guidance documents.	\$ 20,000
		12.c Provide input to the IGWC on the development of new IGWC-issued guidelines and standards.	\$ 20,000
		12.d Report to the IGWC against MAF2 Chapter 15 at least annually or in accordance with IGWC guidelines.	\$ 20,000
Enhanced and coordinated consultation and engagement with all Basin communities	13. States to undertake consultation and strategic engagement in collaboration with the Commonwealth and other Basin governments.	13.a Implement communications and engagement to support strategic consultation, coordination and engagement with Basin communities, as per agreed communications and engagement plan.	\$ 30,000
First Nations	14. Improve outcomes for First Nations Australians in relation to holding water.	14.a Provide advice to the Commonwealth on implementation of the Aboriginal Water Entitlements Program and First Nations (strategic land and water acquisitions partnership) programs, as relevant to the ACT.	\$ 0
		14.b Assist the Commonwealth to identify opportunities for First Nations Australians (including non-Native Title Holders) towards holding water entitlements in the Murray-Darling Basin.	\$ 0
	15. Undertake engagement, consultation, and partnerships with First Nations Australians within the Basin.	15.a Implement the actions as the agreed Communications and Engagement Strategy.	\$ 60,000
<i>Total payment for the Australian Capital Territory for Year 3 if all KPIs are met</i>			\$ 655,000

**Table 2E: Australian Capital Territory – Performance requirements, reporting and payment summary**
**Year 4: 2027-2028**
**Milestone report due: 29 February 2028**
**Reporting Period: 01 March 2027 – 29 February 2028**

Output	Performance milestones	Key Performance Indicators	Payment
Coordinated environmental water use	1. Deliver environmental water accounting data and information.	1.a Environmental water accounting data and information (i.e. water use and return flows) is provided to the Commonwealth Environmental Water Holder (and other environmental water holders) consistent with the agreed ACT Protocol for Annual Assurance Reporting on Water delivery.  Note: Where there are any changes in the conditions or rules associated with the ACT water holdings that may affect the Commonwealth, or where additional water is recovered that is able to be callable, controlled or managed by the Commonwealth, then the reporting period will need to be revised.	\$ 20,000
	2. Improve environmental watering plans and strategies, including by updating Long-Term Watering Plans (LTWPs) within agreed timeframes.	2.a Develop annual environmental watering priorities or plans, in consultation with relevant stakeholders and First Nations, that operationalise the long-term watering plan.	\$ 20,000
		2. b Review and update the long-term watering plan (or alternatively agreed tool) in line with the next edition of the Basin-wide	\$ 20,000

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Coordinated environmental water use (cont'd)		environmental water strategy within agreed timeframes.	
Implementation of the Basin Plan	3. Contribute to delivery of the MDBA-led SDL Accounting Framework Improvement Strategy work plan, including supplying data and quality assurance documentation.	3.a Implement the SDL Accounting Framework Improvement Strategy work plan, led by the MDBA and agreed by BOC Alternates (BOCA).	\$ 20,000
		3.b Support* the MDBA to implement the SDL Accounting Framework Improvement Strategy work plan, as relevant to the jurisdiction.  *provide technical support and modelling advice to the MDBA and independent reviewers on request, and participate in intergovernmental committees including the Run-off Dams working group (RDWG), Surface water advisory panel (SAP) and groundwater advisory panel (GAP).	\$ 20,000
	4. Deliver required Basin Plan monitoring, evaluation, science and reporting.	4.a Deliver Basin Plan reporting under Schedule 12.	\$ 20,000
		4.b Deliver on agreed strategic activities under the Basin Monitoring Evaluation and Reporting Working Group annual work plan subject to endorsement by BOCA.	\$ 20,000
		4.c Support the MDBA to deliver on agreed strategic activities under the Basin Monitoring Evaluation and Reporting Working Group annual work plan as endorsed by BOCA.	\$ 20,000

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Statutory Review Processes	5. Contribute to statutory review processes.	<p>5.a Basin States to:</p> <ul style="list-style-type: none"> <li>• Attend a minimum of 90% of meetings organized by the Commonwealth on the Water Act review (as required).</li> <li>• provide information as requested by the reviewers towards the Water Act review.</li> </ul>	\$ 20,000
Water market improvement	6. Establish two-way entitlement and allocation trade between the ACT and NSW, and to ensure protection of future environmental water downstream from the ACT.	6.a ACT to implement in full the final ACT-NSW water trading framework agreed in 2024/25 to enable two-way allocation/entitlement trade between the ACT and NSW from 01 July 2027.	\$ 70,000
Improved compliance and reporting	7. Implement revised Metrological Assurance Framework (MAF <sub>2</sub> ).	<p>7.a ACT is to develop and maintain its non-urban water metering policy to conform with the relevant MAF<sub>2</sub> rules and guidelines.</p> <p>Note: Where a jurisdiction's non-urban metering policy does not conform to MAF 2 (or subsequent agreed Framework), then the jurisdiction will develop an implementation plan, and implement that plan.</p>	\$ 20,000
	8. Work with the Inspector General of Water Compliance (IGWC) in an effective and efficient manner to provide compliance and performance data and reports to support improved monitoring in the Murray–Darling Basin.	8.a The submission of compliance performance data in accordance with requests made by the IGWC under the Compliance Reporting Framework and in accordance with applicable reports, frameworks and guidance documents.	\$ 20,000
		8.b The submission of measurement data and narrative in accordance with requests made by the IGWC, including metering data in accordance with applicable reports, frameworks and guidance documents.	\$ 20,000



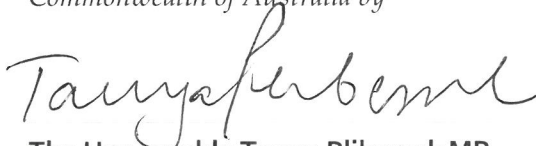
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Improved compliance and reporting (cont'd)		8.c Provide input to the IGWC on the development of new IGWC-issued guidelines and standards.	\$ 20,000
		8.d Report to the IGWC against MAF2 Chapter 15 at least annually or in accordance with IGWC guidelines.	\$ 20,000
First Nations	9. Improve outcomes for First Nations Australians in relation to holding water.	9.a Provide advice to the Commonwealth on implementation of the Aboriginal Water Entitlements Program and First Nations (strategic land and water acquisitions partnership) programs, as relevant to the ACT.	\$ 0
	10. Undertake engagement, consultation, and partnerships with First Nations Australians within the Basin.	10.a Implement actions as per the agreed Communications and Engagement Strategy.	\$ 40,000
<i>Total payment for the Australian Capital Territory for Year 4 if all KPIs are met</i>			\$ 390,000

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

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

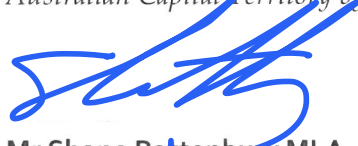


**The Honourable Tanya Plibersek MP**  
Minister for the Environment and Water

[Day] [Month] [Year]

8 9 24

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



**Mr Shane Rattenbury MLA**  
Minister for Water, Energy and Emissions  
Reduction

[Day] [Month] [Year]

12/9/24