

Implementing Water Reform in the Murray–Darling Basin

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule	
Parties	Commonwealth New South Wales
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 Murray–Darling Basin Plan 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>

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<p>Estimated financial contributions</p>	<p>The Commonwealth will provide an estimated total financial contribution to New South Wales of up to \$25.74 million in respect of this Schedule.</p> <table border="1"> <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>Estimated total budget</td> <td>7.719</td> <td>7.719</td> <td>6.437</td> <td>3.865</td> <td>25.74</td> </tr> <tr> <td>Less estimated Commonwealth Payments</td> <td>7.719</td> <td>7.719</td> <td>6.437</td> <td>3.865</td> <td>25.74</td> </tr> <tr> <td>- New South Wales</td> <td>7.719</td> <td>7.719</td> <td>6.437</td> <td>3.865</td> <td>25.74</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	Estimated total budget	7.719	7.719	6.437	3.865	25.74	Less estimated Commonwealth Payments	7.719	7.719	6.437	3.865	25.74	- New South Wales	7.719	7.719	6.437	3.865	25.74	Balance of non-Commonwealth contributions	0	0	0	0	0
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<p>Additional terms</p>	<p>Milestones and Key Performance Indicators</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 2A.</p> <p>Reporting & Payment Process</p> <p>The reporting period is listed in the header of the table below (Table 2A). 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 2A.</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)), the Bureau of Meteorology (the Bureau), and 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 2A.</p>																														

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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. The annual assessment report is made public for increased transparency and accountability.

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

Table 2A: New South Wales – 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 all remaining 'Bridging the Gap' targets.	1.a Basin States to: <ul style="list-style-type: none"> • support the Commonwealth to identify options to deliver the remaining 'Bridging the Gap' targets. review and contribute to a Commonwealth report (or equivalent document) on options to Basin Officials Committee (BOC).	\$54,000
	2. Work with the Commonwealth to deliver the 450 GL/year target for enhanced environmental outcomes via the Restoring our Rivers framework.	2.a Provide advice when requested to 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 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).	\$300,000
		2.b Provide advice when requested to Commonwealth on the approaches* to deliver water recovery programs towards reaching the 450 GL/year target of additional environmental water via the Restoring our Rivers Framework. *This includes 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.	\$300,000

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Coordinated environmental water use	3. Deliver an agreed Basin-wide Environmental Water Protection Strategy and Implementation Plan.	3.a Work with the Commonwealth and other Basin states via the Environmental Water Committee to develop and deliver an agreed annual forward work plan of priority collaborative activities in addition to those specific to individual jurisdictions to deliver the Environmental Water Protection Strategy and Implementation Plan, where relevant to NSW. Basin States are also to actively engage in EWC processes to agree and deliver annual collaborative activities to further improve protection of environmental water and contribute to connectivity.	\$162,000
	4. Deliver against pre-requisite policy measures for protected environmental flows.	4.a Basin States are to deliver against pre-requisite policy measures (PPMs) and other environmental protection mechanisms to ensure that new methods are implemented as soon as practicable (i.e. methods should be implemented in less than three months from the date upon which the method is agreed upon by the relevant Working Group or Committee.)	\$162,000
	5. Deliver environmental water accounting data and information	5.a Environmental water accounting data and information (i.e. water use and return flows) at monthly time period is provided to the Commonwealth Environmental Water Holder (and other environmental water holders) for adaptive management purposes.	\$162,000
	6. Improve environmental watering plans and strategies, including by updating Long-Term Watering Plans (LTWPs) within agreed timeframes.	6.a Engage with all stakeholders (including First Nations) in the development of environmental water plans or priorities when required; and in the implementation, review and update of LTWPs.	\$162,000
		6.b Provide input to the next edition of the Basin-wide Environmental Watering Strategy.,	\$162,000
Water Quality	7. Support the review of Basin Plan water quality targets and objectives	7.a Basin States are to contribute to* the review of Basin Plan water quality and salinity targets and objectives as led by the Water Quality Advisory Panel (WQAP). This contribution will be via attendance at WQAP meetings and/or written reports or equivalent written correspondence as required by WQAP.	\$162,000
Water Quality (cont'd)	8. Improve river management functions' consideration of water quality	8.a The Southern Basin States via the Environmental Water Committee (EWC) and River Murray Operations Committee (RMOC) will identify options and deliver actions to improve	\$162,000

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		how river management functions consider water quality.	
	9. Deliver a new or updated Cold Water Pollution Strategy	9.a NSW are to undertake a review their existing Cold Water Pollution Strategy. NSW are to provide written evidence that this review has been undertaken, such as a report or equivalent output.	\$162,000
Implementation of the Basin Plan	10. Implement the Sustainable Diversion Limit Adjustment Mechanism (SDLAM) program, where not funded under other agreements.	10.a Basin states are to actively work with the Commonwealth and each other to inform the Murray-Darling Basin Authority's Constraints Relaxation Roadmap and to progress work on constraints including through participation in the Constraints Working Group.	\$243,000
		<p>10.b Basin states are to actively work with the Commonwealth and each other to:</p> <ul style="list-style-type: none"> • review existing SDLAM projects to determine project deliverability by 31 December 2026 • propose and assess any new or amended SDLAM projects via the Basin Officials Committee agreed process • develop and submit funding proposals (including feasibility proposals) where relevant to the Commonwealth for the Commonwealth Minister's consideration. • follow approved process for completion of NSW supply projects. 	\$478,000
Implementation of the Basin Plan (cont'd)		10.c Basin states are to actively work with the Commonwealth and each other to identify and address issues, challenges and impediments to SDLAM program outcomes, including: <ul style="list-style-type: none"> • cooperating with any reviews conducted by the Commonwealth in relation to SDLAM Program, including providing additional information as requested. 	\$82,000
		10.d Basin states are to actively work with the Commonwealth and each other to identify and address issues, challenges and impediments to SDLAM program outcomes, including: <ul style="list-style-type: none"> • Commit to updating register of measures as per agreed processes upon project completion or as soon as practicable. 	\$82,000
		10.e Basin states are to actively work with the Commonwealth and each other to identify and address issues, challenges and impediments to SDLAM program outcomes, including: <ul style="list-style-type: none"> • Provide members for the SDLAM technical working group and contribute 	\$82,000

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Implementation of the Basin Plan (cont'd)		towards assessing technical elements of notification amendments, and other technical matters relating to SDLAM reconciliation.	
		10.f Southern connected Basin States are to identify, develop and progress any required changes to the River Murray Operations Framework* and Murray-Darling Basin Agreement. *Any changes to the Framework are to be agreed by all relevant jurisdictions.	\$82,000
	11. Contribute to delivery of the MDBA-led SDL Accounting Framework Improvement Strategy 2020-2025 work plan or future work plans,	11.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.	\$243,000
		11.b Implement* the SDL Accounting Framework Improvement Strategy work plan led by the MDBA, 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).	\$82,000
		11.c NSW to undertake a review and update of NSW's LTDLE factors to enable water recovery volumes to be determined and inform water recovery decisions, for the water resource plan areas by the following timeframes: <u>Feb 2025</u> <ul style="list-style-type: none"> • <u>Macquarie-Castlereagh</u> • <u>Intersecting Streams</u> • <u>Murrumbidgee</u> 	\$162,000
	12. Deliver required Basin Plan monitoring, evaluation, science and reporting.	12.a Deliver Basin Plan monitoring and reporting under Schedule 12.	\$500,000
		12.b Contribute to the 2025 Basin Plan Evaluation, including review of draft reports and findings.	\$82,000
		12.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 BOC Alternates and agreed with a particular jurisdiction.	\$162,000
	13. States support the MDBA in delivery of its Sustainable	13.a Basin States to work with MDBA on:	\$327,000

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	Yields Project up until 31 December 2025 by attending interjurisdictional meetings and undertaking technical review.	<ul style="list-style-type: none"> • Provision of advice and guidance to support project planning and outcomes review. • Supporting development of reference and hydroclimate scenarios for the purposes of the Basin Plan Review. 	
Statutory Review Processes	14. Contribute to statutory review processes	<p>14.a Basin States to:</p> <ul style="list-style-type: none"> • attend a minimum of 90% of meetings as organized by the MDBA (as required) on the Basin Plan review. • provide information to the MDBA as requested by the MDBA towards the Basin Plan review. Information provision to MDBA should be based on all reasonable requests and consistent with data sharing agreements. 	\$162,000
Water Market Improvement	15. Contribute to the implementation of water market reform recommendations as specified in the <i>Water Market Reform: Final Roadmap Report (2022)</i> .	<p>15.a NSW, SA, Qld and Victoria are to:</p> <ul style="list-style-type: none"> • Ensure that up-to-date information on all relevant Commonwealth statutory instruments giving effect to water market reforms is posted on the appropriate Basin state website and communicated to stakeholders within each jurisdiction. • 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"> ○ the Water Markets Intermediaries Code and associated regulations under Part 5 of the Act ○ Water markets decisions under Part 5A of the Act ○ Water market information under Part 7A of the Act. • Review and provide comment into policy papers and Exposure Drafts for Commonwealth consideration including, but not limited to: <ul style="list-style-type: none"> ○ Policy papers: Water Markets Decisions, Water Markets Information and Water Markets Intermediaries Code and associated regulations, including educational materials ○ Exposure draft: Water Markets Intermediaries Code and associated regulations 	\$243,000
Water Market Improvement (cont'd)			

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Water Market Improvement (cont'd)	(These requirements contribute to Recommendations 1-5 and 9 of the Water Market Reform: Final Roadmap Report).	
	<p>15.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 NSW 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>	\$143,000
	<p>15.c Basin states to work with the Bureau of Meteorology by:</p> <ul style="list-style-type: none"> • 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). • Basin states will undertake required user testing of the Bureau of Meteorology's new website and/or materials published through the portal. <p>(These requirements contribute to Recommendation 6 of the <i>Water Market Reform: Final Roadmap Report</i>.)</p>	\$100,000
	<p>15.d 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 NSW's definitions, business rules and methodology that underpin the calculation and reporting of trade approval times.</p> <p>(Note: These requirements contribute to Recommendation 12 of the <i>Water Reform: Final Roadmap Report</i>).</p>	\$243,000
	15.e NSW to work with Victoria to:	\$243,000

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		<ul style="list-style-type: none"> Investigate options and prepare a joint preliminary report on ways to improve equity of access to trade opportunities in Murrumbidgee and Goulburn intervalley trade, and to Barmah Choke trade opening policy and processes. This will include, but not be limited to assessing the timing, cost, transparency and administration of trade openings. Finalise this preliminary report by 30 April 2025 and share it with relevant Basin states and the MDBA. <p>(Note: These requirements contribute to Recommendation 14 of the Water Market Reform: Final Roadmap Report.)</p>	
		<p>15.f Subject to the Basin Officials Committee (BOC) nominating a committee to progress outcomes under recommendation 18 of the <i>Water Market Reform: Final Roadmap Report</i>, Basin states must:</p> <ul style="list-style-type: none"> 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). 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. <p>(These requirements contribute to Recommendation 18 of the <i>Water Market Reform: Final Roadmap Report</i>.)</p>	<p>\$243,000</p>
<p>Improved compliance and reporting</p>	<p>16. Implement revised Metrological Assurance Framework (MAF2)</p>	<p>16.a NSW 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</p>	<p>\$162,000</p>

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		develop an implementation plan, and implement that plan.	
	17. 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.	17.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.	\$162,000
		17.b The submission of measurement data and narrative in accordance with requests made by the IGWC, including metering data and data relating to floodplain harvesting / overland flows, in accordance with applicable reports, frameworks and guidance documents.	\$162,000
		17.c Report to the IGWC against MAF2 Chapter 15 at least annually or in accordance with IGWC guidelines.	\$162,000
		17 d Provide input to the IGWC on the development of new IGWC-issued guidelines and standards.	\$162,000
	18. Water Resource Plan (WRP) Compliance	18.a Active 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). *Examples of active participation include, but are not limited to – attending meetings organized by IGWC, and providing input or advice at those meetings; providing written input or advice when requested by IGWC.	\$162,000
Enhanced and coordinated consultation and engagement with all Basin communities	19. States to undertake consultation and strategic engagement in collaboration with the Commonwealth and other Basin governments.	19.a Develop a communications and engagement plan to support strategic consultation, coordination and engagement with Basin communities.	\$162,000
First Nations Water	20. Improve outcomes for First Nations Australians in relation to holding water	20.a Support the Commonwealth’s implementation of the Aboriginal Water Entitlements Program by partnering on engagement efforts and providing information on NSW water markets and identifying opportunities to support First Nations Strategic land and water acquisitions partnership programs where relevant to the jurisdiction.	\$162,000

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<p>First Nations Water (cont'd)</p>		<p>20.b Support NSW Basin First Nations Peoples, including non-Native Title holders, in achieving the outcomes identified in their cultural flows planning for cultural economies grant application. Assist within funding and resourcing parameters by connecting them with water planners, managers, and river operators to develop effective water delivery plans. Provide technical support and advisory services to help First Nations navigate the water entitlement process and Cultural Access Licenses.</p>	<p>\$162,000</p>
	<p>21. Undertake engagement, consultation, and partnerships with First Nations Australians within the Basin.</p>	<p>21.a Develop a plan* for engaging and partnering with Basin First Nations Peoples towards agreeing to a National Closing the Gap (CtG) Inland Waters Target (15c) baseline metric and target/s.</p> <p>Engagement and partnership activities as part of the plan includes the development of actions that deliver reforms to support the achievement of the agreed target/s.</p> <p>* The name of the plan is at the discretion of NSW but may be called a Strategic Consultation, Engagement and Partnerships Plan.</p>	<p>\$327,000</p>
<p><i>Total payment for New South Wales for Year 1 if all KPIs are met</i></p>			<p>\$7,719,000</p>

Table 2A: New South Wales – 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 all remaining 'Bridging the Gap' targets.	<p>1.a Provide advice when requested to the Commonwealth on addressing the remaining 'Bridging the Gap' targets (i.e. the 2075 GL/year target) for water recovery outlined in the Murray–Darling Basin Plan.</p> <p>This includes supporting the Commonwealth to meet the remaining 'Bridging the Gap' targets (i.e. the 2075 GL/year target) for water recovery outlined in the Murray–Darling Basin Plan- through:</p> <ul style="list-style-type: none"> provision of technical advice in relation to entitlements 	\$ 0
	2. Work with the Commonwealth to deliver the 450 GL/year target for enhanced environmental outcomes via the Restoring our Rivers framework.	<p>2.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.</p> <p>*This includes advice on establishing 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).</p>	\$ 320,000
		<p>2.b Provide advice when requested to the Commonwealth on the best approaches* to deliver water recovery programs towards reaching the 450 GL/year target of additional environmental water via the Restoring our Rivers Framework.</p> <p>*This includes providing advice during the design and establishment phases of any Voluntary Water Purchase Program towards</p>	\$247,000

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		recovery of 4,50 GL target on specific matters requested by the Commonwealth.	
Coordinated environmental water use	3. Deliver an agreed Basin-wide Environmental Water Protection Strategy and Implementation Plan.	3.a Work with the Commonwealth and other Basin states via the Environmental Water Committee to develop and deliver an agreed annual forward work plan of priority collaborative activities in addition to those specific to individual jurisdictions to deliver the Environmental Water Protection Strategy and Implementation Plan, where relevant to NSW. Basin States are also to actively engage in EWC processes to agree and deliver annual collaborative activities to further improve protection of environmental water and contribute to connectivity.	\$147,000
	4. Deliver against pre-requisite policy measures for protected environmental flows.	4.a Basin States are to deliver against pre-requisite policy measures (PPMs) and other protection environmental mechanisms to ensure that new methods are implemented as soon as practicable (i.e. methods should be implemented in less than three months from the date upon which the method is agreed upon by the relevant Working Group or Committee.)	\$147,000
	5. Deliver environmental water accounting data and information	5.a Environmental water accounting data and information (i.e. water use and return flows) at monthly time period is provided to the Commonwealth Environmental Water Holder (and other environmental water holders) for adaptive management purposes.	\$147,000
	6. Improve environmental watering plans and strategies, including by updating Long-Term Watering Plans (LTWPs) within agreed timeframes.	6.a Engage with all stakeholders (including First Nations), in the development of environmental water plans or priorities when required; and in the implementation, review and update of LTWPs.	\$147,000
		6.b Update and operationalise LTWPs (or alternatively agreed tool) in line with the next editions of the Basin-wide environmental water strategy within agreed timeframes.	\$ 300,000
Water quality	7. Support the review of Basin Plan water quality targets and objectives	7.a Basin States are to contribute to* the review of Basin Plan water quality and salinity targets and objectives as led by the Water Quality Advisory Panel (WQAP). This contribution will be via attendance at WQAP meetings and/or written reports or	\$147,000

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		equivalent written correspondence as required by WQAP.	
	8 Improve river management functions' consideration of water quality	8.a Environmental Water Committee (EWC) and River Murray Operations Committee (RMOC) will identify options and deliver actions to improve how river management functions consider water quality.	\$147,000
	9. Deliver a new or updated Cold Water Pollution Strategy	9.a. Basin States are to develop a new or updated Cold Water Pollution Strategy, based on the review completed in the previous year.	\$147,000
Implementation of the Basin Plan	10. Implement the SDLAM program, where not funded under other agreements.	10.a Basin states are to actively work with the Commonwealth and each other to inform the Murray-Darling Basin Authority's Constraints Relaxation Roadmap and continue to progress work on constraints including through participation in the Constraints Working Group.	\$ 227,000
		10.b Basin states are to actively work with the Commonwealth and each other to: <ul style="list-style-type: none"> review existing SDLAM projects to determine project deliverability by 31 December 2026 propose and assess any new or amended SDLAM projects via the Basin Officials Committee agreed process develop and submit funding proposals (including feasibility proposals) where relevant to the Commonwealth for the Commonwealth Minister's consideration. follow approved process for completion of NSW supply projects. 	\$277,000
		10.c Basin states are to actively work with the Commonwealth and each other to identify and address issues, challenges and impediments to SDLAM program outcomes, including: <ul style="list-style-type: none"> cooperating with any reviews conducted by the Commonwealth in relation to SDLAM Program, including providing additional information as requested. 	\$81,000
		10.d Basin states are to actively work with the Commonwealth and each other to identify and address issues, challenges and impediments to SDLAM program outcomes, including: <ul style="list-style-type: none"> Commit to updating register of measures as per agreed processes upon project completion or as soon as practicable. 	\$81,000

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Implementation of the Basin Plan (cont'd)		<p>10.e Basin states are to actively work with the Commonwealth and each other to identify and address issues, challenges and impediments to SDLAM program outcomes, including:</p> <ul style="list-style-type: none"> • Provide members for the SDLAM technical working group and contribute towards assessing technical elements of notification amendments, and other technical matters relating to SDLAM reconciliation. 	\$81,000	
		<p>10.f Southern connected Basin States are to identify, develop and progress any required changes to the River Murray Operations Framework* and Murray-Darling Basin Agreement.</p> <p>*Any changes to the Framework are to be agreed by all relevant jurisdictions.</p>	\$81,000	
	11. Contribute to delivery of the MDBA-led SDL Accounting Framework Improvement Strategy work plan or any future work plan	11.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.	\$ 227,000
		11.b	<p>Implement* the SDL Accounting Framework Improvement Strategy work plan led by the MDBA, as relevant to the jurisdiction.</p> <p>*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).</p>	\$81,000
		11.c	<p>NSW to undertake a review and update of NSW's LTDLE factors to enable water recovery volumes to be determined and inform water recovery decisions, for the water resource plan areas by the following timeframes:</p> <p><u>May 2025</u></p> <ul style="list-style-type: none"> • Murray and Lower Darling • Lachlan • Border Rivers <p><u>August 2025</u></p> <ul style="list-style-type: none"> • Namoi (pending accreditation) • Gwydir (pending accreditation) • Barwon-Darling 	\$ 147,000

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	12. Deliver required Basin Plan monitoring, evaluation, science and reporting.	12.a Deliver Basin Plan reporting under Schedule 12.	\$ 430,000
		12.b Review the draft Findings and Recommendations of the 2025 Basin Plan Evaluation.	\$81,000
		12.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 and agreed with a particular jurisdiction.	\$ 147,000
	13. States support the MDBA in delivery of its Sustainable Yields Project up until 31 December 2025 by attending interjurisdictional meetings and undertaking technical review.	13.a Basin States to work with MDBA on: <ul style="list-style-type: none"> • Provision of advice and guidance to support project planning and outcomes review. Supporting development of reference and hydroclimate scenarios for the purposes of the Basin Plan Review	\$ 300,000
Statutory Review Processes	14. Contribute to statutory review processes	14.a Basin States to: <ul style="list-style-type: none"> • Attend a minimum of 90% of meetings as organized by the MDBA (as required) on the Basin Plan Review. • provide information to the MDBA as requested by the MDBA towards the Basin Plan Review. Information provision to MDBA should be based on all reasonable requests and consistent with data sharing agreements. 	\$ 145,000
		14.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).	\$ 81,000
Water market improvement	15. Contribute to the implementation of the water market reform recommendations as specified in the <i>Water Market Reform: Final Roadmap Report (2022)</i>	15.a NSW, SA, Qld and Vic are to: <p>Ensure that up-to-date information on all relevant Commonwealth statutory instruments giving effect to water market reforms is posted on the appropriate Basin state website and communicated to stakeholders within each jurisdiction.</p> <p>Engage with the Commonwealth, throughout the development of statutory instruments prescribed under the <i>Restoring Our Rivers Act 2023</i> (Cth) (the Act) including:</p> <ul style="list-style-type: none"> o the Water Markets Intermediaries 	\$ 300,000

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<p>Water Market Improvement (cont'd)</p>		<p>Code and associated regulations under Part 5 of the Act</p> <ul style="list-style-type: none"> ○ Water markets decisions under Part 5A of the Act ○ Water market information under Part 7A of the Act. <p>Review and provide comment, into policy papers and Exposure Drafts for Commonwealth consideration, including, but not limited to:</p> <ul style="list-style-type: none"> ○ Exposure Drafts: Water Markets Decisions and Water Markets Information ○ Educational materials: Water Markets Intermediaries Code, Water Markets Decisions, Water Markets Information insider trading and market manipulation prohibitions. <p>(These requirements contribute to Recommendations 1-5 and 9 of the <i>Water Market Reform: Final Roadmap Report</i>).</p>	
		<p>15.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 7.a of the <i>Restoring Our Rivers Act 2023</i> (Cth) Act.</p> <p>Provide evidence that NSW 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>\$100,000</p>
		<p>15.c Basin states to work with the Bureau of Meteorology by:</p> <ul style="list-style-type: none"> • providing input and advice as requested and required for the development of the Bureau of 	<p>\$ 200,000</p>

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Water Market Improvement (cont'd)	<p>Meteorology's new water markets website and the Murray–Darling Basin Water Information Portal (the portal).</p> <ul style="list-style-type: none"> Basin states will undertake required user testing of the Bureau of Meteorology's new website and/or materials published through the portal. <p>(These requirements contribute to Recommendation 6 of the <i>Water Market Reform: Final Roadmap Report</i>.)</p>	
	<p>15.d NSW, SA, and Victoria through the Trade Working Group to contribute to the development of a scoping paper to:</p> <ul style="list-style-type: none"> Understand conveyance losses associated with water trade, including their volumes and drivers, and understand if there are any material issues associated with those losses. Develop a coordinated approach for monitoring and conveyance losses associated with water trade, including but not limited to losses in the Murrumbidgee and Goulburn Rivers. <p>The scoping paper, subject to a decision point in the initial scope, is to be prepared via a Murray-Darling Basin Authority managed consultancy and will include analyses of tributaries within each Basin State, with reports to be published for each Basin State.</p> <p>(These requirements contribute to Recommendation 7 of the <i>Water Market Reform: Final Roadmap Report</i>.)</p>	\$227,000
	<p>15.e During development of the Bureau of Meteorology's (the Bureau) new water markets website, and/or the Murray–Darling Basin Water Information Portal, Basin States to:</p> <ul style="list-style-type: none"> Review the consolidated materials prepared by the Bureau and provide timely written feedback prior to publication to ensure information is accurately reported. <p>(These requirements contribute to Recommendation 12 of the <i>Water Market Reform: Final Roadmap Report</i>).</p>	\$ 300,000
	<p>15.f NSW to work with Victoria to:</p>	\$ 300,000

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<p>Water Market Improvement (cont'd)</p>		<ul style="list-style-type: none"> undertake further investigations and prepare a joint final report on ways to improve equity of access to trade opportunities in the Murrumbidgee and Goulburn intervalley trade, and to Barmah Choke trade opening policy and processes. This will include, but not be limited to assessing the timing, cost, transparency and administration of trade openings. Finalise the report by 30 April 2026 and share it with the relevant Basin states and the Murray-Darling Basin Authority. <p>(These requirements contribute to Recommendation 14 of the <i>Water Markets Reform: Final Roadmap Report</i>.)</p>	
		<p>15.g Subject to Basin Official Committee's (BOC) agreement to the paper, Basin states, through the relevant nominated committee/s to:</p> <ul style="list-style-type: none"> 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>(These requirements contribute to Recommendation 18 of the <i>Water Markets Reform: Final Roadmap Report</i>.)</p>	<p>\$ 159,000</p>
	<p>16. Establish two-way entitlement and trade between ACT and NSW, and to ensure protection of future environmental water downstream from the ACT.</p>	<p>16.a NSW to:</p> <ul style="list-style-type: none"> implement in full the processes agreed with the ACT to enable the transfer/trade of ACT-sourced environmental water into NSW from 1 July 2025. 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. 	<p>\$147,000</p>
<p>Improved compliance and reporting</p>	<p>17. Implement revised Metrological Assurance Framework (MAF₂)</p>	<p>17.a NSW 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 MAF₂ (or subsequent agreed Framework), then the jurisdiction will develop an implementation plan, and implement that plan.</p>	<p>\$147,000</p>

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	18. 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.	18.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.	\$147,000
		18.b The submission of measurement data and narrative in accordance with requests made by the IGWC, including metering data and data relating to floodplain harvesting / overland flows, in accordance with applicable reports, frameworks and guidance documents.	\$147,000
		18.c Report to the IGWC against MAF ₂ Chapter 15 at least annually or in accordance with IGWC guidelines.	\$147,000
		18.d Provide input to the IGWC on the development of new IGWC-issued guidelines and standards.	\$147,000
	19. Water Resource Plan (WRP) Compliance	19.a Active 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). *Examples of active participation include, but are not limited to – attending meetings organized by IGWC, and providing input or advice at those meetings; providing written input or advice when requested by IGWC.	\$147,000
Enhanced and coordinated consultation and engagement with all Basin communities	20.States to undertake consultation and strategic engagement in collaboration with the Commonwealth and other Basin governments.	20.a Develop a communications and engagement plan to support strategic consultation, coordination and engagement with Basin communities.	\$147,000
First Nations	21. Improve outcomes for First Nations Australians in relation to holding water.	21.a Support the Commonwealth’s implementation of the Aboriginal Water Entitlements Program by partnering on engagement efforts and providing information on NSW water markets and identifying opportunities to support First Nations Strategic land and water acquisitions partnership programs where relevant to the jurisdiction.	\$147,000
		21.b Support NSW Basin First Nations Peoples, including non-Native Title holders, in achieving the outcomes identified in their cultural flows	\$147,000

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		<p>planning for cultural economies grant application. Assist within funding and resourcing parameters by connecting them with water planners, managers, and river operators to develop effective water delivery plans. Provide technical support and advisory services to help First Nations navigate the water entitlement process and Cultural Access Licenses.</p>	
	<p>22.Undertake engagement, consultation, and partnerships with First Nations Australians within the Basin.</p>	<p>22.a Finalise development and implement actions and reform activities towards achieving the Closing the Gap inland waters target/s as per the plan.</p> <p>Implementation of the actions and enabling reforms are evaluated and measured through both qualitative and quantitative reporting. Commonwealth DCCEEW oversees a nationally consistent reporting methodology on actions and reform activities.</p>	<p>\$ 300,000</p>
<p><i>Total payment for New South Wales for Year 2 if all KPIs are met</i></p>			<p>\$ 7,719,000</p>

Table 2A: New South Wales – 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 all remaining 'Bridging the Gap' targets.	<p>1.a Provide advice when requested to the Commonwealth on addressing the remaining 'Bridging the Gap' targets (i.e. the 2075 GL/year target) for water recovery outlined in the Murray–Darling Basin Plan.</p> <p>This includes supporting the Commonwealth to meet the remaining 'Bridging the Gap' targets (i.e. the 2075 GL/year target) for water recovery outlined in the Murray–Darling Basin Plan- through:</p> <ul style="list-style-type: none"> provision of technical advice in relation to entitlements 	\$ 0
	2. Work with the Commonwealth to deliver the 450 GL/year target for enhanced environmental outcomes via the Restoring our Rivers framework.	<p>2.a Provide advice when requested to the Commonwealth on approaches* to deliver water recovery programs towards reaching the 450 GL/year of additional environmental water under the Restoring our Rivers Framework.</p> <p>*This includes advice on establishing 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).</p>	\$ 286,000
		<p>2.b Provide advice when requested to the Commonwealth on the best approaches* to deliver water recovery programs towards reaching the 450 GL/year target of additional environmental water via the Restoring our Rivers Framework.</p> <p>*This includes providing advice during the design and establishment phases of any Voluntary Water Purchase Program towards recovery of 450 GL target on specific matters requested by the Commonwealth.</p>	\$ 224,000

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Coordinated environmental water use	3. Deliver an agreed Basin-wide Environmental Water Protection Strategy and Implementation Plan.	<p>3.a All Basin States and the Commonwealth via the Environmental Water Committee are to:</p> <ul style="list-style-type: none"> demonstrate evidence of work completed under the 2025-26 forward work plan (or similar plan). agree upon an annual forward work plan of priority collaborative activities to finalise delivery of the Environmental Water Protection Strategy (where relevant to the jurisdiction). <p>Basin States are also to actively engage in EWC processes to agree and deliver annual collaborative activities to further improve protection of environmental water and contribute to connectivity.</p>	\$ 204,000
	4. Deliver against pre-requisite policy measures for protected environmental flows.	<p>4.a NSW are to deliver an independent assessment report of delivery against pre-requisite policy measures (PPMs), including the following:</p> <ul style="list-style-type: none"> NSW should seek endorsement from the Commonwealth about the nominated agency to conduct the report. This report will be an independent assessment of performance with specific and detailed recommendations for improvement. The report will examine the effectiveness of PPMs in NSW. NSW will also provide environmental water accounting data towards the report, as required. <p>Note: implementation of the recommendations of the report as part of the agreed Environmental Watering Committee's (EWC's) annual forward work plan.</p>	\$ 204,000
	5. Deliver environmental water accounting data and information.	5.a Environmental water accounting data and information (i.e. water use and return flows) at monthly time period is provided to the Commonwealth Environmental Water Holder (and other environmental water holders) for adaptive management purposes.	\$ 204,000
	6. Improve environmental watering plans and strategies, including by updating Long-Term Watering Plans (LTWPs) within agreed timeframes.	6.a Engage with all stakeholders (including First Nations), in the development of environmental water plans or priorities when required; and in the implementation, review and update of LTWPs.	\$ 204,000
6.b Update and operationalise LTWPs (or alternatively agreed tool) in line with the next editions of the Basin-wide environmental water strategy within agreed timeframes.		\$ 140,000	

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Water Quality	7. Support the implementation of Basin Plan water quality targets and objectives	7.a Basin States are to contribute to the implementation of Basin Plan water quality and salinity targets and objectives via the Water Quality Advisory Panel.	\$ 204,000
	8. Improve river management functions' consideration of water quality	8.a The Environmental Water Committee (EWC) and River Murray Operations Committee (RMOC) will identify options and deliver actions to improve how river management functions consider water quality.	\$ 140,000
Implementation of the Basin Plan	9. Implement the SDLAM program, where not funded under other agreements.	9.a Basin states are to actively work with the Commonwealth and each other to inform the Murray-Darling Basin Authority's Constraints Relaxation Roadmap and continue to progress work on constraints including through participation in the Constraints Working Group.	\$96,000
		9.b Basin states are to actively work with the Commonwealth and each other to: <ul style="list-style-type: none"> review existing SDLAM projects to determine project deliverability by 31 December 2026 propose and assess any amended SDLAM projects via the Basin Officials Committee agreed process develop and submit funding proposals (including feasibility proposals) where relevant to the Commonwealth for the Commonwealth Minister's consideration. follow approved process for completion of NSW supply projects. 	\$177,000
		9.c Basin states are to actively work with the Commonwealth and each other to identify and address issues, challenges and impediments to SDLAM program outcomes, including: <ul style="list-style-type: none"> cooperating with any reviews conducted by the Commonwealth in relation to SDLAM Program, including providing additional information as requested. 	\$50,000
		9.d Basin states are to actively work with the Commonwealth and each other to identify and address issues, challenges and impediments to SDLAM program outcomes, including: <ul style="list-style-type: none"> Commit to updating register of measures as per agreed processes upon project completion or as soon as practicable. 	\$50,000
		9.e Basin states are to actively work with the Commonwealth and each other to identify and address issues, challenges and impediments to SDLAM program outcomes, including: <ul style="list-style-type: none"> Provide members for the SDLAM technical working group and contribute towards 	\$50,000

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Implementation of the Basin Plan (cont'd)		assessing technical elements of notification amendments, and other technical matters relating to SDLAM reconciliation.	
		<p>9.f Southern connected Basin States are to identify, develop and progress any required changes to the River Murray Operations Framework* and Murray-Darling Basin Agreement.</p> <p>*Any changes to the Framework are to be agreed by all relevant jurisdictions.</p>	\$50,000
Implementation of the Basin Plan	10. Implement the SDLAM program, where not funded under other agreements.	<p>10.a Southern connected Basin States are to identify, develop and progress any required changes to the River Murray Operations Framework* and Murray-Darling Basin Agreement.</p> <p>*Any changes to the Framework are to be agreed by all relevant jurisdictions.</p>	\$ 100,000
	11. Contribute to delivery of the MDBA-led SDL Accounting Framework Improvement Strategy work plan, including supplying data and quality assurance documentation.	11.a Contribute to developing a work plan to implement the SDL Accounting Framework Improvement Strategy, led by the MDBA and agreed by BOC Alternates (BOCA).	\$ 104,000
		<p>11.b Implement* the SDL Accounting Framework Improvement Strategy work plan led by the MDBA, as relevant to the jurisdiction.</p> <p>*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).</p>	\$ 104,000
	12. Deliver required Basin Plan monitoring, evaluation, science and reporting.	12.a Deliver Basin Plan reporting under Schedule 12.	\$ 300,000
		12.b Deliver on agreed strategic activities under the Basin Monitoring Evaluation and Reporting Working Group annual work plan as endorsed by BOC-A.	\$ 100,000
Statutory Review Processes	13. Contribute to statutory review processes	<p>13.a Basin States to:</p> <ul style="list-style-type: none"> Attend a minimum of 90% of meetings on the Basin Plan Review as organized by the MDBA (as required). provide information as requested by the MDBA towards the Basin Plan review. Information provision to MDBA should be based on all reasonable requests and consistent with data sharing agreements. 	\$ 140,000
		13.b Basin States to:	\$ 140,000

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		<ul style="list-style-type: none"> attend a minimum of 90% meetings with Water Act reviewers (as required). provide information as requested by the reviewers towards the Water Act review. Information provision to reviewers should be based on all reasonable requests and consistent with data sharing agreements. 	
Water market improvement	14. Contribute to the implementation of the water market reform recommendations as specified in the <i>Water Market Reform: Final Roadmap Report (2022)</i>	<p>14.a NSW, SA, Qld and Victoria are to:</p> <ul style="list-style-type: none"> Ensure that up-to-date information on all relevant Commonwealth statutory instruments giving effect to water market reforms is posted on the appropriate Basin state website and communicated to stakeholders within each jurisdiction. 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"> water markets decisions under Part 5A of the Act water market information under Part 7A of the Act. Review and provide comment into policy papers and Exposure Drafts for Commonwealth consideration, including, but not limited to: <ul style="list-style-type: none"> Educational materials: Water Markets Decisions, Water Markets Information, insider trading and market manipulation prohibitions. <p>(These requirements contribute to recommendations 1-5 and 9 of the <i>Water Market Reform: Final Roadmap Report</i>).</p>	\$ 266,000
		<p>14.b NSW to work with Victoria to:</p> <ul style="list-style-type: none"> Trial and implement the joint final report to improve equity of access to trade opportunities in Murrumbidgee and Goulburn intervalley trade and to Barmah Choke trade opening policy and processes. <p>(These requirements contribute to Recommendation 14 of the <i>Water Market Reform: Final Roadmap Report</i>.)</p>	\$ 266,000
		<p>14.c Southern Basin states to contribute through the Trade Working Group to the development of a preliminary scoping paper to be managed by the MDBA to understand if there are any current issues</p>	\$ 266,000

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Water Market Improvement (cont'd)		<p>associated with carryover parking, and provide relevant data and support.</p> <p>The scoping paper should seek to understand if there are any issues associated with carryover parking trade, including, but not limited to negative impacts on water rights holders, water markets and water management, including accounting for and attribution of evaporative losses, state shares and cross border water trade.</p> <p>(These requirements contribute to Recommendation 15 of the <i>Water Market Reform: Final Roadmap Report</i>.)</p>	
		<p>14.d Basin states, as agreed by Basin Officials Committee (BOC), to deliver public information on how environmental water is delivered and measured throughout the system.</p> <p>(These requirements contribute to Recommendation 18 of the <i>Water Market Reform: Final Roadmap Report</i>.)</p>	\$ 266,000
	15. Establish two-way entitlement and allocation trade between the ACT and NSW, and to ensure protection of future environmental water downstream from the ACT.	15.a NSW 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.	\$ 204,000
Improved compliance and reporting	16. Implement revised Metrological Assurance Framework (MAF2)	<p>16.a NSW 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>	\$ 204,000
	17. 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	17.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.	\$ 204,000
		17.b The submission of measurement data and narrative in accordance with requests made by the IGWC, including metering data and data relating to	\$ 204,000

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Improved compliance and reporting (cont'd)	monitoring in the Murray–Darling Basin.	floodplain harvesting / overland flows, in accordance with applicable reports, frameworks and guidance documents.	
		17.c Provide input to the IGWC on the development of new IGWC-issued guidelines and standards.	\$ 204,000
		17.d Report to the IGWC against MAF2 Chapter 15 at least annually or in accordance with IGWC guidelines.	\$ 204,000
Enhanced and coordinated consultation and engagement with all Basin communities	18.States to undertake consultation and strategic engagement in collaboration with the Commonwealth and other Basin governments.	18.a Implement communications and engagement to support strategic consultation, coordination and engagement with Basin communities, as per agreed communications and engagement plan.	\$ 204,000
First Nations	19. Improve outcomes for First Nations Australians in relation to holding water	19.a Support the Commonwealth’s implementation of the Aboriginal Water Entitlements Program by partnering on engagement efforts and providing information on NSW water markets and identifying opportunities to support First Nations Strategic land and water acquisitions partnership programs where relevant to the jurisdiction.	\$ 204,000
		19. b Support NSW Basin First Nations Peoples, including non-Native Title holders, in achieving the outcomes identified in their cultural flows planning for cultural economies grant application. Assist within funding and resourcing parameters by connecting them with water planners, managers, and river operators to develop effective water delivery plans. Provide technical support and advisory services to help First Nations navigate the water entitlement process and Cultural Access Licenses.	\$ 204,000
	20. Undertake engagement, consultation, and partnerships with First Nations Australians within the Basin.	20.a Implement actions and reform activities towards achieving the Closing the Gap inland waters target/s as per the plan. Implementation of the actions and enabling reforms are evaluated and measured through both qualitative and quantitative reporting. Commonwealth DCCEEW oversees a nationally consistent reporting methodology on actions and reform activities	\$ 266,000
<i>Total payment for New South Wales for Year 3 if all KPIs are met</i>			\$6,437,000

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Table 2A: New South Wales – 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
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 advice when requested to the Commonwealth on approaches* to deliver water recovery programs towards reaching the 450 GL/year of additional environmental water under the Restoring our Rivers Framework.</p> <p>*This includes advice on establishing 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).</p>	\$ 128,000
		<p>1.b Provide advice when requested to the Commonwealth on the best approaches* to deliver water recovery programs towards reaching the 450 GL/year target of additional environmental water via the Restoring our Rivers Framework.</p> <p>*This includes providing advice during the design and establishment phases of any Voluntary Water Purchase Program towards recovery of 450 GL target on specific matters requested by the Commonwealth.</p>	\$ 100,000
Coordinated environmental water use	2. Deliver an agreed Basin-wide Environmental Water Protection Strategy and Implementation Plan.	<p>2.a All Basin States and the Commonwealth via the Environmental Water Committee are to:</p> <ul style="list-style-type: none"> demonstrate evidence of work completed under the 2026-27 forward work plan. agree upon an annual forward work plan of priority collaborative activities to finalise delivery of the Environmental Water Protection Strategy (where relevant to the jurisdiction). <p>Basin States are also to actively engage in EWC processes to agree and deliver annual collaborative activities to further improve protection of environmental water and contribute to connectivity.</p>	\$158,000

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	3. Deliver environmental water accounting data and information.	3.a Environmental water accounting data and information (i.e. water use and return flows) at monthly time period is provided to the Commonwealth Environmental Water Holder (and other environmental water holders) for adaptive management purposes.	\$200,000
	4. Improve environmental watering plans and strategies, including by updating Long-Term Watering Plans (LTWPs) within agreed timeframes	4.a Engage with all stakeholders (including First Nations) in the development of environmental water plans or priorities when required; and in the implementation, review and update of LTWPs.	\$150,000
		4.b Update and operationalise LTWPs (or alternatively agreed tool) in line with the next editions of the Basin-wide environmental water strategy within agreed timeframes.	\$150,000
	5 Improve river management functions' consideration of water quality	5.a The Environmental Water Committee (EWC) and River Murray Operations Committee (RMOC) will identify options and deliver actions to improve how river management functions consider water quality.	\$100,000
	6. Contribute to delivery of the MDBA-led SDL Accounting Framework Improvement Strategy work plan, including supplying data and quality assurance documentation.	6.a Contribute to developing a work plan to implement the SDL Accounting Framework Improvement Strategy, led by the MDBA and agreed by BOC Alternates (BOC-A).	\$200,000
		6.b Implement* the SDL Accounting Framework Improvement Strategy work plan led by the MDBA, as relevant to the jurisdiction. *provide technical support and modelling access 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).	\$150,000
	7. Deliver required Basin Plan monitoring, evaluation, science and reporting.	7.a Deliver Basin Plan reporting under Schedule 12.	\$257,000
		7.b Deliver on agreed strategic activities under the Basin Monitoring Evaluation and Reporting Working Group annual work plan as endorsed by BOCA.	\$145,000
Statutory Review Processes	8. Contribute to statutory review processes	8.a Basin States to: <ul style="list-style-type: none"> attend a minimum of 90% of meetings with Water Act reviewers (as required). provide information as requested by the reviewers towards the Water Act review. Information provision to reviewers should 	\$145,000

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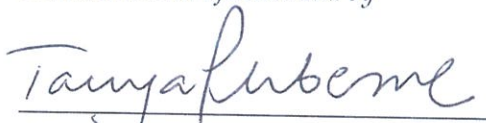
		be based on all reasonable requests and consistent with data sharing agreements.	
Water market improvement	9. Establish two-way entitlement and allocation trade between the ACT and NSW, and to ensure protection of future environmental water downstream from the ACT.	9.a NSW to: implement in full the final 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.	\$200,000
Improved compliance and reporting	10. Implement revised Metrological Assurance Framework (MAF2) 11. 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.	10.a NSW 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.	\$200,000
		11.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.	\$226,000
		11.b The submission of measurement data and narrative in accordance with requests made by the IGWC, including metering data and data relating to floodplain harvesting / overland flows, in accordance with applicable reports, frameworks and guidance documents.	\$226,000
		11.c Provide input to the IGWC on the development of new IGWC-issued guidelines and standards.	\$226,000
		11.d Report to the IGWC against MAF2 Chapter 15 at least annually or in accordance with IGWC guidelines.	\$226,000
First Nations	12. Improve outcomes for First Nations Australians in relation to holding water	12.a Support the Commonwealth’s implementation of the Aboriginal Water Entitlements Program by partnering on engagement efforts and providing information on NSW water markets and identifying opportunities to support First Nations Strategic land and water acquisitions partnership programs where relevant to the jurisdiction.	\$226,000
		12. b Support NSW Basin First Nations Peoples, including non-Native Title holders, in achieving the outcomes identified in their cultural flows planning for cultural economies grant application. Assist within funding and resourcing parameters by connecting them with water planners, managers, and river operators to develop effective water delivery plans. Provide technical support and	\$226,000

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		advisory services to help First Nations navigate the water entitlement process and Cultural Access Licenses.	
	12. Undertake engagement, consultation, and partnerships with First Nations Australians within the Basin.	12.c Implement actions and reform activities towards achieving the Closing the Gap inland waters target/s as per the plan. Implementation of the actions and enabling reforms are evaluated and measured through both qualitative and quantitative reporting. Commonwealth DCCEEW oversees a nationally consistent reporting methodology on actions and reform activities.	\$226,000
Total payment for New South Wales for Year 4 if all KPIs are met			\$3,865,000

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]

12 12 2024

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



The Honourable Rose Jackson MP
Minister for Water [Day] [Month] [Year]

21.1.25