

Marine algal bloom support - SA

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule

Parties	Commonwealth South Australia
Duration	This Schedule is expected to expire on 1 December 2026
Purpose	This Schedule will support the delivery of South Australian Government initiatives to combat the effects of the devastating algal bloom affecting state waters, and to improve preparedness for future events. These initiatives encapsulate joint efforts to better protect our ocean and the communities, businesses and marine species that depend on it. This Schedule will provide a contribution to South Australia for initiatives across four priority areas: science and research, business assistance, community awareness and support, and clean up efforts. Further initiatives agreed under this Schedule comprise: • grants to peak council bodies to service communities impacted by the algal bloom, to support coastal infrastructure investment, environmental remediation activities and community support programs, with the South Australian Government responsible for coordinating services with local government and delivering funding under this schedule to local government; • a \$250,000 contribution to South Australia for procurement of a bubble curtain system to protect cuttlefish off the coast of Whyalla; and • \$48 million to jointly fund South Australia's \$102.5 million Algal Bloom Summer Plan to address the ongoing impacts of the harmful algal bloom, across the following core objectives: ○ Advancing Science and protecting our environment (\$37.9 million). ○ Backing coastal businesses and communities (\$27.6 million and \$20.5 million (Coast is Calling)). ○ Supporting South Australian's way of life over summer (and \$16.5 million).

Estimated financial contributions	The Commonwealth will provide an estimated total financial contribution to the State of up to \$68.5 million in respect of this Schedule. <i>Table 1 - Estimated financial contributions</i> <table><tr><th>Table 1 (\$ million)</th><th>2025-26</th><th>Total</th></tr><tr><td>Estimated total budget</td><td>134.75</td><td>134.75</td></tr><tr><td><i>Less estimated National Partnership Payments</i></td><td>66.25</td><td>66.25</td></tr><tr><td>Balance of non-Commonwealth contributions</td><td>68.5</td><td>68.5</td></tr></table>	Table 1 (\$ million)	2025-26	Total	Estimated total budget	134.75	134.75	<i>Less estimated National Partnership Payments</i>	66.25	66.25	Balance of non-Commonwealth contributions	68.5	68.5
Table 1 (\$ million)	2025-26	Total											
Estimated total budget	134.75	134.75											
<i>Less estimated National Partnership Payments</i>	66.25	66.25											
Balance of non-Commonwealth contributions	68.5	68.5											
Additional terms	1) <i>The Commonwealth contribution is for activities from 1 July 2025 to 1 December 2026. Should there be delays and significant budget underruns, such as impacts from a pandemic, extreme weather or other events, or implementation delays due to availability of equipment or service providers, an option to extend the current project delivery timeframes, by up to 12 months, may be made by mutual agreement by Senior Officials. Further extensions are dependent on agreement between Senior Officials.</i> 2) <i>The Commonwealth contributions are allocated for the sole purpose of supporting implementation of initiatives to support the South Australian Government's efforts to combat the effects of the devastating algal bloom affecting state waters, and to improve preparedness for future events. This amount is the agreed contribution amount to complement the \$68.5 million committed for the same purpose by the South Australian Government.</i> 3) <i>Table 2 summarises the project milestones, expected completion dates, relevant reporting dates and expected payments to be made. Multiple payments may be made for milestone 4 in the timeframe specified, provided payment does not exceed the total Commonwealth contribution for that milestone.</i> 4) <i>Should the allocation of funding across the core objectives as outlined in the agreement need to be amended over the course of the algal bloom response then this can occur in consultation between the South Australian and Australian Governments.</i>												

Table 2: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment
Delivery initiatives to combat the effects of the devastating algal bloom affecting state waters, and to improve preparedness for future events.	Milestone 1 - Execution of the original schedule between the Commonwealth and State	On execution	\$14,000,000 Paid on execution of the original schedule
	Milestone 2 – This report should include information on the allocation and expenditure of the Commonwealth funding.	30/06/2026	Nil
Procurement of a bubble curtain system to protect cuttlefish off the coast of Whyalla.	Milestone 3 – Submission of evidence of successful procurement of a bubble curtain system to protect cuttlefish off the coast of Whyalla	30/05/2026	\$250,000
Grants to peak council bodies, relevant local governments to service communities impacted by the algal bloom, to support coastal infrastructure investment, environmental remediation activities and community support programs	Milestone 4 – Submission of evidence of payments made to grant recipients consistent with this Agreement for the period 1 September 2025 to 31 May 2026	15/06/2026	Equal to the grants paid by South Australia under this agreement up to \$4,000,000
Algal Bloom Summer Plan: Implementation of the Summer Plan initiatives	Milestone 5 – Execution of the revised schedule between the Commonwealth and State	On execution	\$48,000,000
Implementation of the Summer Plan initiatives	Milestone 6 – Submission of evidence of the allocation and expenditure of Commonwealth funding against the core objectives (including details of the sub-component initiatives): Advancing Science and protecting our environment; Backing coastal businesses and communities and Supporting South Australian's way of life over summer (including Coast is Calling initiatives).	30/06/2026	Nil
	Milestone 7— Update on progress and planning for all Summer Plan initiatives that extend beyond the life of this agreement, including health	1/12/2026	Nil

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	and ecosystem monitoring, the Office for Algal Bloom research, restoration projects, algal bloom mitigation trials and species programs.		
	Milestone 8— An evaluation of take-up and demand of grant funding under the Plan, including coastal infrastructure grant program, coastal events support, business support grants, industry response and resilience program, dining cashbacks, travel vouchers, active club grants.	1/12/2026	Nil

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

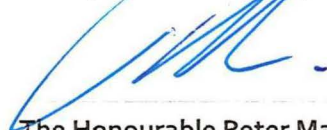
Signed for and on behalf of the Commonwealth
of Australia by



Senator The Honourable Murray Watt MP
Minister for Environment and Water

[Day] [Month] [Year] 10/11/25

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



The Honourable Peter Malinauskas MP
Premier

[Day] [Month] [Year] 20/11/2025

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THE HON PETER MALINAUSKAS MP

PREMIER OF SOUTH AUSTRALIA

Senator the Hon Murray Watt
Minister for the Environment and Water
Via email: Minister.Watt@dcceew.gov.au

FB507406

Dear Senator *Murray*

Thank you for your letter of 22 June 2026 regarding the Marine Algal Bloom Support SA Federation Funding Agreement – Environment.

I appreciate your acknowledgement of South Australia's delivery of this important work, and the constructive approach taken by your department in administering the Agreement.

I agree to the proposed amendment to include an additional milestone (Milestone 4a) to facilitate reimbursement of grant payments made by South Australia during the period from 1 June 2026 to 30 June 2026.

As noted, the extension reflects the operational impacts of the recent caretaker period, during which grant payments were necessarily paused. The additional milestone will provide appropriate flexibility while maintaining transparency and accountability under the Agreement. South Australia is committed to continuing to meet reporting obligations and delivering outcomes under the Agreement, to support coastal communities, businesses and industries, strengthen environmental resilience, and protect South Australia's coastal way of life.

Once again, thank you for writing to me on this important matter and for the Australian Government's ongoing partnership in responding to the impacts of the algal bloom.

Yours sincerely

[Signature]
Peter Malinauskas
PREMIER

29 / 6 / 2026



SENATOR THE HON MURRAY WATT
MINISTER FOR THE ENVIRONMENT AND WATER

MC26-000677

The Hon Peter Malinauskas MP
Premier
GPO Box 2343
ADELAIDE SA 5001

premier@sa.gov.au

Dear Premier

Peter
I am writing in relation to the Marine Algal Bloom Support – SA Federation Funding Agreement- Environment (enclosed). Thank you for your State's collaboration on the response efforts to the algal bloom and for the information already provided by your team under this agreement.

In relation to Milestone 4 of this agreement that states '*Submission of evidence of payments made to grant recipients consistent with this Agreement for the period 1 September 2025 to 31 May 2026*', I seek your agreement to include a new additional milestone covering the period from 1 June 2026 to 30 June 2026. This additional milestone (proposed Milestone 4a) would facilitate reimbursement of grant payments made by South Australia to 30 June 2026 up to \$4,000,000, less what was paid in Milestone 4.

The extended timeframe reflects the South Australian Government's recent caretaker period, during which time payments were paused.

Yours sincerely

MURRAY WATT

22 / 6 / 2026

Enc Marine Algal Bloom Support – SA Federation Funding Agreement- Environment