



20 November 2023

Productivity Commission  
GPO Box 1428  
Canberra City ACT 2601, Australia

## **MURRAY-DARLING BASIN PLAN: IMPLEMENTATION REVIEW 2023 INTERIM REPORT**

---

The National Parks Association of NSW (NPA) appreciates the opportunity to submit comments on the Productivity Commission's Interim Review of the Murray Darling Basin Plan.

NPA's mission is to protect nature through community action. Our strengths include State-wide reach, deep local knowledge, evidence-based input to policy and planning processes, and over 65 years' commitment to advancing the NSW protected area network and its professional management. We also provide outstanding opportunities for experiencing and learning about nature through our unrivalled program of bushwalking, field surveys, bush regeneration and other outdoor activities.

The NPA believes it is important to protect and sustain healthy and resilient freshwater ecosystems and their associated biodiversity (flora and fauna). This requires actions to i) protect and sustain healthy and resilient freshwater ecosystems and their associated biodiversity (flora and fauna) and that ii) Natural flows and flow regimes must be protected and managed so that riverine connectivity and associated floodplains remains healthy from the source to the sea (or from sources to naturally terminal wetlands). Reserve

The region contains over 30,000 wetlands, including 16 Ramsar listed wetlands as well as over 100 wetlands of national importance. Many of these sites are significant to Aboriginal and other local communities. We welcome the opportunity to provide further feedback given the Productivity Commission's Interim recommendations.

### **Interim recommendation 2.1 The Australian Government should be more transparent, and have greater authority, over decisions for supply, constraints-easing and northern Basin toolkit measures.**

The NPA supports the intent of the recommendation, but the detail provided in the interim PC should also include some initial contract parameters so that the community can compare what was planned with how it is performing.

The Plan is fundamentally a partnership, we therefore believe there is merit in some form of state and territory-based performance reporting.



### **Interim recommendation 2.2 Reset and extend implementation of constraints-easing projects.**

NPA strongly support separating constraints from supply measures and establishing a distinct program, with specific funding arrangements and workflow sequencing. Given the complexity of some of these initiatives, there should be a separate dedicated program with best-practice project management.

### **Interim recommendation 2.3: Implement an assurance mechanism for the northern Basin toolkit.**

The NPA is supportive of improved financial accountability arrangements for the northern basin. A focus on environmental outcomes and more transparency with public reporting is essential for these complementary measures.

### **Interim recommendation 2.4 Develop a renewed approach to water recovery.**

We strongly support the development of a new approach to water recovery, as what has occurred has effectively stalled water recovery for several years. In addition to the points made by the PC, we suggest the lifting of the 1500GL cap on buybacks and the abandonment of the socio-economic criteria.

We understand the Commission will be considering the merits of establishing a new corporate Commonwealth entity to address the anticipated water recovery shortfall. For a long time, markets have been proposed as the most efficient solution to manage environmental issues and natural resources, including water. No one mechanism will deliver on all environmental benefits or represents an easy path forward. While open tender, voluntary water purchases must be resumed as a key cost-effective mechanism. It is more complex than that, it is therefore the NPA's view that:

- i) As each water licence has a unique set of characteristics: its mobility; uncertain quality, quantity; location; relative security; cost of transportation; and transportation losses. The agency should be able to operate without political interference. Thus, the NPA recommends there should be a clear set of parameters to guide further enhancement of the existing 'water bank' including considerations of economic efficiency, ability to benefit significant environmental assets, the existing water portfolio, and seasonal availability of use.
- ii) The agency is able to use a range of innovative and agile market mechanisms (where appropriate) beyond the outright purchase of water to achieve environmental outcomes. There are a range of examples: the Nature Conservancy's Bird Returns programs uses reverse auctions to identify the most opportune fields for providing habitat for migrating wildlife, in terms of both price and location. There are other examples where downstream transfers of water are used to deliver both environmental and economic benefit.

### **Interim recommendation 3.1 Improving the effectiveness of the Basin-Wide Environmental Watering Strategy**

Since the implementation of the Plan, return of water to the environment has been falling far short of targets. The gap between the volume required to maintain wetlands and rivers and what is available is increasing with climate change and other risks. It is therefore the NPA's view that environmental outcome should have primacy. It may be possible to include First Nations customary objectives in shared benefits of environmental watering- but it is important there is a greater emphasis on more effective use of a scarce resource. Conservation of freshwater biodiversity in the Basin can be enhanced by better management of environmental water, including timing of releases to ensure evaporative loss is minimised. The limited environmental water available could also be used to sustain more wetlands if released from dams in pulses that fill river channels and are allowed to spill onto floodplains and private land. Benefits of environmental flows can be greatly diminished by the release of unnaturally cold water. We are therefore not supportive of a greater inclusion of social and cultural objectives (i.e., seeking

greater diversity of benefits) when better use of infrastructure could be implemented to achieve greater environmental outcomes (i.e., we should seek greater return on the existing investment).

It is the NPAs view that the PC statement of “*clear articulation, under all water availability scenarios, of the relative priority of key Basin environmental assets to achieving the overall environmental objectives of the Basin Plan and the expected outcomes set out in the strategy*” could be construed as a narrow view of the future situation for the Basin. It seems to suggest the future is a ‘steady state’ environment with less water. However, climate change is also creating more intense drought and flood events. We are also now seeing the transition from drought to flood, and back, at a more rapid rate than has ever been observed. There will therefore be a need (particularly when also considering the Kunming-Montreal Global Biodiversity Framework) that there is a key role for other state and Commonwealth agencies who have responsibility/authority to use their ‘policy tools’ to achieve effective conservation outcomes- rather than simply consider triage by the MDBA alone. For example, there will be a need to consider a network of protected area climate refuges for mobile/migratory species as well how private land conservation mechanisms can be used to create effective connectivity easements.

### **Interim recommendation 3.2 The adaptive management of long-term watering plans**

The NPA supports both adaptive management of long-term water plans as well as a process of reviews of existing water resource plans transition towards long term water plans outcomes. Recovering the Murray-Darling Basin will require trial and error. We are embarking upon something at a significant scale crossing multiple disciplines and stakeholders. Some interventions are already being demonstrated to succeed. But some may also ultimately fail. Success and failure are cornerstones of adaptive management.

### **Interim recommendation 3.3 Basin annual environmental watering priorities require review.**

The NPA is supportive of the 2026 review of the Basin Plan, the Murray–Darling Basin Authority assessing the value of Basin annual environmental watering priorities and whether the Basin Plan requirements for these annual priorities should be amended or removed *within an understanding of the extent of the environmental water portfolio*.

### **Interim recommendation 3.4 Delivering shared benefits from the use of environmental water.**

The NPA is supportive of thorough genuine, resourced partnerships with the various Indigenous Nations in the Basin. However, we maintain there is a gap between the volume required to maintain the health of wetlands and rivers in the Basin and what environmental water is available. The NPA is therefore supportive of obtaining any shared benefits that environmental watering can help realize for indigenous nations as long as it is without compromising environmental outcomes.

### **Interim recommendation 4.1 Simplify requirements for water resource plans.**

The NPA is supportive of processes that help achieve simplification and consistency of water resource plans such as through some form of template where wider considerations of the area in focus is part of the ‘bigger picture’ are included (e.g., provision end of system flows, and connectivity targets)

### **Interim recommendation 4.2 A risk-based approach to amending water resource plans.**

Water resource plans must be regularly and independently reviewed to assess their performance against the objectives of the Water Act, the Basin Plan, and long-term water plans. Water Resource Plans are the key interface between the Basin Plan and state instruments and must be demonstrated to be working as intended.

### **Interim recommendation 5.1 Strengthen the roles of Aboriginal and Torres Strait Islander people in the Basin Plan**

All consultation, partnerships and decision making must include individual Basin Nations who each have their own inherent rights. There is an important need to build trust as an early element in establishing

the relationship before expecting people to take up 'roles'. As it is highly likely that some Nations would elect not to engage with a government led and established body'.

### **Interim recommendation 6.1 Specific measures or targets for evaluating climate change resilience**

The impacts of climate change on water availability should be included in the Water Act and Basin Plan. Any change to the Water Act to make this explicit are supported. The climatic cycle is clearly different than when many operational rules were drafted. They are also different than when much of the basin's water infrastructure was constructed. The resultant situation is more stress on the environment and people who depend on water. Solutions need to be integrated, they need to be co-designed, and they need to be demonstrated to work.

### **Interim recommendation 6.2 Publishing material used for decisions.**

Government agencies should publish in regular scheduled reports the data, modelling outputs, and government-commissioned research that informs their decisions about water management in the Basin. The NPA suggests there should be possibly two types of reporting:

- One type aimed at informing the wider community- raising awareness and allowing critical review.
- Another type for organisational partners that are either involved or could be involved in helping build environmental and social resilience. Solutions need to be integrated, they need to be co-designed and they need to work together.

Moreover, there should be team approach so that Commonwealth statements do not, unless evidence based, create uncertainty in state-based modelling.

### **Interim recommendation 6.3 Strategic coordination of knowledge generation and sharing activities.**

Support as per 6.2 above

### **Interim recommendation 8.1 A comprehensive review of trading rules in the Basin Plan**

The NPA is generally supportive of the Australian Competition and Consumer Commission (ACCC) conducting a comprehensive review of the Basin Plan trading rules. While the review might focus on 'unnecessary' trade restrictions being identified and removed- 'unnecessary' should be of how mindful of how pure economic decisions might lower the resilience in some local regional communities.

### **Interim recommendation 9.1 Extending oversight of intergovernmental funding agreements relevant to Basin Plan implementation**

NPA is supportive.

### **Interim recommendation 9.2 Improving the transparency of Basin Officials Committee**

The NPA is supportive of the Basin Officials Committee (BOC) being more transparent.

### **Interim recommendation 9.3 Strengthening the community voice in Basin decision-making.**

The NPA supports, but

- more transparency is needed about how the BCC is appointed and its terms of reference.
- The MDBA should adopt the IAP2 use (and application) the words in its community engagement to indicate the scope of inclusion available to the stakeholder/community groups it is working with.

Page: 5 of 5

I can be contacted at

Yours sincerely

Gary Dunnett

**Chief Executive Officer**  
**National Parks Association of NSW**  
*protecting nature through community action*