Efficiency Measures – Agreed Criteria

1. **Projects must be made public**
   a. A regional map must indicate where investments are being made to depict how these interrelate to improving the efficiency of the district. This includes showing the broad location of the project, the amount of water to be recovered for the environment, the type of project and relevant socio-economic information.
   b. Where possible, reports or outcomes of past projects should be made available.
   c. Technical reports on completed projects must be made available to inform the development of any future projects.
   d. Following in-principle government approval, non-sensitive information about project applications must be advertised to allow relevant stakeholders to make submissions to the proposal.

2. **Projects do not negatively impact on social and environmental outcomes.**
   a. All projects are required to describe the expected socio-economic and environmental benefits of their proposed project, with delivery partners required to coordinate and communicate with local communities and community bodies on the program and describe the expected socio-economic and environmental impacts of each program on the local community, region or state.
   b. Social values may include the amenity to local communities of weirs, storages and parks that may be affected by efficiency projects.
   c. Large projects must describe the expected socio-economic outcomes of their proposal. In doing so, they must address the following:
      o the anticipated socio-economic impacts to the local community, region or state;
      o their project's strategy for increasing the socio-economic benefit to participants and their communities (e.g. local sourcing of goods, services and labour); and
      o if and how the project will contribute to regional investment and development in the geographic area.
   d. Both project and delivery partners are required to comply with all relevant laws including work health and safety laws. Each project must show an understanding of all relevant legislation or regulation (including environmental laws and regulations) that will require approval prior to works commencing.
   e. Australian Government to fund facilitators to work with communities to develop proposals that have community support and positive social and economic outcomes.

3. **The project assessment for funding must be clear, timely, simple and transparent, and not unduly increase red tape.**

4. **Projects need to demonstrate how they contribute to the current and future viability of proponent businesses and irrigation districts**
   a. Proponent consider how the project would contribute to the current and future financial viability of the irrigation district/region where it will occur, including identification of potential irrigation network improvements.
   b. Projects should avoid upgrading water supply infrastructure where the system, or parts of the system, are not going to be used in the future.
   c. Project proposals in an irrigation district should take account of relevant irrigation business' strategies or plans.

5. **Programs or projects support regional economies.**
   a. Programs or projects should identify opportunities to support local industry and regional development.
   b. Programs or projects should focus on increasing water use efficiency in ways that address industry, network/system and local/regional priorities, future needs and risks and may include research and extension services.
   c. Programs or projects in an irrigation district don't reduce the overall productive capacity of the relevant region
   d. Programs or projects should not impact negatively on regional jobs.

6. **Programs or projects do not have negative third party impacts on the irrigation system, water market or regional communities**
   a. Where a proposed project is located within an irrigation network, the proponent must provide evidence that the relevant network operator or water corporation is involved in or aware of the project.
   b. The relevant government or proponent must consult industry bodies, irrigation network operators/, local governments or regional development organisations, on a strategic regional approach which will focus on ensuring there is a mix of water efficiency projects in a region in ways that address industry, network/system and local/regional priorities, future needs and risks and may include research and extension services.
   c. The socio-economic assessment of programs or projects must consider impacts not just on participants, but for broader regions.

7. **Projects need to be assessed for their potential to impact on the price of water.**
   a. Proponents can only transfer water rights that they own at the time of their application. They cannot receive funding to acquire water rights. A project cannot transfer more water than the project will save, and the proposed quantity must be independently verified as being a conservative estimate of the resulting water savings. A proponent may keep any water savings beyond the amount transferred.
   b. Proponents applying for project funding would be required to provide evidence that the water entitlements have been held for a minimum of 3 years at the time of application.
   c. Project proponents must ensure there is no direct impact on the reliability of water from cumulative implementation of projects.
   d. Projects must not directly increase the price of water.

8. **Any cultural impacts identified, protected or improved**
    a. Projects are required to describe the expected cultural benefits of their proposed project, with delivery partners required to coordinate and communicate with local communities and community bodies on projects and describe the expected cultural benefits of each project on the local community, region or state.
    b. Projects must describe the expected cultural benefits of their proposal. In doing so, they must address the following:
        o the anticipated cultural benefits to the local community, region or state;
        o their project's strategy for increasing the cultural benefit to participants and their communities (e.g. local sourcing of goods, services and labour)
    c. Projects over $3 million must identify cultural heritage sites and manage any impacts in accordance with relevant Commonwealth and State laws.

9. **Program design should include close engagement with community and industry leaders.***
    a. The relevant government or proponent must consult with industry bodies, IIOs, local governments or regional development organisations, or investment corporations on relevant strategic regional projects, and consider community support.
    b. This consultation should focus on increasing water use efficiency in ways that address industry, network/system and local/regional priorities, future needs and risks and may include research and extension services.

10. **Where practical, seek to develop and implement integrated implementation of efficiency measures to maximise benefits to the irrigation network and local enterprises**

    a. Programs or projects must focus on increasing water use efficiency in ways that address industry, network/system and local/regional priorities, future needs and risks and may include research and extension services. This would include integrated proposals.

11. **Monitoring and evaluation, including of socio-economic outcomes, should be built into programs and used to regularly review and adapt programs as required.**

    a. The Commonwealth will develop a monitoring and evaluation framework to assess the progress of projects in real time, post-approval.

12. **Projects must deliver real water savings and not result in profiteering or rorting.**
    a. Projects must not allow participants to individually profit without creating water savings.

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* 'program' refers to an initiative that can be consulted on and discussed with community before project implementation

13. Projects should identify improved capacity to respond to changes in business environment including drought and climate resilience

    a. Provide information on how the project will improve resilience to climate variability.