



NIC Initial Response to the MDBA's Draft Evaluation Framework

The National Irrigators' Council (NIC) is the peak body representing irrigators in Australia. NIC currently has 32 member organisations covering all MDB states, regions and commodities. Our members represent water entitlements of about 7 million megalitres. While this document has been prepared by the NIC, each member reserves the right to independent policy on issues that directly relate to their areas of operation, or expertise, or any other issues that they may deem relevant.

Executive Summary

NIC has strongly and repeatedly argued that the MDBA, CEWH and governments generally must provide clear guidance on their approach to implementing the Water Act 2007. We have also made the case that monitoring, evaluation and reporting of environmental outcomes and independent audits of plan implementation must be undertaken to instil community confidence in the reform process.

To this end we are pleased to see that the MDBA has released a draft evaluation framework for comment. We believe as a framework it is useful, however, in reality it could be used to evaluate anything. Unfortunately the document is long winded and has people underwhelmed and none-the-clearer as to what is trying to be achieved.

The evaluation framework does not clearly lay out a formula for evaluation. It should simply explain:

- Where we are – clearly explaining the baseline from which to measure change;
- Where we want to be – explaining the outcomes the Basin Plan is seeking to achieve; and
- How we get there – including the steps for monitoring and evaluation along the way.

It must also identify clearly and specifically where evaluation has been based on 'judgement' or specific and measurable data.

The NIC remains concerned that there is still no environmental watering plan, which is fundamental to both the implementation of the Basin Plan and the evaluation of its effectiveness.

NIC believes that until we see, understand the baselines and can be confident that progress can be measured against more than just models based on guestimates, the draft evaluation framework as it currently stands is not a fit for purpose.

We are concerned that the MDBA is not monitoring like with like. The Basin Plan is based on hydrological modelling which makes a series of assumptions about ecological responses. Now is the opportunity to ground-truth those models, not using the models as a comparable basis to assess actual outcomes.

Evaluation of the Basin Plan must focus on just that; the Basin Plan, which is a plan only concerned with water recovery, use and flows. Therefore evaluation must answer the fundamental questions:

- Have the objectives outlined in Chapter 5 been met?
- Have the SDLs been achieved in accordance with Schedule 2?
- Has an environmental watering plan been developed and does it achieve the targets contained in Schedule 7?
- Are the water quality targets being met in accordance with Chapter 9, Part 3?
- Have water resource plans been developed?
- Have the water trading rules been effective?

Until there is an easily understood evaluation framework on which the success or otherwise of the Basin Plan can be judged at a community, valley and Basin level, particularly by those who have been directly impacted by the Basin Plan, then the entire process is in jeopardy.

There is concern that the same people who developed the Basin Plan will be those that evaluate the Plan and in essence will mark their own work. NIC Members believe there ought to be a much higher level of independent scrutiny of the effectiveness of the Plan; however this cannot be achieved simply by having an academic 'scientific' advisory panel. Academics are just one tool in the policy tool box and localism and 'ground-truthing' must be at the fore of any independent scrutiny of the plan.

We note that there will continue to be a heavy reliance on Government agencies at both a State and Federal level to provide many of the inputs and the use of their models and notwithstanding the assurance around localism being 'hard-wired' into the Basin Plan, it's very much about government reporting on government.

Baselines

NIC is gravely concerned that the baselines from which the Basin Plan implementation is to be measured are still unclear to all but those within the MDBA. Until we know exactly what baselines the MDBA are using we cannot judge if they are appropriate or if the evaluation methods are appropriate. There is concern that in some instances baselines do not currently exist or are subjective, based on

models which haven't been 'ground-truthed', use flawed assumptions, have skewed timeframes and/or don't take into consideration the reality of what was/is occurring on the ground.

It is paramount that the evaluation framework makes it clear within both the baseline descriptions and future evaluation reports where 'educated guesses' or 'judgements' have been used. The MDBA must identify assumptions used and spell out on what the assumptions are based. For example was it modelling, a good old fashion guess, a desktop evaluation or actual fieldwork. If assumptions have been made in the monitoring or evaluation then the work should also be assigned a margin of error in order to provide stakeholders with an idea of how confident the MDBA is with the work undertaken.

NIC proposes that the MDBA commits to continue working with NIC at both a peak body level and with individual members to ensure that the baselines developed for the monitoring, metering and evaluation for both the environment and the social and economic outcomes are relevant, 'ground-truthed' and are well understood by all stakeholders, including politicians.

Monitoring

The NIC understands the evaluation framework is about evaluating the effectiveness of the Basin Plan and that a monitoring program will be developed at a later stage, likely in conjunction with other organisations including the CEWH and State environmental water holders and agencies. However, we believe monitoring will form the basis for evaluation and therefore should be discussed now in order to develop a comprehensive monitoring, evaluation and reporting (MER) process.

The monitoring undertaken by the MDBA must be robust and include more than a desktop study undertaken by academics. NIC Members have previously raised issues with the way the MDBA undertook its now defunct flagship monitoring and evaluation flagship, the Sustainable Rivers Audit. These issues must be addressed in the design of the Basin Plan's MER framework.

We understand that there will continue to be data and knowledge gaps which will mean that 'educated guesses' will have to form a significant part of the monitoring and evaluation program. Whilst the evaluation framework acknowledges this limitation it must guarantee an open and honest account of these limitations.

Natural Resource Management

The MDBA has already made it clear in recommendation 9 of the Proposed Basin Plan Consultation Report released in May 2012 that;

'Environmental watering must be integrated into broader natural resource management. The Australian Government, Basin states, catchment management authorities and local governments need to continue working

*together to ensure that planning and management of environmental water is more closely integrated with broader natural resource management activities. The MDBA strongly encourages governments to continue supporting local and regional bodies in this task so that the benefits of reforming water use are **not undermined by environmental degradation stemming from a lack of investment in natural resource management.***

In the same report on page 63 it states;

‘MDBA agrees on the need for a broad natural resource management approach in the achievement of outcomes for water-dependent ecosystems. While water volumes are important in achieving environmental objectives, the EWP recognises that water-dependent ecosystems are influenced by more than water volumes alone.’

Given the MDBA has already identified that parallel NRM works are vital if the water reforms are not to be undermined, it is unclear from the evaluation framework how much weight or indeed how the MDBA will monitor and evaluate impacts on ecosystems outside of its control.

NIC acknowledges that the evaluation framework will attempt to put the outcomes into ‘context’ of what other events have occurred in the Basin, however if the evaluation program is to have any integrity it will be critical to know to what level water reforms have been undermined by environmental degradation stemming from a lack of investment in natural resource management and other issues, such as climate variability outside of the MDBA’s control.

Resources

NIC is concerned that the resources which will be needed to implement the evaluation framework do not currently exist, nor is there the political will for substantial taxpayer funds to be invested into monitoring and evaluation.

NIC is concerned that there could be additional reporting requirements and we strongly believe that the cost of any additional reporting requirements should be borne by the Government. We note that the Federal Government has made a commitment to lessen the red and green tape burden and has promised to reduce red and green tape by one billion dollars per annum.

The MDBA needs to explain how their evaluation framework will either compliment or duplicate the audit functions of other agencies such as the National Audit Commission.

To this end the evaluation framework must mirror reality and what can be achieved with a limited budget. It must not create additional red tape and if additional regulations or reporting are needed and can be justified then it should only be done by exception.

Environment

It is very hard to comment on the effectiveness of the draft evaluation framework until the long term environmental water plan is complete. At this stage we have a draft evaluation framework but nothing for it to evaluate.

Further, we again raise the fact that the baselines or benchmarks are not widely known or understood within the communities. The Basin Plan lists objectives to “protect and restore” which raises the questions: To protect from what? To restore to what? Without clear baselines these objectives become subjective at best and do not provide for robust, scientific evaluation.

Whilst there are legislative outcomes which need to be evaluated, most are high level statements which do not easily translate to a local or valley level. Until the other parts of puzzle are in place including local monitoring, key outcomes, indicators and baselines are known and understood it is hard to comment on how effective the draft evaluation framework will be in ensuring outcomes are achieved.

The overriding objective of the evaluation programme should be; this is what we set out to achieve; this is what we did; and did we achieve it? If not why not?

NIC believes there is merit for the MDBA to work with NIC to ensure that the interaction between the long term environmental water plan and the monitoring and evaluation program are understood. Of particular interest is the role of the long term environmental water plan in providing the key environmental indicators for the evaluation and monitoring programs.

Social and Economic

We acknowledge that there has been an attempt to define social and economic indicators that the MDBA will use to evaluate the impacts of the Basin Plan on irrigators and communities. However we would like a better understanding of the baseline that is being used, how it was developed and how it will be used to compare changes for evaluation purposes.

We note that this work is extremely timely as it will underpin the Sustainable Diversion Limit (SDL) Adjustment Mechanism. There is no real guide in the draft evaluation framework as to how the MDBA will judge a project to be economically and socially ‘neutral’. To date we are not confident that the proposed evaluation framework is robust enough to provide the confidence needed if this work is to underpin the SDL Adjustment Mechanism in the short term and provide a good baseline for the longer term.

We would also like an explanation as to what the results of the monitoring will actually inform given in most instances the water will already have been recovered. There have been commitments made that if a community is at ‘tipping point’ as a

result of the basin plan then water recovery in that region would stop, however no-one is clear what exactly those 'tipping points' are.

Given there are some concerns we believe that it would be well worth the MDBA's time to visit NIC Members and update them on the social and economic evaluation framework and to explain the indicators and their limitations.

Conclusion

To be relevant the evaluation framework must encapsulate an easily understood formula as described in the executive summary explaining where we started, where we want to be and how we will get there. It must describe the baselines which are understood by interested parties (including politicians) and how it will evaluate whether the billions of dollars of taxpayer funds which have been invested into the Basin Plan have achieved what was promised to be achieved.

If it hasn't the evaluation framework needs to be above day to day political interference and provide an honest account for why it has delivered or failed to deliver what it set out to achieve.

A major problem with communicating the objectives of the Basin Plan to date is that many communities (and Politicians) still remain very unclear exactly what the Basin Plan is trying to achieve. There are some for example that think it is a drought proofing plan and that even in an extreme drought like the Millennium Drought there will be enough fresh water to fill the South Australian Lower Lakes.

NIC and our Members are keen to remain involved in this process and will work with the MDBA to share information where relevant.

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