



SDL Adjustment Mechanism

There must be no acquisition of 450 GL up-water until the existing recovery target is met

Key messages

- The 650 GL SDL (sustainable diversion limit) (down water) must be achieved first
- There must be no acquisition of 450 GL up-water until the existing recovery target is met
- There must be no third party impacts on reliability or availability
- Triple bottom line outcomes must be delivered
- Outcomes should not focus solely on water
- Given the lack of confidence with the methodology, a suitable methodology must be applied.

Background

National Irrigators' Council (NIC) has long argued that reforms under the Basin Plan should not focus solely on water as the only management tool and that solutions should incorporate a range of measures that are equally balanced between food and fibre production, the environment and the socio economic benefit for communities. NIC seeks the up to 650 GL under the Sustainable Diversion Limit Adjustment Mechanism (SDL AM) to be achieved first, and no acquisition of 450 GL up-water until the existing recovery target is met.

Under the SDL AM, a single package of adjustment project proposals assessed by the MDBA was to be notified to the Minister by 30 June 2016, regarding how much to adjust the SDLs for surface water. In this regard, an independent stocktake progress report released by MINCO (Commonwealth and State Environment and Water Ministers) in August 2015 showed a supply contribution of around 500 GL towards an outcome of up to 650 GL under the Mechanism.

At a MINCO meeting on 22 April 2016, and against the backdrop of the looming 30 June 2016 SDL project notification deadline, Ministers requested the Commonwealth to amend the Basin Plan to provide for a second SDL adjustment step by 30 June 2017. This would allow for a second tranche of projects to be developed, enabling the necessary work to be done to maximise the benefits and meet stakeholders' expectations of the SDL adjustment. The decision reflects NIC's call for flexibility around timelines that would enable the required work to be completed on project proposals to gain maximum benefit and to enable all possible supply contributions to be achieved.

Ministers agreed to a package of supply, efficiency and constraints measures that will result in changes to the SDLs. The agreement is expected to deliver a significant reduction in the water recovery needed to achieve Basin Plan outcomes. Opportunities to be considered under a wider range of complementary projects may include projects such as carp control measures, an initiative strongly supported by NIC.

*The National Irrigators' Council (NIC) is the national peak body
for irrigated agriculture in Australia.*

Our objectives are to protect or enhance water as a property right and to promote the
importance of irrigated agriculture.

Our vision is for a vibrant, sustainable irrigation industry

Our mission is to secure the long term interests of our Members and our industry

*The Council supports 27 Member organisations covering the Murray Darling Basin states, irrigation regions
and the major agricultural commodity groups. We are the voice of irrigators who produce food and fibre for
Australia and significant export income.*

*The Council aims to develop policy and projects to ensure the efficiency, viability and sustainability of
Australian irrigated agriculture and the security and reliability of water entitlements.*

*The total gross value of irrigated agricultural production in Australia in 2013-14 was \$14.6. {ABS} Irrigated
agriculture produces essential food such as milk, fruit, vegetables, rice, grains, sugar, nuts, meat and other
commodities such as cotton and wine.*