
NSW vision for future Basin Plan implementation

We now have over ten years' experience delivering the Basin Plan. The lessons that we have learnt should be applied to the next phase of Basin Plan implementation beyond 2026.

The NSW Government is committed to delivering the Murray-Darling Basin Plan, supporting improved environmental outcomes for the rivers, wetlands, and floodplains of the Basin.

The Basin Plan has delivered good outcomes, but a new approach is required if it is to continue delivering.

Our ideas for what improvements are needed to set the direction of future management of the Murray-Darling Basin is set out in our NSW Government Submission to the Basin Plan Review available online at <https://www.water.dcceew.nsw.gov.au/sites/default/files/2026-05/nsw-government-submission-to-the-basin-plan-review-discussion-paper.pdf>.

We will actively contribute our views to legislative reform discussions with the Australian Government and other Basin governments, as recommendations from multiple reviews including the Basin Plan Review and *Water Act 2007* (Cth) Review are considered.

It is critical that future settings for Basin Plan implementation are flexible, and Basin governments can collectively demonstrate continued forward progress towards improved environmental outcomes while supporting towns and communities across the Basin.

The NSW vision for Basin Plan implementation beyond 2026 and response to the SDLAM shortfall is informed by our experience in delivering projects, programs, and initiatives over the past 10 years and prioritising actions for the next phase of reform in response to community capacity for change.

Sustainable Diversion Limit Adjustment Mechanism (SDLAM) shortfall

We understand there will be a significant SDLAM shortfall at the end of this year when the Murray-Darling Basin Authority conducts its reconciliation process.

A clear response to the SDLAM shortfall is required that recognises the concerns expressed by stakeholders and communities about the impacts of additional water recovery and supports environmental outcomes alongside community resilience.

1. No further water buybacks

- We have been clear that NSW does not support water buybacks.
- This is due to the social and economic impacts that buybacks have on irrigation-dependent communities and regional economies.
- Water recovery alone will not deliver the environmental and community outcomes that can be achieved through targeted investment in projects, programs, and initiatives.

2. Finish delivery of existing SDLAM projects that have broad community support

- Finish delivery and account for existing SDLAM projects that will not be counted by the MDBA at reconciliation including the Koondrook-Perricoota Forest TLM, and Murrumbidgee and Murray constraints relaxation projects.
- Progress stakeholder consultations and further technical work to support delivery of the Murrumbidgee Airspace Management SDLAM project.
- These projects have a significant SDLAM benefit that could count directly towards the shortfall under a revised future framework.

3. Recognise the full environmental benefits from SDLAM projects that will be completed by 31 December 2026

- Elements of SDLAM projects already completed, or in delivery, that could not be counted due to limitations in the SDLAM framework e.g. addressing barriers to fish passage should be recognised and count directly towards the shortfall.

4. Australian Government investment in projects, programs, and initiatives that focus on achieving improved environmental outcomes rather than volumetric targets

- New projects that could not be considered in the SDLAM framework because they did not “score” under SDLAM or could not be delivered by the legislative deadline. This includes:
 - projects that were submitted under the Resilient Rivers Water Infrastructure Program (RRWIP) that were not funded
 - recognition of improved environmental water protection arrangements, new fish passage works and other rule-based improvements at Menindee Lakes generated from the review of Menindee operations
 - re-consideration of proposals submitted by stakeholders to the Australian Government in 2023 in response to their request for ideas to delivering the Basin Plan
 - other ideas submitted by stakeholders

- Complementary measures to improve waterway health and address threats to native species where these cannot be achieved with more environmental flows alone e.g. riparian revegetation, addressing barriers to fish passage, coordinated response to pest fish species.

5. Temporary water market mechanisms

- Pursue non-permanent water recovery options through temporary trading and leasing arrangements. These mechanisms offer a more flexible and adaptive means of recovering water for the environment as they enable targeted access to water when and where it is needed without permanently removing water entitlements from productive use.

Recommendations from our Submission to the Basin Plan Review

- Recommendation 1: Water resource planning and accreditation requires streamlining and simplification
- Recommendation 2: Improvements are required to the initial sustainable diversion limit assessments in collaboration with Basin governments
- Recommendation 3: Significant whole-of-government interventions and funding are needed to improve water quality
- Recommendation 4: Improvements are needed to advance First nations water management objectives and outcomes
- Recommendation 5: Improvements are required to river connectivity including through protecting flows at critical times
- Recommendation 6: A pathway is urgently needed to ensure constraints projects can be delivered post December 2026
- Recommendation 7: A works and measures program is needed to improve fish health, habitat and facilitate life cycle processes
- Recommendation 8: States must retain control of critical human water needs decisions within a changing climate context
- Recommendation 9: Environmental water delivery should be maximised and appropriate and proportionate protections for planned environmental water are required
- Recommendation 10: Improvements to regulatory design will enhance efficiency and effectiveness