



Australian Government
Department of Agriculture
and Water Resources

COMMONWEALTH ON-FARM FURTHER IRRIGATION EFFICIENCY (COFFIE) PROGRAMME PILOT

SOUTH AUSTRALIA

GUIDE FOR PARTICIPANTS



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KEY FACTS ABOUT THE COFFIE PILOT PROGRAMME

What does the programme offer?

The Commonwealth On-Farm Further Irrigation Efficiency ('COFFIE') programme may provide funding for irrigation infrastructure upgrades and other water efficiency activities on your farm. In return for funding, you transfer the minimum feasible water savings achievable from your approved project to the Commonwealth, and retain additional water savings.

Projects funded through COFFIE maintain or improve farm productivity, and allow water to be recovered to improve river health. The programme is being piloted in South Australia to test its design, with \$15 million available to irrigators in the SA Murray-Darling Basin over the next 3 years.

To participate you need to be the registered owner of one or more eligible surface water entitlements (class 3a) in the South Australian Murray. Your project must generate at least 2 megalitres in water savings.

What equipment or activities can I get funding for?

Funding is available for:

- infrastructure upgrades and other on-farm activities that save water (such as mulching)
- additional activities or items that support your farm's efficiency or production (such as energy efficiency components of the infrastructure and equipment to add value to your produce).

More information about what can be included is given in [section 3](#).

How much project funding can I receive?

You can put forward a project proposal of value up to 1.75 times the current market price of the water entitlements you choose to transfer. See [section 2.4](#) for details. The water price is available on the department of Agriculture and Water Resources (the department) [website](#).

Your project costs will include the management fee of the South Australian Murray-Darling Basin Natural Resources Management Board (the NRM Board) as they will support you with putting together your proposal and managing the project. See [section 2.5](#) for details. The NRM Board's fees and services are also listed on their [website](#).

Can I apply directly to the department for funding?

No. The NRM Board will help you develop your project proposal, and will submit the proposal to the department on your behalf. They will also help you manage and report on the project if it is approved, and will provide you with your funding.

If you are an eligible irrigator and would like to propose an irrigation infrastructure project on your property, call the NRM Board on one of the numbers below or visit their [website](#) for more information.

- Irrigators above Lock 1 - 08 8580 1800
- Irrigators below Lock 1 – 08 8536 5619

What are the timeframes?

You can approach the NRM Board with a project proposal at any time during the 3 year pilot period, and they will submit your proposal to the department. The final date for submission is 13 September 2019.

The department will provide a response to the fully developed proposal within 10 business days. Once approved your project needs to be completed within 3 years of transfer of the water entitlement/s.

What will I be asked to do if I am successful?

Once the department has approved your project proposal you will need to:

1. enter into a contract (Works & Transfer Agreement) with the NRM Board
2. transfer the agreed water entitlement/s to the SA Minister within 6 months of project approval. The entitlements may be transferred wet or dry
3. complete the project within 3 years of transferring the entitlement/s.

1. THE COMMONWEALTH ON-FARM FURTHER IRRIGATION EFFICIENCY PROGRAMME

1.1 Purpose of this guide

This guide aims to assist you and other irrigators to apply for on-farm irrigation infrastructure upgrade projects through the Commonwealth On-Farm Further Irrigation Efficiency (COFFIE) pilot programme in South Australia. It provides an overview of eligibility requirements and the processes for application and project commencement. Detailed terms and conditions for project implementation will be outlined in the contract (Works & Transfer Agreement) between yourself and the NRM Board.

Please check the [glossary](#) (part 9) for definitions of terms use in this guide.

1.2 Overview of the COFFIE programme

The COFFIE programme is the first in the next generation of Commonwealth programmes to support improvements in irrigation infrastructure in the Murray-Darling Basin.

COFFIE provides funding for irrigation infrastructure upgrades and other on-farm water saving activities, as well as additional activities/items that support farm efficiency. In return, the minimum feasible volume of water savings as determined through an independent technical assessment is transferred to the Commonwealth. Irrigators retain any additional water savings. Projects funded through the programme maintain or improve farm productivity, and allow water to be recovered to improve river health.

The department sources delivery partners to work with irrigators to design, manage and implement projects. This includes ensuring that projects are technically feasible and suitable for the property and the irrigator. Once a project proposal is approved, delivery partners work with irrigators to undertake the approved works.

Currently the COFFIE programme is in testing phase. The department will include lessons learned from this pilot into the design of the full COFFIE programme, which is anticipated to be rolled out from late 2017 through to 2024.

1.3 Overview of the South Australian pilot programme

The first stage of COFFIE is to use this South Australian pilot to test the programme design and its processes before launching the broader programme across the Murray-Darling Basin.

There is one delivery partner for the South Australian pilot programme – the South Australian Murray-Darling Basin Natural Resources Management Board (NRM Board). In the pilot the water savings from each project will be transferred to the NRM Board, who will then transfer them in bulk to the Commonwealth. This enables the inclusion of projects offering smaller volumes of water – down to 2 megalitres – making this pilot programme accessible to more irrigators in South Australia.

2. KEY ELEMENTS OF THE SOUTH AUSTRALIAN PILOT

2.1 Timeframes for the South Australian pilot programme

Timeframes for the South Australian pilot are:

Proposals open	Proposals close	Water entitlement/s to be transferred to the SA Minister	Projects may commence	Projects must be completed
Now – the pilot opened 14 Sept 2016	Applications accepted until 13 Sept 2019	Within 6 months of project proposal approval	After entitlements are transferred, approvals and insurance are in place, and the department is given details of subcontractors for the project	Within 3 years of transfer of the water entitlement/s to the SA Minister

2.2 Key steps in the pilot programme

Flow charts showing the processes involved in developing and implementing projects for the pilot programme are provided in the [appendix](#).

The NRM Board may develop, assess and submit for approval as many projects as they are capable of managing and as agreed with the department (within the \$15 million limit and by September 2019). It is anticipated that the NRM Board will work with numerous irrigators on water-saving irrigation infrastructure projects.

2.3 Water savings from a project

Each project must offer at least 2 megalitres of unencumbered surface water entitlements for transfer to the Commonwealth (via the NRM Board). Water entitlement/s may be transferred wet or dry, allowing you to retain allocations for the irrigation season as required.

The volume of the entitlement/s offered for transfer must equal the minimum feasible water savings achievable through the project, as determined through a technical assessment process. The funding for your project will reflect the value of the water entitlement/s volume transferred.

The NRM Board will manage this technical assessment process for your project. An independent irrigation professional approved by the department will assess your proposal and determine what water savings can be confidently saved through the project. Often the estimated water savings will be a given as a range, but you will only transfer the lowest volume in that range. You retain any additional water savings.

The following will apply:

- You must be the owner of one or more water entitlements being offered for transfer in your project proposal, and if there are more than one legal owners of the water entitlement/s, all owners must agree to the proposed project and be willing to sign a contract with the NRM Board.
- You (and all legal owners) must ensure that the entitlement/s are free of encumbrances and exempt from any trading restrictions before transfer to the NRM Board.
- The transfer of the water entitlement/s must occur before you can receive project funding.

- If more than one entitlement is being transferred, each entitlement needs to be for at least 2 megalitres; if only 2 megalitres is being transferred it needs to be from a single water entitlement.
- Groundwater entitlements are not eligible under this programme.

2.4 Funding available for each irrigation project and its water savings

The potential funding available for your project depends on the volume of water savings that will be achieved through upgrading your irrigation infrastructure (and associated water-saving activities), and the volume of water you are able to transfer. The NRM Board will receive an administration fee from the project funding.

The department will fund approved projects as follows:

- For projects transferring 11 or more megalitres – funding of up to 1.75 times the market value of the water entitlement/s will be paid to the NRM Board. They will retain 5% as their project administration fee and pay the remainder to you in agreed instalments.
- For projects transferring less than 11 megalitres – funding of up to 1.67 times the market value of the water entitlement/s will be paid to you via the NRM Board (who will pay you in agreed instalments). The department will pay the NRM Board a \$4000 project administration fee separately.

The department will determine a market value for each eligible water entitlement type (currently class 3a), and publish this on their [website](#). The value will reflect contemporary market prices and will be updated when there are significant changes to market value.

2.5 What is the NRM Board's project administration fee?

The department will pay the NRM Board a project administration fee for the services they provide in developing and managing the projects. As detailed above, the NRM Board will receive:

- 5% of the total project funding for each project transferring 11 megalitres or more
- \$4000 for each project transferring less than 11 megalitres.

The NRM Board's fees are also listed on their website, together with the services they will be providing to you.

2.6 Examples of funding available under two project scenarios

Example 1 (Projects transferring 11 ML or more):

If the current water market price is \$3,000 per megalitre and the project will transfer 20 megalitres, **the total funding for the project will be \$105,000.**

This is determined by:

$\$3,000$ (water market value) x 20 (megalitres of water savings) x 1.75 (government's market multiple) = \$105,000.

The total funding for the project includes your irrigator funding and the NRM Board fee (5%). In this case, the NRM Board will receive \$5,250.

Therefore you will receive \$99,750.

Example 2: (Projects transferring less than 11 ML):

If the current water market price is \$3,000 per megalitre and the project will transfer 5 megalitres, **the total funding for the project will comprise \$25,050 paid to you and \$4000 paid to the NRM Board.**

This is determined by:

$\$3,000$ (water market value) \times 5 (megalitres of water savings) \times 1.67 (government's market multiple) = $\$25,050$.

Therefore you will receive $\$25,050$.

The department will pay the NRM Board a $\$4,000$ project administration fee which **is separate to** the $\$25,050$ that you receive.

3. PROJECT AND IRRIGATOR ELIGIBILITY REQUIREMENTS

3.1 How do I know if I'm eligible?

You are eligible for funding through the pilot programme if:

- you are an irrigator (or group of irrigators) and you are the registered owner/s of one or more entitlements from the South Australian River Murray, and
- you (and any other owners of the entitlement/s offered for transfer) agree to:
 - sign the project proposal declaration before submission
 - sign a Works & Transfer agreement (contract with the delivery partner) if the project proposal is approved, including agreeing to provide access to projects (site visits and access to all relevant financial statements) during the construction of the project and up to 2 years following project completion, and
- you and any other registered owners of the entitlement/s are able to remove any trading restrictions and discharge any encumbrances held over the entitlement/s, and transfer the entitlement/s prior to receiving project funding, and
- you propose to undertake eligible irrigation efficiency activities that will make actual water savings which have been assessed and certified as technically and practically feasible, and
- you are able to complete the project within 3 years of transferring the water entitlement/s.

3.2 What surface water entitlements are eligible?

The following surface water entitlements are currently eligible for transfer to the Commonwealth as part of the project proposal:

- River Murray Class 3a entitlements.

These entitlements may be transferred wet or dry.

Each entitlement to be transferred must be at least 2 megalitres, so if only 2ML in total will be saved it must be available as a single entitlement.

Groundwater entitlements and stock and domestic licenses are not eligible for funding.

3.3 Is my project eligible?

Your project will be eligible if it can fulfil the following eligibility requirements:

- demonstrate that water savings of at least 2 megalitres will be made
- demonstrate that the project is technically and practically feasible, including that the water savings and engineering solutions are appropriate to the needs of the irrigator and the project site
- include details of the project costs, which do not exceed the equivalent value of the water entitlement/s to be transferred, as set out in [section 2.4](#) above
- obtain approvals and comply with all relevant Commonwealth, state, territory and local authority laws, including those relating to environment, cultural/Indigenous heritage, workplace health and safety, planning and the Building Code

- provide details of strategies to eliminate or minimize adverse impacts to the natural environment and cultural heritage from completion of the works (for example a native vegetation checklist or clearing application, or a site use approval application to manage salinity)
- only be on properties with an irrigation water metering system that is compliant with the National Framework for Non-urban Water Metering (including interim standards), or equivalent, or be able to demonstrate that the installation of such a meter is imminent (i.e. if you need such metering you can include these costs in their proposed project cost)
- provide evidence to show a connection to an irrigation supply system, or that a connection is imminent, and/or an approval to take water for irrigation directly from a river
- contains all other information required in the project proposal form, including a farm irrigation modernisation plan for the project and information about the volume, ownership and other details of the water entitlement/s to be transferred.

3.4 What types of activities can be funded?

Your project may receive funding for irrigation efficiency activities that make actual water savings of an equivalent volume (or larger) to the water savings transferred to the NRM Board. This includes, but is not limited to:

- installing new or upgrading existing irrigation infrastructure and associated technology/infrastructure
- improving irrigated area layout or design, including levelling and embankments, where it improves on-farm irrigation efficiency
- other activities improving the water efficiency of a farm, such as increasing the soil's moisture holding capacity.

Your project can also include activities/items that support agricultural production or farm efficiency (if the cost of those activities/items does not exceed the limit of the project funding), for example:

- energy efficiency components of infrastructure
- equipment to add value to your produce
- infrastructure to protect your equipment
- developing a farm irrigation modernisation plan.

You can't include:

- conversion to dryland agriculture or exiting agricultural production where it is not part of making an irrigation system more efficient
- infrastructure changes that lead to an increase in total water use beyond the irrigator's existing entitlements and regular purchased allocations
- any other activities which do not meet the objectives of the programme.

4. PROJECT DEVELOPMENT

4.1 What is my role in developing the project proposal?

You will work with the NRM Board to design and implement your project, including by:

- preparing a technically valid farm irrigation modernisation plan (information required will differ depending on the complexity of the project proposal)
- providing information enabling a technical assessment of the project proposal
- determining the potential suppliers and costing for the project proposal
- providing evidence of ownership of one or more eligible surface water entitlement/s that:
 - can be made exempt from trading restrictions and free of encumbrances prior to receiving project funding
 - are of sufficient volume to enable a minimum of 2ML to be transferred to the Commonwealth should the project proposal be successful.
- You can get a project proposal form from the NRM Board in electronic form or as a hard copy.

In deciding the best timing for the NRM Board to submit your project proposal, keep in mind that once your project proposal is accepted contracts need to be signed, water entitlements need to be transferred and any insurances and planning approvals must be gained before work can commence.

4.2 What role does the NRM Board play in developing projects proposals?

The NRM Board's role in developing project proposals includes:

- working with you and other irrigators to develop your proposals
- having expertise available to help you develop the best proposal for your property and situation, and helping you to make a well-informed decision on the project
- ensuring your proposal is practically and technically feasible and will be able to deliver water savings, including by having it assessed by an independent irrigation professional (who has been approved by the department)
- ensuring your proposal meets the eligibility requirements (found in [section 3](#))
- submitting your proposal to the department for approval.

If approved, the NRM Board will then establish a contract with you for the project works to be undertaken and to provide unencumbered water entitlements through a Works & Transfer Agreement.

4.3 What is the approvals process?

The NRM Board will submit your fully developed and costed project proposal to the department, who will provide a response within 10 business days. Your proposal only needs to meet the eligibility requirements – it does not need to compete against other projects as well. If your project meets all requirements it is very likely to be approved. This way you have greater certainty about whether you will gain funding.

Once your proposal is approved, you can work with the NRM Board to finalise a Works & Transfer agreement and transfer the entitlement/s, obtain all relevant insurances and approvals, and engage subcontractors (if required). Works can commence any time after these steps have been taken.

4.4 Can my project proposal include co-contributions such as in-kind funding?

The funding provided is determined based on the volume of water entitlements being transferred (as explained in [section 2.4](#)). If this funding does not cover the full cost of your project, you and/or third parties can make a contribution to the project in the form of cash payments or in-kind services. The department needs to be informed about these contributions to ensure that the project is feasible and will be completed, but any such contribution will not be covered in the project contracts.

4.5 How many project proposals may I submit?

There is no limit to the total number of project proposals that you may bring forward.

As stated earlier, each project will be assessed, submitted and approved individually and will have its own contracts, with project milestones and payment schedules.

The size of the project is only limited by the need to transfer a water saving of at least 2 megalitres and by the \$15 million budget for the South Australian pilot.

4.6 Can I apply for other Australian Government funding?

Proposed projects are not eligible for duplicate funding – that is the Australian Government will not provide funding for the same activity or project through more than one programme. Where this could occur, applicants must declare this and withdraw from other programmes.

Where the NRM Board is receiving, or has applied for funds from any other state/territory or Australian Government programme for similar activities on the same farm, the department may discuss the project proposal with the manager of that programme before approving any funding.

4.7 What are the tax consequences of my participation in this pilot?

The tax consequences may vary according to your particular circumstances. The department does not provide tax advice. You need to seek independent advice on the tax implications of your proposed project. The Commonwealth legislation on the tax treatment of water facilities was changed in 2015.

Information regarding the tax consequences of water entitlement transfers is generally publicly available on the Australian Taxation Office (ATO) website. You should note that the Australian Government will not accept liabilities for past, present or future taxation arising from any investments funded under this pilot.

4.8 Are there specified types of irrigation equipment or investments I need to make in my project?

No. You, in partnership with the NRM Board, are responsible for identifying and determining the best equipment and/or investment suited to your needs and your property.

The NRM Board must ensure that an independent approved irrigation professional reviews the technical aspects of your project. This will provide a level of assurance to all involved that your project will achieve the expected water savings and will result in improved water use efficiency for you.

4.9 Do I need insurance?

The NRM Board will have adequate insurance for the duration of their role as the delivery partner for this pilot. They will ensure that you and/or your business also obtain and maintain adequate insurance, including for the irrigation infrastructure until the project is completed. In the event of an incident causing injury to you or a third party, or damage to a third party's property by you, the NRM Board will be required to complete an incident report and submit it to the department and/or the insurer.

4.10 Am I responsible for information that is provided to you in my project proposal?

You, the NRM Board, suppliers and any sub-contractors are entirely responsible for the accuracy of all information or reports provided to the department. If any party discovers any material discrepancy, ambiguity, inconsistency or errors in the information or report provided by them, they must immediately bring it to the department's attention.

You, the NRM Board, suppliers and any sub-contractors should be aware that the giving of false or misleading information is a serious offence under the *Criminal Code Act 1995* (Commonwealth).

Similarly, if you have an actual or perceived conflict of interest, you should let the department know in writing as soon as possible. The NRM Board will assist you with this process as part of their service provision.

4.11 What do I do if I need to put confidential information in my project proposal?

If you believe that any material contained within your project proposal is confidential including 'commercial-in-confidence' information, you must clearly identify this and provide reasons why the information should be treated as confidential. The department will only consider a request for confidentiality where:

- the information to be protected is identified in specific rather than global terms;
- the information is by its nature confidential; and
- disclosure would cause detriment to the Commonwealth, the respondent, or a third party identified by you.

5. PROJECT ASSESSMENT

5.1 What role will the NRM Board have in assessing my project proposal?

The NRM Board will help you develop a project proposal that meets the eligibility requirements (covered in [section 3](#)) before submitting it to the department for approval. The Board will ensure that your farm irrigation modernisation plan (irrigation design) is technically sound and the proposed project is suitable to the farm layout, systems, soils and water supply. As part of this process the Board will use an independent approved irrigation professional to assess the proposal and ensure that the water savings are technically and practically feasible.

The NRM Board will also help you to transfer the agreed water entitlement/s by ensuring that all information relating to the entitlement/s is correctly identified in the project proposal form and that all registered owners of the entitlement/s sign the form.

5.2 Why do I need to provide the Consent and Acknowledgement for Water Access Entitlement Transfer form?

The *Consent and Acknowledgement for Water Access Entitlement Transfer* form gives the department permission to conduct searches on all information relating to each water entitlement offered for transfer to the Commonwealth, for a period of either one year or until the transfer is completed (if earlier).

This consent form is included in the project proposal application. A copy of the form must be completed for every water entitlement being offered for transfer, and all registered owners of each entitlement must sign it. The signed form will need to be scanned and provided as a pdf file when you submit your proposal.

Because all water entitlements are being transferred to the Commonwealth via the NRM Board, the Board will conduct their own due diligence processes to ensure the suitability of the entitlement/s. You will be required to complete an Authority to Obtain Water Licensing Information form which will allow the NRM Board to access details of your:

- Water Access Entitlement
- Site Use Approval
- Water Resources Works Approval.

5.3 What does the department consider when deciding whether to approve my project proposal?

The department's role will be to check that the eligibility requirements (see [section 3](#)) have been met and that the NRM Board have met their responsibilities under the Deed. The department will also do a due diligence assessment on the entitlement/s being offered to check that all details given in your project proposal are correct.

Because the NRM Board will have done the detailed work in developing your project proposal to meet eligibility requirements, the department will be able to provide an approval quickly so that you can start your project.

In most cases your proposal will be accepted or rejected within 10 business days as follows:

- Submissions which do not meet our eligibility requirements will be rejected.

- Submissions that are sub-standard or have major errors will be rejected, however you and NRM Board can work together to improve and re-submit the project proposal at any time.
- If there are minor errors in the proposal the department will ask you to provide correct information within 24 hours to help meet the 10 business day turnaround.

The department also reserves the right to vary, suspend or terminate the assessment process at any time at their absolute discretion.

6. PROJECT IMPLEMENTATION

6.1 What role does the NRM Board have in managing your project?

The NRM Board are responsible for the management and completion of your project (and all other projects in the SA pilot of COFFIE). You will work with the NRM Board to ensure proper completion of your project after approval. They will:

- receive the funds that the department provides for your project, manage regular payments to you, and retain some of the funds to cover project management and administrative services (as set out in [section 2.5](#))
- prepare a Works & Transfer Agreement with you and any other parties involved (all registered owner/s of entitlements), which sets out your contractual requirements and includes an agreed project payment schedule
- assist you to transfer your entitlement/s to the NRM Board, and manage the transfer of your entitlement/s to the Commonwealth
- assist you to gain all required approvals and insurance
- provide payments to you in line with agreed project delivery milestones in the Works & Transfer Agreement
- monitor progress on the project works and report back to the department regularly
- carry out other activities to facilitate completion of the project works including:
 - an initial meeting which includes a preliminary risk assessment and work health and safety discussions
 - regular site visits
 - preparation of a Financial Audit Statement
 - ongoing support via telephone, email and on-site visits where required
 - sending out (via email where possible) the milestone reports for completion approximately one month prior to the milestone being scheduled for completion.

The NRM Board provides more details of their services on their [website](#).

6.2 What contractual arrangements will I need to enter into?

If your project proposal is successful there are two key documents that you will need to enter into:

- A **Works & Transfer Agreement** with the NRM Board, which requires you to carry out the project as detailed in your project proposal. You will be paid according to the agreed milestones in this contract. A copy of the template Works & Transfer Agreement is available on request from the NRM Board.
- A **water transfer deed** to permanently transfer your entitlement/s (at least 2 megalitres of unencumbered surface water entitlement/s). This will be the standard department of Environment, Water and Natural Resources (DEWNR) L.3 - *Application for Transfer of Water Licence or Water Access Entitlement* form.

The NRM Board are contracted to deliver all SA COFFIE pilot projects as approved by the department, and as modified from time to time (with the department's agreement). The **Works & Transfer**

Agreement is a contractual agreement between you and the NRM Board to ensure delivery of the project on these terms. It will set out project works delivery milestones and corresponding payments. The NRM Board will determine the details of individual Agreements, however each will include certain provisions, including:

- a requirement for you to transfer the approved entitlement/s (via the water transfer deed)
- a requirement to provide access to projects (including site visits and access to all relevant financial statements) during the construction of the project and up to 2 years following project completion)
- details of insurance, approvals and other compliance requirements
- whether you will contribute monetary or in-kind support and can provide assurance that this with the project funding is sufficient to complete the project.

The Works & Transfer Agreement must be signed and dated by all parties who signed the declaration in the project proposal (i.e. all registered owners of the entitlement/s).

The **water transfer deed** is a contract between you (the irrigator) and the SA Minister allowing the transfer of entitlement/s to the South Australian Minister's Entitlement (managed by the NRM Board). The Board will then transfer your entitlements (and those from other projects) to the Commonwealth through a subsequent legal process.

It is intended that the Works & Transfer Agreement and the water transfer deed be signed at the same time, although it is recognised that it may take up to 6 months to transfer the water. The department will not review and approve your Works & Transfer Agreement because once your project is approved the NRM Board is responsible for its delivery.

6.3 Is there a time limit on completing the project?

The project must be completed within 3 years from the day on which the water entitlement/s are transferred to the NRM Board.

6.4 How will I get paid?

The department will provide the funding for the project to the NRM Board, who will then make payments to you (in the manner agreed to) when milestones in the Works & Transfer Agreement are met. The first payment to you will occur after the water entitlement/s are transferred.

6.5 Can I do the works myself and/or can I sub-contract someone to undertake the works?

You may undertake the works and tasks outlined in your project yourself, so long as you or your staff are suitably qualified, capable and abide by all relevant regulations and laws. The NRM Board will make sure that where you invoice yourself for the work completed it is costed at a competitive commercial rate and that you are able to provide evidence to support the costing if needed.

Alternatively you may subcontract someone else or another company to undertake the works.

Your Works & Transfer Agreement will need to reflect whatever arrangement is put in place.

6.6 What monitoring and reporting is required once the project is underway?

The NRM Board is required to submit a report to the department every six months (on 1 March and 1 September) on the progress of each approved project. The NRM Board will therefore collect information from you such as:

- progress on the works
- a financial summary of project income and expenditure to date
- changes to the works and their impact on the delivery of the project (if any)
- problems encountered and how they are being dealt with
- details of purchases from, or employment of Indigenous Australians.

These reporting requirements will be complemented by the department's monitoring initiatives to help understand how projects benefit you and the community. This may include independent reviews/assessments by third parties.

Furthermore the department intends to conduct audits of selected projects (roughly 10%) to ensure that works are carried out as planned. If your project is chosen the department will need access to your land.

If the department or the NRM Board find that relevant Commonwealth, state, territory and local authority environmental, heritage, workplace health and safety, and planning laws (including the building code) have not been complied with, action may be taken to cancel the project or retrieve project funds.

6.7 How will information you provide to the department be treated?

The department will collect information from the project proposal form when considering your project. You should be aware that the department must comply with a range of legal and administrative requirements which are designed to promote transparency and accountability, including requirements to disclose information to the Australian Government Parliament and its Committees.

This means that the department may be required (and reserves the right) to disclose, or allow at any time the disclosure of, any information contained in your project proposal or any other communication on your project or relating to any response:

- to its advisers, employees or internal management for purposes related to implementing the programme
- to the Minister responsible for the programme
- in response to a request by a House or a committee of the Parliament of the Commonwealth
- within the department, or with another agency, where this serves the Australian Government's legitimate interests
- where the information is authorised or required by law to be disclosed, noting that information submitted to the department is subject to the Freedom of Information Act 1982 (Commonwealth) and its requirements
- where the information is already in the public domain, unless it is due to a breach of any agreement to maintain confidentiality over that information by the department.

The department may also give some or all of this information to:

- State and territory government agencies involved in efficiency measures programmes or projects

- Members of Parliament and the media who may help in publicising successful projects.

Your name, the site location, and the cost of the project may be disclosed in documentation such as media releases and be made publicly available on the department's [website](#) and in their annual report.

6.8 Do I need to acknowledge Australian Government support in any publicity that I undertake?

All publicity for a project must give appropriate recognition to the role of the Australian Government in supporting the project. This includes invitations to participate in formal project openings or launch ceremonies and publicity events. The NRM Board can provide more advice and assistance on these matters. The Works & Transfer Agreement also contains information on your obligations in relation to publicity of your project.

7. WHO DO I CONTACT FOR ENQUIRIES, COMPLAINTS OR COMMENTS?

For more information about the COFFIE pilot programme contact:

The South Australian Murray-Darling Basin Natural Resources Management Board

- email: michael.cutting@sa.gov.au
- phone:
 - Irrigators above Lock 1 - 08 8580 1800
 - Irrigators below Lock 1 – 08 8536 5619
- mail:

Michael Cutting
 Natural Resources SA Murray-Darling Basin
 PO Box 2343
 Murray Bridge SA 5253
- or visit their [website](#)

The Department of Agriculture and Water Resources

- email: efficiency.measures@agriculture.gov.au
- phone the programme hotline: 1800 218 478
- mail:

COFFIE programme
 Water Division
 Department of Agriculture and Water Resources
 GPO Box 858
 Canberra City ACT 2601
- or visit their [website](#)

To provide feedback or make a complaint:

Your feedback is important. If you have comments, concerns or complaints about the COFFIE pilot programme, please contact the department via the details provided above. To ensure your query is dealt with promptly, please include 'SA COFFIE proposal' in the subject line of all emails.

If your feedback relates more specifically to the NRM Board, consider contacting them first.

The department is committed to consistent, fair and confidential complaint handling and to resolving complaints as quickly as possible. Complaints will be handled impartially and in a confidential manner. This continual improvement approach helps to refine programmes over time and may inform changes to programmes in general.

8. DISCLAIMER

The Australian Government, including the Department of Agriculture and Water Resources and its personnel:

- are not, and will not be, responsible or liable for the accuracy or completeness of any information in or provided in connection with this guide;
- make no express or implied representation or warranty that any statement as to future matters will prove correct;
- disclaim any and all liability arising from any information provided to delivery partners or irrigators, including errors in, or omissions contained in, that information;
- except in so far as liability under any statute cannot be excluded, accept no responsibility arising in any way from errors or omissions contained in this guide; and
- accept no liability for any loss or damage suffered by any person as a result of that person, or any other person, placing reliance on the contents of this guide or any other information provided by the Australian Government in respect of the programme.

Nothing in this guide is intended to create legally binding rights or obligations. The relevant Minister may vary the processes and/or timing set out in this guide and is not obliged to accept any project proposal, regardless of whether it complies with this guide or the assessment process.

9. GLOSSARY

Term	Description/Definition
COFFIE programme	<p>The Commonwealth On Farm Further Irrigation Efficiency (COFFIE) programme provides funding for irrigation infrastructure upgrades and other on-farm water efficiency activities in the Murray-Darling Basin. In return, irrigators transfer the water savings they are confident of achieving from the project to the Commonwealth. Projects funded through the COFFIE programme maintain or improve farm productivity while allowing water to be recovered to improve river health.</p> <p>In this document, descriptions of the programme are relevant to the South Australia pilot of the programme.</p>
Commencement of works	<p>The timing of commencement of works, and therefore the 3 year limit to complete projects will be the date of settlement of the water transfer from the irrigator to the SA Minister’s Entitlement managed by the NRM Board.</p>
Commonwealth Environmental Water Holder	<p>The Commonwealth Environmental Water Holder (CEWH) established under section 104 of the <i>Water Act 2007</i> (Commonwealth).</p>
Consortium member	<p>An organisation or entity invited by the delivery partner to assist to identify, develop or manage sub-projects.</p>
Deed of Standing Offer (known as Deed)	<p>A contract between the department and the NRM Board for the pilot. The Deed describes obligations of the department and NRM Board in implementing the pilot, including requirements about reporting, project management, Irrigator engagement, and other programme documentation such as template project agreements and work health and safety plans.</p> <p>Project orders will be issued by the department requiring NRM Board to engage with irrigators to deliver approved projects under this Deed.</p>
Delivery partner	<p>An organisation engaged by the department under a Deed of Standing Offer to deliver services in relation to project proposals under the pilot. The delivery partner for this pilot is the NRM Board.</p>
Department	<p>The Australian Government Department of Agriculture and Water Resources.</p>
Due diligence	<p>Due diligence is a measure of prudent activity, or assiduity, as is properly to be expected from, and ordinarily exercised by, a reasonable and prudent person under the particular circumstances.</p>
Eligible water entitlements	<p>South Australian River Murray Class 3a water entitlements, as described in section 3 are eligible to be offered for transfer under the programme.</p>

Term	Description/Definition
Encumbrance	<p>Means, in relation to any water entitlement:</p> <ul style="list-style-type: none"> • a mortgage, charge, encumbrance, pledge, lien or other security over the entitlement; • a lease, licence, term transfer or transfer for a period of any right, title or interest in respect of the entitlement; • a caveat, garnishee order, writ of execution, right of set-off, assignment of income or monetary claim affecting the entitlement; • a preferential interest, title retention, or other estate, interest, claim or arrangement affecting the entitlement; • a contract of sale or option to purchase or acquire the entitlement; or • an agreement to grant, create, allow or register any of these, • including encumbrances which are registered or unregistered, statutory, legal or equitable.
Farm irrigation modernisation plan	<p>A technically valid plan that will assist in ensuring the proposed infrastructure project is suitable to the farm layout, soils, systems and water supply to achieve the water savings put forward. Much of the information is often map-based. It will outline the proposed infrastructure improvement, its anticipated efficiency gains and its suitability to the farm's operations. It is <i>not</i> a whole-of-farm plan.</p>
Independent Approved Irrigation Professional	<p>A person:</p> <ul style="list-style-type: none"> • that is: <ul style="list-style-type: none"> • accredited as a Certified Irrigation Designer by Irrigation Australia Ltd; or • accredited as a Certified Agricultural Professional by the Ag Institute; or • as otherwise agreed by the department; and • that has had no prior involvement in the project or in preparing the relevant project proposal; and • that is specified as personnel of the delivery partner.
In-kind contribution	<p>A non-cash contribution to a project, including labour, facilities, or equipment.</p>
Irrigator (“you”)	<p>Individuals or organisations proposing projects to the NRM Board (the delivery partner) and the department for assessment and approval under the pilot.</p>
NRM Board	<p>The South Australian Murray-Darling Basin Natural Resources Management Board. They are the delivery partner for the South Australian COFFIE pilot programme.</p>

Term	Description/Definition
Project order	The project order, in combination with parts 2 and 3 of the deed of standing offer, create a contract between the department and NRM Board (the delivery partner) to require the provision of services to deliver the project. The order is issued to the NRM Board by the department when a project proposal is approved.
Registered owner	A person or body corporate listed on a water entitlement register as a legal owner.
Unencumbered	In relation to any water entitlement, means that the water entitlement is not subject to any encumbrances (see definition of 'encumbrance').
Well-informed decision	<p>Able to make a judgment on the basis of possessing relevant and reliable information from a variety of sources, including independent sources, and making the judgment in a structured manner that is:</p> <ul style="list-style-type: none"> • free from manipulation or undue influence; • addresses goals; • based on access to the type and amount of information needed to make the decision; and • includes an understanding of the impact of assumptions being made in making the decision.

10. Appendix – Key Steps in the pilot programme



