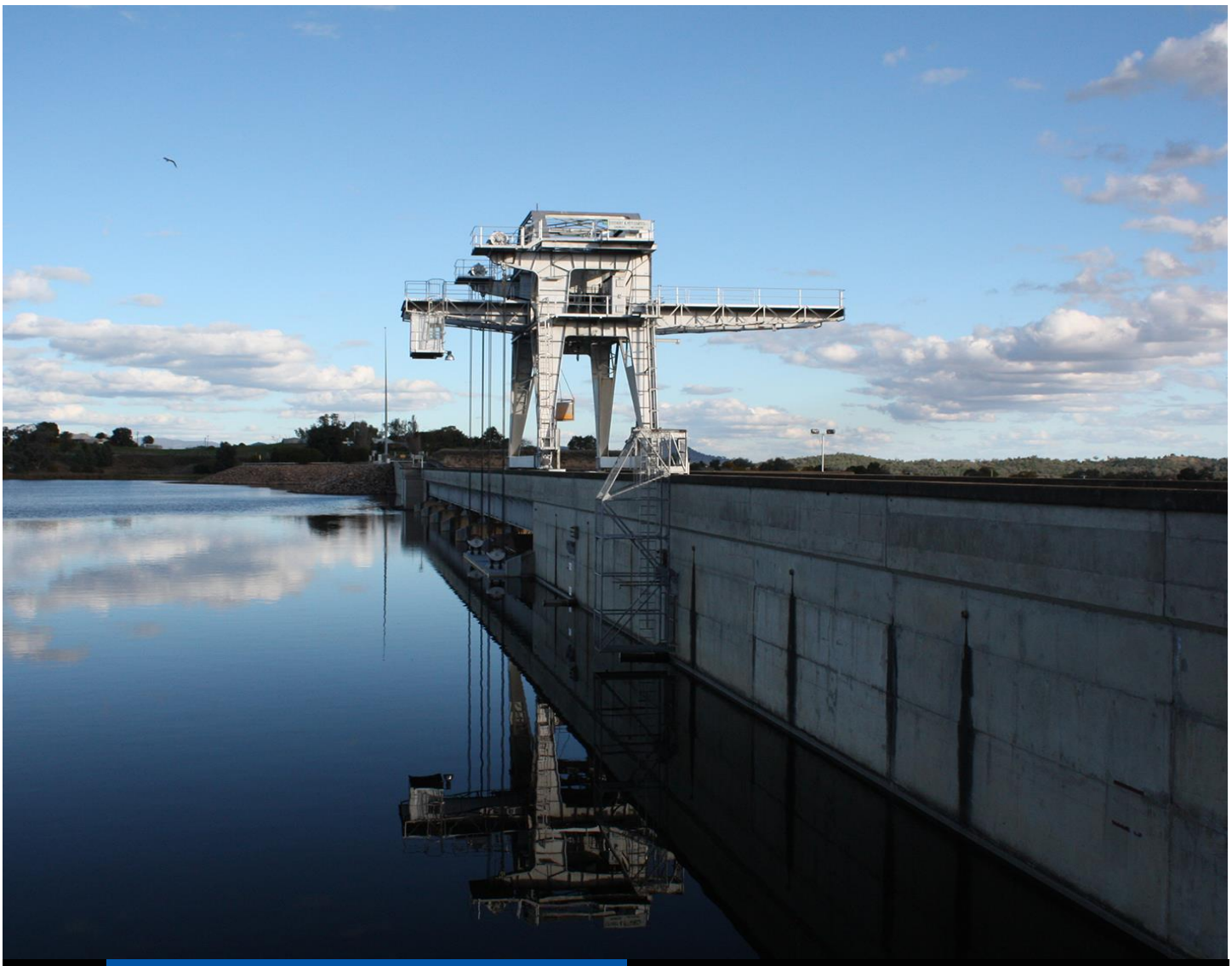

IMPROVING ACCESS TO WATER ALLOCATION TRADE BETWEEN ZONES IN THE SOUTHERN MURRAY-DARLING BASIN

WHAT WE HEARD – STAGE 1

WaterNSW

VICTORIA State Government | Energy, Environment and Climate Action

Disclaimer
For the purposes of this report, Victoria is represented by the Department of Energy, Environment and Climate Action (DEECA) and NSW is represented by WaterNSW, a State-owned Corporation.

Acknowledgements
DEECA would like to acknowledge the contributions of Frontier Economics, and WaterNSW the contributions by Ricardo, in developing an initial version of the assessment framework.

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EXECUTIVE SUMMARY

Water markets have become an important part of how people, businesses and agencies manage their water needs, particularly during dry conditions. Markets in the southern-connected Murray-Darling Basin have grown substantially in recent decades. Increasingly active and competitive water markets have led to the growing movement of water between valleys or 'trading zones. These trades are subject to inter-valley trade (IVT) rules that manage real and potential third-party impacts caused by the movement of water between systems, zones and valleys. As competition for limited IVT opportunities has increased, some stakeholders, members of the community and the Australian Competition and Consumer Commission (ACCC) have expressed concerns with current arrangements for managing access to restricted IVT opportunities.

Recognising these issues, New South Wales (represented by WaterNSW) and Victoria (represented by the Department of Energy, Environment and Climate Action (DEECA) developed a draft principles-based framework which could be used to consider options to improve access to IVT opportunities. This report summarises the results of public consultation on the draft framework, and options that could be considered in the next stage of the project. Background to the consultation can be found here (https://engage.vic.gov.au/improving-access-to-trade-in-the-southern-murray-darling-basin).

A range of views were heard from irrigators, industry bodies, urban water users and water market intermediaries (brokers) from both states. Overall, the feedback received was thoughtful, constructive, and diverse. Respondents broadly supported the need for reform and welcomed the opportunity to shape future trade mechanisms.

The principles-based assessment framework was generally well supported by respondents, with equity of access and transparency being particularly important to many.

Suggestions were made regarding options which could be considered in Stage 2 of the project to manage access to IVT opportunities. 'First-in, first-served' was generally viewed as favouring well-resourced market participants. The interim move to randomisation for scheduled Goulburn to Murray trade openings since October 2024 and the Bamah trade opening in July 2025, following technical difficulties with the Victorian Water Register, was generally regarded favourably. However, it was also recognised that further improvement could be made, with a clear call for fairer access to trade opportunity, improved information sharing, and stronger safeguards against windfall gains. The consultation also surfaced deeper concerns about market structure, community impacts, and the need for governance that works for everyone.

Stage 2 of the project will take what we heard into account, when developing and assessing options for improved access to IVT opportunities. We will be returning to discuss the results of the assessment in early 2026.

WHAT WE ASKED

Scope

WaterNSW and DEECA are progressing with three stages of work (see Figure 1) to achieve the overall objective of improving the efficiency and equity of access to IVT opportunities in the southern connected Murray-Darling Basin.

This report is part of Stage 1, developing the assessment framework. It consolidates feedback obtained during the consultation process to highlight what we heard. These insights will inform the next steps of our project to improve access to trade opportunities.

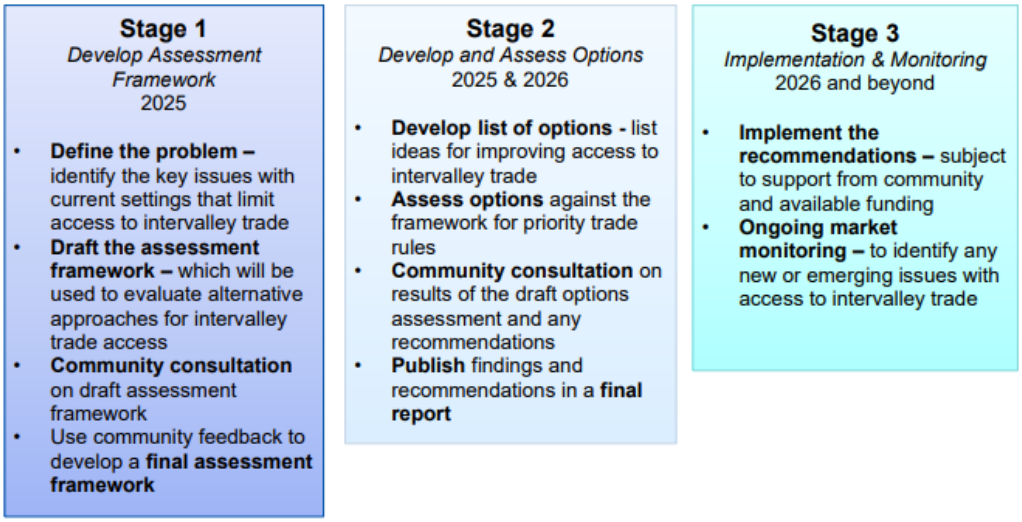

Figure 1 Three stages of the IVT Framework project.

The draft assessment framework, which we consulted on, has been designed to assess the policy, operational and technical aspects affecting access to IVT opportunities. In the short-term, it is intended to inform options to improve arrangements where demand for IVT frequently exceeds supply (i.e., the volume available to be traded) – trade between the Murrumbidgee and Murray systems, the Goulburn and Murray systems and the River Murray upstream and downstream of Barmah.

The framework has been developed to consider how access to IVT opportunities is managed but does not consider trade rules themselves, which inform how much water is made available to be traded, or other broader market drivers. Details of what is in and out-of-scope are presented Figure 2 below. It should be noted that both the Victorian and NSW governments have specific programs of work underway to improve access to water for land councils, indigenous corporations and other Traditional Owner groups requiring access to water for cultural and economic purposes.

In scope	Out of Scope
Approach to determining access to available trade volumes between zones (i.e., how applications for trade are processed), with consideration of supporting systems and processes, including: ○ **Transparency of notifications** to market participants about IVT opportunities ○ **Technical infrastructure requirements** to support IVT application submissions and processing	**Trade rules** and related river operations rules Broader changes to **water market and entitlement framework policies and rules** (e.g., Basin Plan Trading Rules, delivery of environmental water, or state legislation) **Policies or programs underway affecting water markets and trade** (e.g., Basin Plan water recovery and programs to improve First Nations access to water)

Figure 2 Scope for draft assessment framework

'Have Your Say' Questions

We sought feedback on 5 key questions in the consultation (refer https://engage.vic.gov.au/improving-access-to-trade-in-the-southern-murray-darling-basin):

1. What other challenges are causing issues for the efficiency and equity of allocation trade between zones?
2. Do the draft framework principles provide a comprehensive and clear way to consider options for improving the equity and efficiency of accessing intervalley and interzone trade?
3. Are there any specific options that should be considered for the next stage of this project to apply to all intervalley trade limits, or one limit in particular?
4. Do you think the draft evaluation criteria will support a comprehensive outline of how each option meets the principles of the draft framework?
5. Are there any gaps in the proposed assessment approach outlined, or areas that could be improved?

WHO WE HEARD FROM

Public consultation was open on Engage Victoria and on the WaterNSW Trading Water webpage from 8 July to 17 August 2025. The webpages invited viewers to complete an online survey about *Improving access to water allocation trade between zones in the southern Murray-Darling Basin – Consultation on draft assessment framework* (the 'Consultation Report'). The survey questions are provided in Appendix A. A public webinar was held on 17 July 2025.

Over the six-week public consultation period DEECA and WaterNSW provided additional consultation sessions to different interested groups. Eight sessions were run with 87 attendees across various interest groups. Refer Appendix B for a list of engagement activities.

WaterNSW has also revisited their consultation recommendations based on the input from 20 respondents to the IVT options paper released in July 2021 which also targeted the improvement of efficiency and equity of access to water allocation trade opportunities in the southern Murray-Darling Basin.

ENGAGE VICTORIA

WaterNSW

3,428 combined page visits by 1,234 individuals

13 Surveys completed

3 emailed submissions

51 individuals attended the public webinar with the video viewed an additional 66 times

The Consultation Report was downloaded 190 times

8 consultation sessions with various interest groups with 87 attendees across them

The public webinar was watched by 55% of survey respondents.

We received 16 written submissions overall (13 surveys and 3 emailed submissions) and spoke with over 100 people in either the public webinar or specific consultation sessions, with respondents representing a range of different interest groups, the breakdown of these respondents can be seen below in Figure 3.

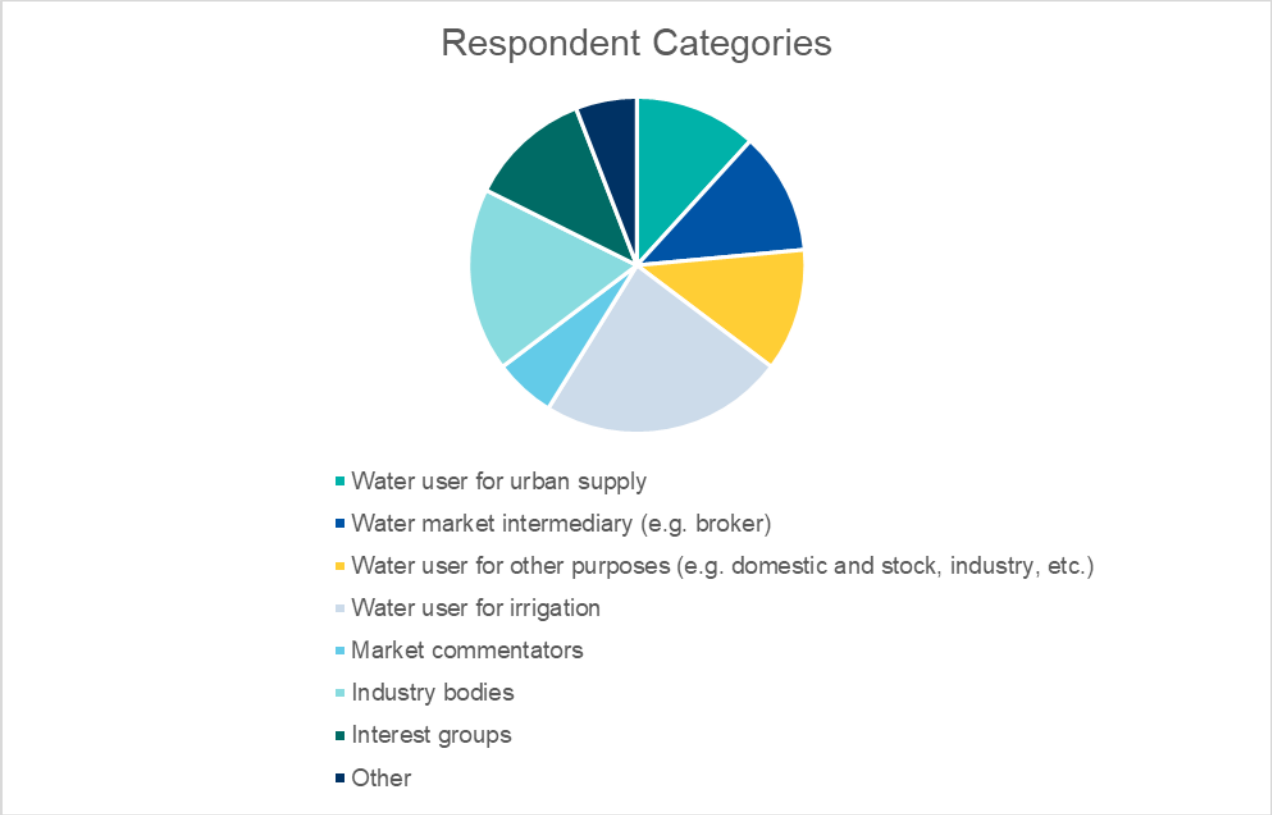

Figure 3 Respondent Categories

The distribution of responses in the consultation reflects the direct impact of IVT policies on certain stakeholder groups. Water users were the most represented, likely due to their reliance on water access for operations and their consequential interest in trade mechanisms. Brokers and market intermediaries also participated actively, advocating for transparent and efficient systems.

WaterNSW and DEECA sincerely thank those who have taken the time to provide their input.

WHAT WE HEARD

Defining the Problem

What other challenges are causing issues for the efficiency and equity of allocation trade between zones?
Have Your Say Q1

The Consultation Report outlined some of the challenges which are experienced in accessing opportunities to trade that are resulting in a large proportion of the benefits of IVT being captured by a select group of market participants, an important part of this consultation was defining the problem and understanding how much of it was due to the traditional 'first-in, first-served' approach.

The 'first-in, first-served' approach to access IVT opportunities, was viewed as particularly problematic as it favoured better resourced market participants and brokers:

> *" First-in, first-served advantages applicants who possess very sophisticated IT systems as against those with poor connectivity."* – a water user for irrigation

> *"With first-in, first-served it is the fastest finger first."* – a water user for irrigation

Under the first-in, first-served approach, we heard:

- **Speed** becomes critical, favouring well-resourced participants who can act quickly.
    - This opinion was expressed widely across respondents, including industry bodies and irrigators.
- Often **better resourced** participants have invested more in systems to improve their chances of success, and so larger agribusinesses and brokers often succeed over smaller irrigators due to better resources and systems.
- Many participants feel compelled to use **brokers** to compete effectively.

This means that a large proportion of IVT opportunities is captured by a select group of market participants.

However, while many of the challenges identified were related to the 'first-in, first-served' approach to providing access to IVT opportunities, we heard that the equity and efficiency of access to trade between zones is also affected by other factors.

Increasing Competition and Market Pressure

Some IVT limits (e.g. Barmah) have frequently been binding since 2019, driven by high downstream water demand. IVT openings are often filled within seconds, especially early in the water year. Restrictions lead to price differences between zones, creating arbitrage opportunities.

> *"High Murray zone prices incentivise the movement of allocation out of the Goulburn Valley, directly inflating prices for local farmers and undermining water security for one of Victoria's most significant food-producing regions."* – Industry body

The difference in the market value of water allocation between the lower Murray and other trading zones is "super-charging" competition for these trade opportunities. The demand for trade opportunities likely to continue to outstrip what's available. This means there is value for everyone to do this trade (if they can), irrespective of whether they need or plan to use the water.

> *"The current system means there will always be a windfall gain."* – Market commentator

Many trades through the current IVT mechanism are not initially commercial; instead, individuals or brokers often move water between their own accounts across different markets and later sell it commercially to capture a windfall gain. This behaviour contributes to a perception that the market mechanism is being exploited, undermining trust among water users and raising concerns about who truly benefits from trade. These concerns echo findings from the ACCC water markets inquiry, which identified similar patterns of behaviour and their impact on market confidence.

> *"Recent post-trade data confirms that IVT access is increasingly captured by large corporate actors trading between related parties, with minimal water user-to-water user trades."* –Industry body

> *"Transactions rarely result in genuine water user-to-water user outcomes and allow intermediaries to capture value without contributing to productive water use.*" –Industry body

A specific example was provided involving an irrigator attempting to move water between neighbouring properties in zones 6 and 6B. This case illustrated the operational complexities and regulatory challenges faced by water users trying to manage their water efficiently within the current system.

Who gets access to trade opportunities

We heard concerns about what types of water users should be allowed to participate in trade openings. Some argued only irrigators should be allowed to participate and others were concerned about the ability of large water holders, such as environmental water holders, urban water corporations and corporate investors to access large proportions of trade opportunity.

These concerns highlight the need for transparency around the use of allocation trade by large water holders, however it is noted that the Basin Plan Trading Rules permit large water holders the same access to trade openings as all other market participants and limits on trade for particular water users are out-of-scope for this project as the Basin Plan Trading Rules prevent discriminatory trade practices.

Systemic and Operational Challenges

As suggested by the Consultation Report, we also heard the transparency and predictability of trade opportunity arrangements is challenging. Some openings are unscheduled or poorly communicated, disadvantaging less-resourced participants.

Different requirements and licensing frameworks between states also make it hard. Victoria's automated system processes trades faster than NSW's manual system, creating unequal access for the shared trade approvals at the Barmah Narrows. Broker portals and registration requirements vary between states, affecting trade speed and access.

Box 2 - WaterNSW 2021 consultation and relevance for this project

In 2021, public submissions to WaterNSW highlighted the need to improve transparency and confidence in the IVT process in NSW. Many participants acknowledged enhancements made to WaterNSW's IVT webpage but called for further improvements—particularly around the availability of information to help applicants better understand the IVT application and assessment process. A widely supported suggestion was to open the IVT at regular intervals, such as on a set day each month, regardless of whether current triggers had been met. This would provide predictable trade windows, enabling applicants to plan ahead and allowing WaterNSW to improve processing efficiency by anticipating application volumes.

By 2025, stakeholder expectations have continued to evolve, with a stronger emphasis on data transparency and integration across NSW's water systems. Survey responses through this 2025 joint consultation —particularly from investors—have drawn attention to the impact of metering reform on the availability and quality of data for market participants. Others have highlighted the fragmented nature of water-related data, including environmental water releases and IVT trade information, which is often spread across multiple platforms and difficult to access in a consolidated way.

One 2025 survey specifically noted limitations in the IVT data available on the WaterNSW website, reinforcing the need for a more integrated and user-friendly approach to data sharing. These insights suggest that while progress has been made since 2021, there is still a clear opportunity to enhance transparency, streamline access to critical data, and support more informed decision-making for water users and traders.

Feedback on Principles and Framework

Do the draft framework principles provide a comprehensive and clear way to consider options for improving the equity and efficiency of accessing intervalley and interzone trade?

Have Your Say Q2

Do you think the draft evaluation criteria will support a comprehensive outline of how each option meets the principles of the draft framework?

Have Your Say Q4

Are there any gaps in the proposed assessment approach outlined, or areas that could be improved?

Have Your Say Q5

The Consultation Report set out six draft principles for how we will assess different options for accessing IVT opportunities. We sought your feedback on how well these principles, and their supporting evaluation criteria, would form an assessment approach that would allow us to assess the equity and efficiency of different options effectively.

Principles

Principle	Why it matters
Alignment to water market objectives Considers whether it aligns with agreed water market objectives (i.e., Schedule 3, *The Water Act 2007* (Cth)	The option needs to be consistent with the agreed objectives of water market and trading objectives developed under the National Water Initiative
Efficient distribution of water Considers whether the option supports efficient distribution of water among water users	The option needs to consider whether it enables water to be transferred between water users and trading zones without unnecessary costs or barriers
Equity of access Considers whether the option supports equitable access to trade opportunities for all market participants	The option needs to consider whether it facilitates a level playing field for water markets and prevents advantages to certain types of market participants over others
Transparency of information Considers whether the option can be clearly communicated to support informed decision making by water market participants	The option needs to consider whether the trade arrangements can be communicated effectively (i.e. both clearly and transparently) to support trust in the process and to improve market confidence
Practical to establish	The option needs to consider the establishment requirements, including any costs, changes to policies, procedures and/or amendments to existing technical

Considers whether the option is practical to establish for both water market agencies and water market participants	infrastructure (e.g. state water registers) to both water market agencies and market participants
Practical to operate and maintain Considers whether the option is practical for both water market authorities and water market participants once the option has been established and become business-as-usual	The option needs to consider how practical it is to be operated and maintained into the future, in a way which minimises administrative burden and is cost-effective for governments and water market participants alike

The proposed evaluation criteria for the assessment principles can be found in Appendix C.

Survey responses showed that 69% of participants agree or strongly agree that the proposed principles are appropriate for considering the equity and efficiency of options to access trade opportunities

> *"The framework presented provides a sound basis for assessment of options."* – *Government agency*

> *"The draft framework principles are good. Hopefully this will give equal access to all users and participants in the future.* – Water user for irrigation

> *"The framework principles appear to provide a comprehensive and clear way to consider options for improving the equity and efficiency of accessing IVT and interzone trade."* – Industry body

However, whilst equity of access was strongly supported as a principle, there was a feeling that equity of outcome should also be considered.

> *"Currently the benefit is limited to those water holders who are successful in moving water through the IVT. In effect the current system is a lottery, with a cost to enter [the trade fee, kept by the water authority] and the winner [being those who get trade access] taking the prize. Consideration should be given [to] how this benefit can be better shared."* – Water market intermediary

Some held the view that equity of outcome meant water moving to consumptive use. Generally, there was a view that the options analysis should be clear about who the beneficiaries are and whether they contribute to market value.

> *"We recommend the inclusion of an additional principle: "Eligibility to apply limited to legitimate water users": – to ensure that options discourage arbitrage-driven behaviour that disconnects trade from actual water use or regional production benefits"* – Industry body

Given this feedback, DEECA and WaterNSW will be considering how the likely outcomes or beneficiaries may be considered in the assessment. This will be explored more in the next stage of this project

Options to be Considered

Are there any specific options that should be considered for the next stage of this project to apply to all intervalley trade limits, or one limit in particular?
Have Your Say Q3

The Consultation Report proposed three general options to provide access to IVT opportunities, these were:

- 'First-in, first-served'
- Randomisation
- Auctioning trade opportunities

FIRST-IN, FIRST-SERVED

As per the challenges section above, first-in, first-served' was viewed as the most challenging option as it favoured better resourced market participants and brokers.

RANDOMISATION

Randomisation was generally seen as fairer:

> *Randomisation is working very well as it gives all participants a time frame to submit their applications and be considered* – Water user for irrigation

However, many respondents felt that the current method of randomisation could be improved in some way including some who expressed concern that randomisation encourages people to spend more on application fees.

The below table summarises proposed variations to the randomisation approach:

Proposed variation to	**Variation proposed by**	**Description**
Maximum limit / Trade volume caps	Irrigators Industry bodies	*"Perhaps a limit on the size of individual trades could be set, say 1000ML. This would prevent a broker or speculator grabbing the lion's share by virtue of being lucky enough to draw an early place in the randomisation."* - Water user for irrigation Another industry body said *"it would be far more equitable to have a maximum 500ML / application to allow the opportunity for more numerous smaller operators to get trades approved. This is true even if a process of randomised selection of applications is used."* The idea of a limit was proposed by various parties, typically to constrain activity by large water holders. Such a limit would apply to all trade applications, including to environmental and other large water holders.

		In the discussion it was noted that to trade, someone must have water in their account, and this is often the constraining factor on trade volume.
Timing – date	Irrigators	There were calls for trade openings to occur the day after allocations were made, rather than at the same time, so that people had certainty around how much water they had available.
Timing – window	Irrigators	There were calls to extend the window for lodging applications. Currently under the interim randomisation approach applications may be lodged between 7am and 2pm on the day of opening. It was suggested that this was not a good time for farmers, who would likely be out in the field in this window. The suggestion was that giving more time for people to submit applications helps improve equity.
Timing – predictability	Irrigators	This was raised particularly in relation to the Murrumbidgee IVT but could have implications for other trade opportunities. A suggestion was made to introduce scheduled trade opening dates (similar to the scheduled openings at Barmah and in the Goulburn) to improve fairness and predictability for participants.
Timing – back trade predictability	Brokers Irrigators	We heard calls to provide advance notice of when trade opportunities are expected to become available due to back trade. In particular, notice could be provided when large trades are planned by agencies, such as environmental water holders, or urban water corporations. We heard that under the current system, large volume back trade can open-up unpredictable opportunities. If notice were provided of large potential back trade events, or back-trade volumes were held for a scheduled release, it would mean everyone was aware of them at the same time.
Portioning	Water users for other purposes	*"Everyone who applies, gets a % portion of the water, based on the number of applicants." – water user for other purpose* Divide trade requests into volume-based buckets (e.g., small, medium, large) and allocate available IVT proportionally across these groups to balance equity between number of trades and volume requested.
Cost	Water market intermediaries	*"In effect the current system is a lottery, with a cost to enter (the trade fee, kept by the water authority)" – water market intermediary* Cost burdens were a recurring issue, with users submitting multiple applications to improve their chances, yet paying fees for each—prompting calls for fee waivers. There were calls to reduce financial burden by waiving or refunding fees for

		unsuccessful applications, especially in ballot systems where users submit multiple entries to improve their chances.
Communication and transparency	Brokers Irrigators	Respondents expressed strong views on the need for transparency and communication in the randomisation approach. Several submissions emphasised that while randomisation can improve fairness compared to first-in systems, it must be implemented with clear rules and open communication to maintain trust.

AUCTION

Whilst views on 'first-in, first-served' and randomisation were fairly consistent, opinions on the auction option were divided.

Many thought auctions should be off the table, as they were perceived to only favour the wealthy:

> *"I don't believe auctioning is likely to gain irrigator endorsement mainly through the fear of deep pockets."*- Water user for irrigation

> *"Going to Auction, will do the opposite of equity. Large agribusiness, will have the financial power, to bid the highest. Therefore amplifying inequity."* – Water user for other purposes

The above opinion was echoed by some water brokers, who flagged that the deepest pockets who win the auction could be government funded bodies like urban water corporations and environmental water holders

But others made the point that:

> *" Auctioning trade opportunities is the most equitable solution … Auctioning the tradable space diminishes the financial arbitrage opportunities which in turn means water users would be the predominant users of the system"* – Water market intermediary

It was also clear that there are many different views on what an auction option would look like and the outcome of the assessment could vary widely depending on the auction option considered.

Various approaches to the auction were suggested:

Auction option	**Option proposed by**	**Description**
An auction for access to trade opportunity	Industry Body Broker	Traditional auction format of highest bidder secures the opportunity. This would be open to any buyer with the relevant water access rights
Pooled price mechanism	Industry body	A pooled price mechanism for IVT opportunity involves collecting trade bids from buyers and sellers during a set window, then allocating available capacity to the highest bidders until it's exhausted. All successful bidders pay the same clearing price, which is the lowest accepted bid. This approach promotes fairness, transparency, and efficiency by avoiding first-come-first-served dynamics and providing a predictable, market-based price for trades.

		The pooled mechanism forces buyers and sellers to meet in the middle, reducing windfall gains (note it may be problematic when considering related party trades). This option was raised by an industry body and did not receive much support when discussed with market participants. A broker raised the point that this would be *"ineffective due to the frequent price fluctuations of water"*
Bundling	Government department	Putting opportunities into a bundle of a particular volume which is then auctioned off

Regardless of the option selected, many participants suggested that the equity of the auction option would be largely dependent on how the profit was distributed and looked far more favourably on it being distributed via a mechanism such as socialising the benefit to reduce bills for customers, instead of being captured by a government agency for example.

OTHER OPTIONS PROPOSED

The below table summarises other options proposed:

Other option	**Option proposed by**	**Description**
Percentage-based allocation	Water user or other purposes	Distribute available trade volumes proportionally among applicants *"Equity is preserved - it is not purely going to the highest bidder / most financially backed business"* – water user for other purposes This was proposed to address some equity concerns, with randomisation (the chance to consistently miss out by chance) and auctions potentially favouring large or wealthy participants
Local trade preference	Irrigator	Encourage intra-zone trading to support local economies and reduce losses *"Water trading should be encouraged to stay within zone"* – water user for irrigation A variation on this was to allow transfers between contiguous properties owned by the same entity
Access based on use (tagged trade)	Industry body	Introduce a new water trade accounting framework where trade is enabled using tagged trade arrangements (i.e. where allocation in one zone retains its original characteristics and is only approved for use in another zone at the time the water is used). This would be a significant and would mean water is only moved between zones when it is needed for use. *One industry body expressed that "they were very interested in this" and "this is as it should be"* in reference to introducing universal tagged trade arrangements.

Access based on entitlement	Irrigator Industry body	For example, everyone who has a Goulburn water share (or entitlement in the source system) gets proportionate access to trade opportunity and can choose what they want to do with it. They might have two to three days to use or auction.

Participants also suggested that all options would be enhanced by a single IVT administrator, a unified body to manage inter and intra-state trades. This is unlikely in the near future.

Options like access based on use begin to address core concerns around windfall gains and ensuring trade benefits go to legitimate water users. These approaches align access with actual water needs and long-term investment, helping to reduce speculative behaviour They also address concerns raised in the ACCC water markets inquiry that where trade timing doesn't always align with physical water movement, the resulting disconnect creates challenges for river operators in avoiding storage spills, river congestion and environmental impacts when managing IVT obligations.

In the longer term, a system of tagged trade could offer a more robust solution. Tagged trade links water movement to specific entitlements and land use, ensuring that traded water is used in accordance with its original purpose and ownership. This could prevent gaming of the system and reinforce accountability, as discussed in the initial report. However, this is a question for a longer-term reform and will come secondary to the framework this report sought feedback on.

WHERE TO FROM HERE?

Online consultation on *Improving access to trade opportunities in the southern Murray-Darling Basin* closed on 17 August 2025.

Following hearing strong support for the assessment framework proposed in the Consultation Report, WaterNSW and DEECA will be largely adopting this in the Stage 2 options analysis. However, feedback in the Stage 1 consultation also suggested that this could be added to, for example, to consider the likely outcomes or beneficiaries. Additions will be considered in the next stage, and the framework finalised before Stage 2.

In Stage 2, DEECA and WaterNSW will develop detailed options to be assessed. At a minimum, we will be considering a 'first-in, first-served' approach, an auction option and randomisation, but there will likely be a few versions of these options, with a variety of modifications possible based on feedback we have heard through this consultation. We may also consider other options based on what we have heard through Stage 1.

The options will be assessed and their appropriateness considered for each of the three valleys in scope, up- and down-stream of the Barmah Narrows, the Goulburn to Murray and trade between the Murrumbidgee and the Murray. While consideration will be given to the efficiency of one system for all valleys, ultimately the most equitable and efficient option for each valley will be selected.

We will be coming back to public consultation in early 2026, once the assessment is complete, to get your feedback on if we have considered the options correctly.

For those who have chosen to stay informed on this project, the DEECA Engage Vic and WaterNSW pages will continue to be updated as we have more information to share.

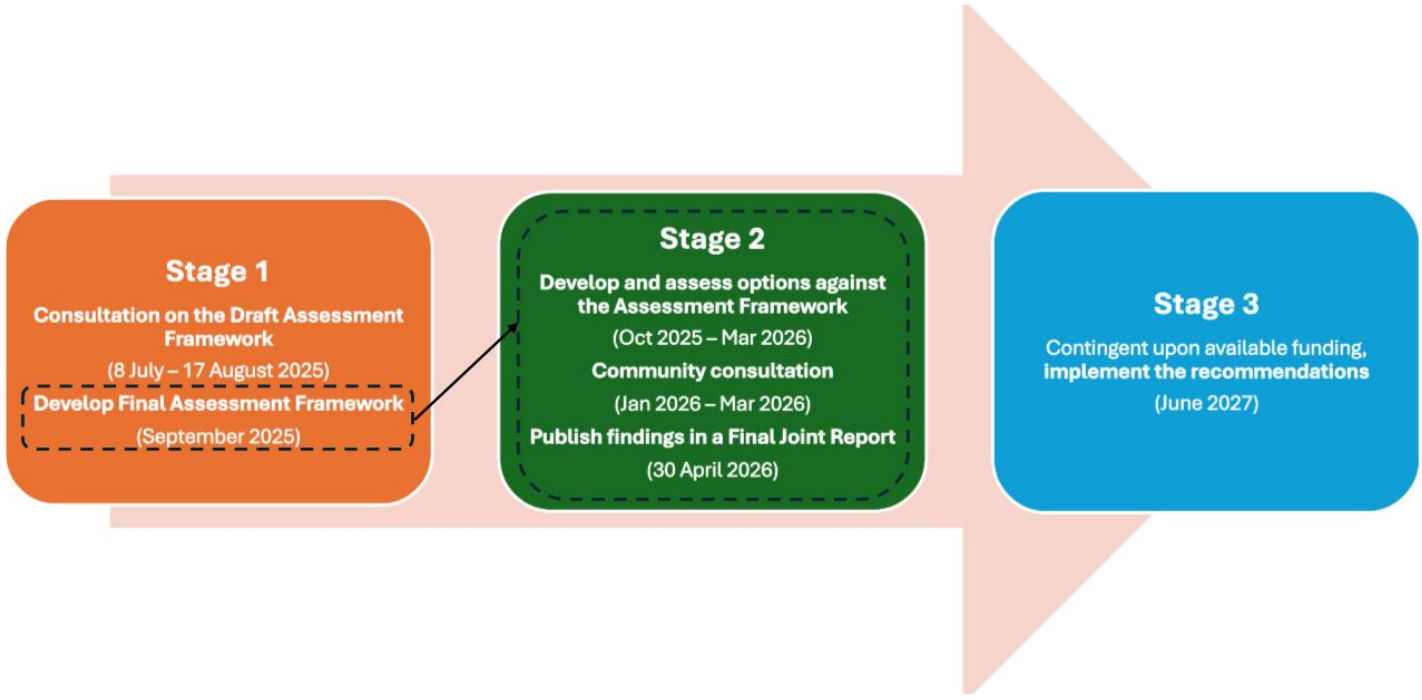

Figure 4 Timeline for the stages of this project

APPENDIX A – SURVEY QUESTIONS

1. Have you read the 'Improving access to water allocation trade between zones in the southern Murray-Darling Basin – Consultation on draft assessment framework' Report?
    a. Yes
    b. No

2. Did you attend or have you watched the Improving access to trade opportunities in the southern Murray-Darling Basin Webinar?
    a. Yes
    b. No

3. Which category best describes your interest in this project?
    a. Water user – for irrigation
    b. Water user – for urban supply
    c. Water user – for environmental purposes
    d. Water user – for other purposes e.g. domestic & stock, industry, etc.
    e. Water entitlement holder that does not use water e.g. investor
    f. Water market intermediary e.g. broker
    g. Industry representative
    h. Traditional Owner/First Nations Peoples
    i. Environmental Group
    j. Other (free text)

4. Are you happy for your deidentified responses to be published and shared with WaterNSW?
    a. Yes
    b. No

5. In your opinion, what other challenges are causing issues for the efficiency and equity of allocation trade between zones?

6. To what extent do you agree that each of the following principles is appropriate for considering the equity and efficiency of options to access trade opportunities?
    a. Alignment to Water Market Objectives
    b. Efficient Distribution of Water
    c. Equity of Access
    d. Transparency of Information
    e. Practical to establish
    f. Practical to Operate and Maintain

7. Please explain any improvements you would like to see to the framework principles to make sure that the assessment of options is comprehensive and objective

8. To what extent do you agree that the evaluation criteria will enable us to accurately assess how each option aligns the principles of the framework?
    a. Alignment to Water Market Objectives
    b. Efficient Distribution of Water
    c. Equity of Access
    d. Transparency of Information
    e. Practical to establish
    f. Practical to Operate and Maintain

9. Please explain your response

10. Are there any gaps in the proposed assessment approach or areas that could be improved?
    a. Yes
    b. Some-what
    c. No

11. Please explain your response (free text)

12. Are there any specific options that should be considered for the next stage of this project to apply to all intervalley trade limits, or one limit in particular (please specify which limit)?

13. Would you like to remain informed about what is happening in the project, as well as the subsequent stages?
    a. Yes. Please provide email address
    b. No

APPENDIX B – SUMMARY OF ENGAGEMENT ACTIVITIES

Activity	Description	Date	Type of consultation
MDB (Murray Darling Basin) Trade Working Group	Online Presentation	16/06/2025	Consultation session
Vic Water Register website news item	News item posted on the Vic Water register website	08/07/2025	News item
Public Webinar	Joint Vic and NSW webinar	17/07/2025	Public Webinar
Meeting with GMW (Goulburn-Murray Water) and LMW (Lower Murray Water)	Vic meeting with GMW and LMW trade teams	17/07/2025	Consultation session
SIP (sustainable irrigation programs) group	Presentation and discussion with SIP group	28/07/2025	Consultation session
ABARES (Australian Bureau of Agricultural and Resource Economics and Sciences.) & ACCC (Australian Competition and Consumer Commission)	Discussion and presentation with ABARES and ACCC	06/08/2025	Consultation session
GMW Customer committee	Meeting and presentation with the GMW customer committee	08/08/2025	Consultation session
AWBA (Australian Water Broker Association) General Meeting	Presentation made at AWBA General meeting	29/08/2025	Consultation session
NSW	Murrumbidgee Customer Advisory Group	20/08/2025	Consultation session
NSW	Murray-Lower Darling Customer Advisory Group	19/08/2025	Consultation session

APPENDIX C – EVALUATION CRITERIA

Principle	Evaluation Criteria
Alignment to water market objectives	1. Does the option contradict any of the agreed water market objectives in Schedule 3 of the *Water Act 2007*? i.e., does the option: • Facilitate the operation of efficient water markets and trading opportunities within and between Basin States? • Minimise the transaction costs of water trades, • Enable the appropriate mix of water products, and • Recognise and protect the needs of the environment, and • Appropriately protect third party impacts?
Efficient distribution of water	2. Does the option supports the distribution of water to meet the needs of water market participants? 3. Is timely access to trade opportunities facilitated? 4. Does the option maximise allocative efficiency between water users? 5. How effectively does the option minimise transaction costs for market participants?
Equity of access	6. Does the option provide equal opportunities to access trade to all market participants? 7. Are there any barriers in place for some market participants and not others? 8. If applicable (e.g. Barmah), is access to trade opportunity provided equitably to market participants in VIC and NSW?
Transparency of information	9. Can the option be communicated/ explained in a way that a representative water market participant can easily understand? 10. Will the option support informed decision making by all water market participants? 11. Does the option promote easy and timely access to information about available trade opportunities? 12. Does the option promote easy and timely access to information about the application status and/or outcome?
Practical to establish	13. How long is the option likely to take to establish? 14. What are the estimated costs of establishing the option? 15. What are the change management impacts that agencies would need to consider for this transition? 16. How would water market participants be impacted from a change management perspective? 17. What are the estimated costs to water market participants to transition? 18. Does the option support practical alignment and coordination of establishment across state borders? 19. Would establishment of the option require changes to State or Federal legislation or regulatory frameworks?

Practical to operate and maintain	20. How practical is the option for agencies to operate and maintain? (for example: technical and business systems, resource capability and availability)` 21. How much will it cost to operate and maintain? 22. How practical is the option for water market participants to use? 23. How much will it cost water management agencies and water market participants to operate and maintain? 24. If applicable, describe whether the option will allow for practical alignment and coordination of operations across state borders?