What are the SDLAM projects and why do they matter?



Because our communities are exposed to potential buybacks!



SDLAM projects

Sustainable Diversion Limit Adjustment Mechanism projects, often referred to as "SDLAM" projects, mean that rather than recovering consumptive water, the equivalent volume is effectively achieved by doing certain works or water management activities. The projects are integrated so a failure to implement any of them, regardless of their location, represents a risk to the whole mechanism.

There are three types of SDLAM projects, but there are two that are critical to reducing water recovery:

- **Supply projects** (S) are designed to manage the Basin's rivers more efficiently so that less water is needed to achieve good environmental outcomes.
- Constraints measures (C) aim to overcome some of the physical barriers, improving rules so that environmental water can be delivered more effectively.



Negotiations have stalled on a major project, putting at risk significant amounts of productive water in NSW.

How are NSW projects tracking?

In its latest report card, the MDBA has shown that many projects are at **high risk of failure**.

SDLAM project	Туре	Progress	Contribution to offset (605 GL)
Hume Dam rule changes	S	Good	High
Modernising supply systems for effluent creeks in the Murrumbidgee, incl. Yanco Creek	S	Some	Medium
Murray and Murrumbidgee national parks supply measures	S	Some	Low
SDLAM offsets in the NSW Lower Murray	S	Good	Medium
Menindee Lakes Water Saving project	S	Poor	High
New South Wales and Victorian Murray constraints	С	Poor	High
Murrumbidgee constraints (Wagga)	С	Poor	High
Lower Darling constraints (Menindee)	С	Poor	High

"The risks to fully implementing critical supply and constraints projects ... make it increasingly unlikely that the SDLAM adjustment program will be fully delivered by June 2024, putting the overall SDLAM adjustment at risk."

MDBA, June 2020

NSW SDLAM projects at risk



Most NSW projects are at risk

Projects delivering the most savings have stalled



High chance of 605 GL target not being met

No projects complete



Water recovery risk for NSW if targets not met

Water purchases to meet any shortfall are likely to come from irrigators

Community impact of target shortfall:



Less water for food



Loss of jobs

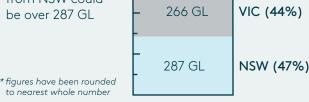


Reduced economic activity

So what if the projects don't meet their targets?

Should the approved projects not proceed, NSW is at clear risk of losing a significant volume of consumptive water. Any shortfall could lead to further water purchases by the Commonwealth that are most likely to come from the irrigators in our districts. The impact of a further reduction in irrigation water in the Murrumbidgee and NSW Murray Valleys would decimate communities and economies reliant upon irrigated agriculture.

Water risk The volume of water recovery from NSW could be over 287 GL



Target 605 GL

52 GL

SA (9%)

What should we do?

We call on everyone with an interest in the economy and community of our irrigation areas to engage with the NSW Government to support them to act now to address this issue.

Government needs to:

- Engage with communities and implement without delay all approved SDLAM projects; and/or
- Work with communities to identify and implement alternate projects should existing projects be unachievable; or
- Remove or amend legislation so that the timeframe is extended and/or the risk of buybacks does not occur.

For more information and details on how to support our communities, visit our websites (listed below).

We need to act now to protect our future!

The Basin supports 9,200 irrigated agriculture businesses producing \$22 billion worth of food and fibre annually.







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