

NATIONAL PARTNERSHIP FOR THE NATIONAL WATER INFRASTRUCTURE DEVELOPMENT FUND – CAPITAL COMPONENT

An agreement between

- the Commonwealth of Australia and
- the States and Territories, being:
 - ◆ New South Wales
 - ◆ Victoria
 - ◆ Queensland
 - ◆ Western Australia
 - ◆ South Australia
 - ◆ Tasmania
 - ◆ the Australian Capital Territory
 - ◆ the Northern Territory

This Agreement will contribute to long-term regional economic growth and development by providing secure and affordable water through the construction of economically viable water infrastructure.

National Partnership for the National Water Infrastructure Development Fund – Capital Component

OVERVIEW

1. This National Partnership (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA FFR.

Purpose

2. In entering this Agreement, the Commonwealth and the States and Territories (the States) recognise that they have a mutual interest in improving outcomes through national water infrastructure development and need to work together to achieve those outcomes.
3. This Agreement will contribute to long-term regional economic growth and development by providing secure and affordable water through the construction of economically viable water infrastructure.

Reporting Arrangements

4. The States will report six monthly against agreed milestones during the operation of this Agreement, as set out in Part 4 – Performance Monitoring and Reporting and the bilateral Schedules to this Agreement.

Financial Arrangements

5. The Commonwealth will provide an estimated total financial contribution to the States of \$440 million (GST exclusive) in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

PART 1 – FORMALITIES

Parties to this Agreement

6. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the States and Territories (the States).

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and one other Party sign it and will expire on 30 June 2025, or on completion of projects, including final performance reporting and processing of final payments against project milestones. The Agreement may be terminated earlier or extended as agreed in writing by the Parties.

PART 2 – OBJECTIVES, OUTCOMES AND OUTPUTS

Objectives

8. The objective of this Agreement is to support long-term regional economic growth and development by providing secure and affordable water through the construction of economically viable water infrastructure that will be managed in accordance with the principles of the National Water Initiative and relevant policies of the Commonwealth and the States.

Outcome

9. This Agreement will facilitate achievement of improved access to secure and affordable water for regional communities.

Outputs

10. The objectives and outcomes of this Agreement will be achieved by constructing new or augmented water infrastructure such as dams, weirs and pipelines or other projects as agreed in the bilateral Schedules to this Agreement.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

11. To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities, as outlined below.

Role of the Commonwealth

12. The Commonwealth agrees to be responsible for:
 - (a) assessing and determining which projects are to be funded under this Agreement, in consultation with the States;
 - (b) providing a financial contribution to the States to support the implementation of this Agreement;
 - (c) monitoring and assessing the performance in the delivery of projects funded under this Agreement to ensure that outputs are delivered and outcomes are achieved within the agreed timeframe;
 - (d) in accordance with the *Fair Work (Building Industry) Act 2012*, ensuring that financial contributions to a building project or projects as defined under the Fair Work (Building Industry – Accreditation Scheme) Regulations 2005, are only made where a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted;
 - (e) ensuring that compliance with the Building Code 2016 is a condition of Australian Government funding; and
 - (f) conducting a review of this Agreement in accordance with clause 27.

Role of the States

13. The States agree to be responsible for:
 - (a) providing a financial contribution that at least matches the Commonwealth contribution to support the completion of projects funded under this Agreement in accordance with clause 20 of this Agreement;
 - (b) providing the Commonwealth with project plans for projects funded under this Agreement;
 - i. Project plans will include details on scope, project schedule, budget, project stakeholders, governance arrangements, communication plan, high level design plans and a risk management plan. The States will determine how to meet this requirement and may use existing documentation as relevant to the project.
 - ii. Project plans will be flexible documents that may be varied to accommodate changed circumstances. Any variations to project plans that impact on milestones and payments under this Agreement will be subject to arrangements set out in clauses 29 and 30 of this Agreement.
 - (c) all aspects of the delivery of water infrastructure projects as set out in the Agreement and the respective Schedules to the Agreement;
 - i. this may include on-forwarding Commonwealth funding contributions to, and coordinating with third parties including local governments and other non-government organisations for the purpose of meeting the requirements of the Agreement.
 - (d) reporting on the delivery of outcomes and outputs as set out in Part 4 – Performance Monitoring and Reporting;
 - (e) ensuring that only a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted, and providing the necessary assurances to the Commonwealth;
 - (f) ensuring that compliance with the Building Code 2016 is made a condition of tender for all contractors and subcontractors who tender for the work, and providing the necessary assurances to the Commonwealth; and
 - (g) contributing to the review of this Agreement to be conducted by the Commonwealth in accordance with clause 27.

Shared roles and responsibilities

14. The Commonwealth and the States agree to be jointly responsible for:
 - (a) participating in consultations as appropriate regarding the implementation of this Agreement; and
 - (b) developing and agreeing new or revised Schedules to this Agreement.
15. The Parties will meet the requirements of Schedule E, Clause 26 of the IGA FFR, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under a Schedule, and that the roles of both Parties will be acknowledged and recognised appropriately.

PART 4 – PERFORMANCE MONITORING AND REPORTING

16. The milestones of each projects, their relationship to the output of the Agreement, expected completion dates, relevant reporting dates and expected payments, are set out in bilateral Schedules to this Agreement. The Commonwealth will make payments subject to performance reports demonstrating that the relevant milestone has been met.

Reporting arrangements

17. The States will report the minimum required, that is six-monthly to demonstrate that Commonwealth funding has been matched and milestones have been met in accordance with the bilateral Schedules to this Agreement.
18. The States will also prepare a final project report within 90 days of practical completion of the final element of each project. The final project report will be a stand-alone document that can be used for public information dissemination purposes. The final project report will:
 - (a) evaluate each project from the responsible Party's perspective, including assessing the extent to which the objective and outcomes have been achieved as outlined in the Agreement and/or Schedules, and explaining why any aspect was not achieved;
 - (b) include a statement of final State funding contributions to the project which may include contributions from third parties including local governments and other non-government organisations; and
 - (c) include a discussion of any other matters relating to the project, limited to the minimum necessary for the effective assessment of performance and as agreed between the Commonwealth and the State(s), at least 60 days before it is due.

PART 5 – FINANCIAL ARRANGEMENTS

Financial contributions

19. The Commonwealth will provide an estimated total financial contribution to the States of up to \$440 million in respect of this Agreement. All payments are exclusive of GST.
20. States will at least match the Commonwealth contribution for each project and this funding will contribute to the outputs of this Agreement. State funding contributions may include contributions from third parties including local governments and other non-government organisations. Commonwealth and State funding contributions will be set out in bilateral Schedules to this Agreement.
21. If States do not at least match the Commonwealth's full financial contribution for a project funded under this Agreement, the Commonwealth may reduce its funding for that project to match the States' contribution or withhold payments until matching requirements are met. This includes reducing the Commonwealth funding to match State funding where a project's final cost is less than the agreed estimated cost.
22. States bear all risk should a project costs exceed the agreed estimated costs.
23. Where a performance report demonstrates that a milestone is met in advance of the due date, the Commonwealth may make the associated payment earlier than scheduled provided it falls within the same financial year as the original milestone date.

24. The Commonwealth's and the States' estimated financial contributions to the operation of this Agreement, including through National Partnership payments to the States paid in accordance with *Schedule D — Payment Arrangements* of the IGA FFR, are shown in Table 1.

Table 1: Estimated financial contributions

(\$ million)	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total
Estimated total budget	40.0	80.0	160.0	160.0	160.0	160.0	80.0	40.0	880.0
Less estimated National Partnership payments ^(a)	20.0	40.0	80.0	80.0	80.0	80.0	40.0	20.0	440.0
Balance of non-Commonwealth contributions ^(b)	20.0	40.0	80.0	80.0	80.0	80.0	40.0	20.0	440.0

^(a) Estimated National Partnership payments to each State will be set out in the Schedules to this Agreement.

^(b) Estimated non-Commonwealth contributions may include State funding contributions and contributions from third parties including local governments and other non-government organisations. Estimated non-Commonwealth contributions from each State will be set out in Schedules to this Agreement.

Project additions and cancellations

25. The Parties recognise there may be a need to add or cancel a project funded under this Agreement. Where this occurs:
- the Party proposing the change will notify the other Party in writing;
 - the relevant Parties will consider the proposed change including any funding implications; and
 - subject to the outcome of those considerations, changes will be implemented by varying the relevant Schedule in accordance with clause 30 of this Agreement.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

26. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, this does not lessen the Parties' commitment to this Agreement.

Review of the Agreement

27. In accordance with clause E23 of the IGA FFR, this Agreement is time limited. To assess the degree to which the agreed objectives and outcomes and/or outputs have been achieved, and inform decisions regarding the appropriate treatment following its expiry, a review of the Agreement will be scheduled to be completed approximately 12 months prior to its expiry.
28. This Agreement is intended to provide Commonwealth funding on a one off basis toward the successful construction of new or augmented water infrastructure as specified in clause 10. It is not anticipated that the Commonwealth will provide any further funding for these activities beyond the expiry of the Agreement. Whether any further funding is provided by the States is a matter for them to consider when framing their budgets, as States are responsible for related activities.

Variation of the Agreement

29. The Agreement may be amended at any time by agreement in writing by all the Parties.
30. Bilateral Schedules to this Agreement that have no impact on other Parties may be amended at any time by agreement in writing by the Commonwealth and relevant State minister.
31. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.

Delegations

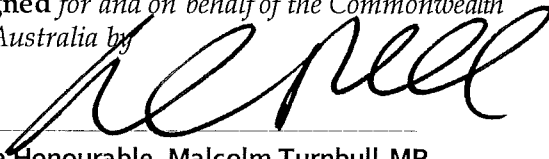
32. The relevant Commonwealth Minister with portfolio responsibility for this Agreement is authorised to agree and amend Schedules, to this Agreement and to certify that performance benchmarks specified under this Agreement have been achieved, so that payments may be made.
33. Respective State and Territory Ministers with portfolio responsibility for this Agreement are authorised to agree and amend Schedules to this Agreement.
34. The Commonwealth Minister may delegate the assessment of performance against milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

Dispute resolution

35. Any Party may give notice to other Parties of a dispute under this Agreement.
36. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
37. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

The Parties have confirmed their commitment to this agreement as follows:

*Signed for and on behalf of the Commonwealth
of Australia by*



The Honourable Malcolm Turnbull MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]

*Signed for and on behalf of the
State of New South Wales by*

The Honourable Gladys Berejiklian MP
Premier of the State of New South Wales

[Day] [Month] [Year]

*Signed for and on behalf of the
State of Victoria by*

The Honourable Daniel Andrews MLA
Premier of the State of Victoria

[Day] [Month] [Year]

*Signed for and on behalf of the
State of Queensland by*

The Honourable Anastacia Palaszczuk MP
Premier of the State of Queensland

[Day] [Month] [Year]

*Signed for and on behalf of the
State of Western Australia by*

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

*Signed for and on behalf of the
State of South Australia by*

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

*Signed for and on behalf of the
State of Tasmania by*

The Honourable Will Hodgman MP
Premier of the State of Tasmania

[Day] [Month] [Year]

*Signed for and on behalf of the Australian
Capital Territory by*

Andrew Barr MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

*Signed for and on behalf of the Northern
Territory by*

The Honourable Michael Gunner MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Malcolm Turnbull MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Gladys Berejiklian MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Daniel Andrews MLA
Premier of the State of Victoria

[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Anastacia Palaszczuk MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Will Hodgman MP
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Andrew Barr MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Michael Gunner MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Malcolm Turnbull MP
Prime Minister of the Commonwealth of Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Gladys Berejiklian MP
Premier of the State of New South Wales
[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Anastacia Palaszczuk MP
Premier of the State of Queensland
[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia
[Day] [Month] [Year]


Signed for and on behalf of the Australian Capital Territory by

Andrew Barr MLA
Chief Minister of the Australian Capital Territory
[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Daniel Andrews MLA
Premier of the State of Victoria
[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by


The Honourable Colin Barnett MLA
Premier of the State of Western Australia
[Day] [Month] [Year]
30 JAN 2017

Signed for and on behalf of the State of Tasmania by

The Honourable Will Hodgman MP
Premier of the State of Tasmania
[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Michael Gunner MLA
Chief Minister of the Northern Territory of Australia
[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Malcolm Turnbull MP
Prime Minister of the Commonwealth of Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Gladys Berejiklian MP
Premier of the State of New South Wales
[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Daniel Andrews MLA
Premier of the State of Victoria
[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Annastacia Palaszczuk MP
Premier of the State of Queensland
[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Will Hodgman MP
Premier of the State of Tasmania
[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Andrew Barr MLA
Chief Minister of the Australian Capital Territory
[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Michael Gunner MLA
Chief Minister of the Northern Territory of Australia
[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Malcolm Turnbull MP
Prime Minister of the Commonwealth of Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Gladys Berejiklian MP
Premier of the State of New South Wales
[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Daniel Andrews MLA
Premier of the State of Victoria
[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Anastacia Palaszczuk MP
Premier of the State of Queensland
[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia
[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Will Hodgman MP
Premier of the State of Tasmania
[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by


Andrew Barr MLA
Chief Minister of the Australian Capital Territory
[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Michael Gunner MLA
Chief Minister of the Northern Territory of Australia
[Day] [Month] [Year]

03 MAR 2017

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Malcolm Turnbull MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Gladys Berejiklian MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by



The Honourable Anastacia Palaszczuk MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Andrew Barr MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Daniel Andrews MLA
Premier of the State of Victoria

[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Will Hodgman MP
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Michael Gunner MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]


The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Malcolm Turnbull MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by


The Honourable Gladys Berejiklian MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Daniel Andrews MLA
Premier of the State of Victoria

[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Anastacia Palaszczuk MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Will Hodgman MP
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Andrew Barr MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Michael Gunner MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Malcolm Turnbull MP

Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Gladys Berejiklian MP

Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Daniel Andrews MLA

Premier of the State of Victoria

[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Anastacia Palaszczuk MP

Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA

Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP

Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by

The Honourable Will Hodgman MP

Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Andrew Barr MLA

Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Michael Gunner MLA

Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]

The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth of Australia by

The Honourable Malcolm Turnbull MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of New South Wales by

The Honourable Mike Baird MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed for and on behalf of the State of Queensland by

The Honourable Anastacia Palaszczuk MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed for and on behalf of the State of South Australia by

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed for and on behalf of the Australian Capital Territory by

Andrew Barr MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed for and on behalf of the State of Victoria by

The Honourable Daniel Andrews MLA
Premier of the State of Victoria

[Day] [Month] [Year]

Signed for and on behalf of the State of Western Australia by

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed for and on behalf of the State of Tasmania by


The Honourable Will Hodgman MP
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by

The Honourable Michael Gunner MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]