National Water Infrastructure Development Fund

Guidelines – Feasibility Component

Expressions of Interest close 3.00PM AEDST

21 January 2016
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1 Overview

The National Water Infrastructure Development Fund (the Fund) will deliver the Australian Government’s commitment to start the detailed planning necessary to build new dams—to secure the nation’s water supplies, deliver strong economic benefits for Australia, while also protecting our environment. The Fund was announced through the White Papers on Agricultural Competitiveness and Developing Northern Australia, available from agwhitepaper.agriculture.gov.au and northernaustralia.infrastructure.gov.au respectively.

The Fund will support a range of activities related to water infrastructure. This may include water resource assessments in northern Australia, feasibility studies, business case development and capital works.

This call for Expressions of Interest (EOI) relates exclusively to the feasibility component, with $25 million available in this round. Only state and territory governments may apply through this EOI process. Other organisations with proposals must partner with their relevant state or territory government.

This EOI round will be open 19 November 2015 to 3:00 PM (AEDST) 21 January 2016. EOIs cannot be varied once submitted, including the amount of funding requested.

Throughout these guidelines, the term “feasibility study” is used to refer to all eligible activities under this feasibility component of the Fund, including pre-feasibility studies.
2 Objectives of the Fund

State and territory governments are responsible for the management of water and water infrastructure. By working in partnership with state and territory governments, and the private sector, the Fund will facilitate long-term economic and regional development through:

- enhancing the knowledge base underpinning water infrastructure planning and decision making
- undertaking the detailed planning required to inform water infrastructure investment decisions
- expediting the construction of water infrastructure.

2.1 How will the Australian Government invest?

In line with the objectives of the Fund, support will be prioritised for proposed feasibility studies that demonstrate a strategic approach to potential water infrastructure project development. The full assessment criteria is outlined in section 4.3, and is focussed on supporting feasibility studies that:

- are aligned with the Fund’s objectives
- represent value-for-money for Australian Government funds
- have a clear and credible risk management strategy
- are undertaken by organisations and/or personnel with a proven capacity to deliver.

Funding under the feasibility component of the Fund will not guarantee Australian Government capital investment at a future time.

2.2 Structure of the Fund

There are two components to the Fund:

- Feasibility component: $50 million over four years from 2015-16, including a component of approximately $30 million for northern Australia.
- Capital component: $450 million over eight years from 2017-18, including a component for northern Australia of approximately $170 million.

2.3 Structure of the feasibility component

Funding for the feasibility component will be provided as follows:

- $25 million to the projects announced in White Paper on Developing Northern Australia
- $25 million through a competitive, merit-based EOI process. Of this, $5 million remains targeted to northern Australian studies.

These guidelines only apply to EOIs for the competitive, merit-based component of the feasibility funding.
3 Eligibility

3.1 Eligibility criteria for this Expression of Interest

- Only state and territory governments are eligible to apply.
- Only feasibility studies for proposed water infrastructure projects are eligible.

3.2 Eligible funding types

Feasibility studies and other reports and information generated from funded studies are expected to be made publically available, to contribute to the Fund’s objective of increasing and improving the available information base.

Pre-feasibility

Pre-feasibility studies include the range of assessments that enable potential water infrastructure or dam sites within a catchment to be compared. They allow for more informed decisions regarding investment support for individual water resource developments in a whole-of-catchment context.

Eligible pre-feasibility activities include:

- detailed desktop investigations and site visits to acquire information on potential dam sites in a catchment
- environmental, geological, hydrological and other relevant scientific and technical studies
- consideration of alternative water storage/supply options (e.g. groundwater, managed aquifer recharge, demand management, desalination and/or sourcing water from alternative nearby storages).

Feasibility

Feasibility studies include the range of detailed technical, environmental and economic assessments on a specific water infrastructure project site that contribute substantially to full business cases and thereby enable investment decisions ahead of construction.

Feasibility studies should generally be supported by pre-feasibility and similar studies, including assessments of water yields, and a review of relevant previous studies and assessments.

Eligible feasibility activities include:

- technical feasibility and design appraisals
- analyses of demand and marketing arrangements in order to identify the end users that will purchase the water for various uses and at what price
- cost estimations and cost benefit analyses of infrastructure, including of ongoing operational and maintenance costs
- risk analyses related to the infrastructure
- appraisals of regulatory, legal and taxation obligations
- consideration of and consultation planning related to land tenure, land claims and Indigenous land management
• consideration of opportunities for Indigenous economic development from proposed future water infrastructure projects
• consultation planning for stakeholder and community engagement
• final technical designing and planning
• any other feasibility work required to produce a final business case, where that activity is agreed by the department.

3.3 Ineligible funding types
Examples of applications for funding that would be ineligible include:

• retrospective activities (e.g. water resource assessments or pre-feasibility and feasibility studies that have already been conducted)
• purchase of land
• purchase of large capital items (greater than $10 000). Small capital items can be included in the budget with a clear justification and will be considered on a case by case basis. Inclusion of the item in the budget does not guarantee it will be agreed by the department
• studies relating to social impacts of lack of water
• business as usual operation and administration costs, including staffing, of the organisation delivering the feasibility studies. This does not extend to consultants or contractors engaged specifically and solely for the purposes of the project
• construction or augmentation of any infrastructure
• anything deemed by the department to be contrary to the objectives of the Fund.
4 Assessment

4.1 Information required for assessment

The EOI form available from the website (www.agriculture.gov.au/water-infrastructure) details the information required from the applicant. Some critical information to include is as follows:

- the amount of funding sought from the Australian Government must be exclusive of GST
- a breakdown of proposed auditable funding and in-kind contributions (exclusive of GST) from all sources (contributions can be sourced from any legal entity, including state and/or local government and the private sector)
  - higher levels of co-contributions will be viewed favourably
- a clear description of the proposed feasibility study, including its location, proposed commencement and completion dates and the nature of the work to be undertaken
- a description of how the proposed study aligns with the objectives of the Fund

A description of the assessment criteria can be found at section 4.3 of this document.

Proposals for feasibility studies that can demonstrate significant prior local or regional planning will be viewed favourably. Where applicable, the applicant may provide additional supporting information to strengthen their application. This could include:

- any relevant statutory plans that have been produced, including extracts of state or territory strategic plans on water and water resources
- details of previous stakeholder engagement, including completed public interest assessments or similar activities.

4.2 How will applications be evaluated?

The department will evaluate all EOIs against the criteria set out in these guidelines.

Eligible proposed feasibility studies will be assessed with the assistance of a panel of technical expert assessors. These technical expert assessors will have expertise in a broad range of areas.

Informed by the technical expert panel, the department will produce a final report that ranks on a merit basis the eligible applications received. This report will make recommendations on the studies to be funded.

The Minister for Agriculture and Water Resources will be the final decision-maker.

4.3 Assessment criteria

EOIs will be evaluated against the assessment criteria in the below table. Suggestions are made under the ‘key considerations’ to help applicants formulate their applications.

The department reserves the right to seek external advice and use the information provided in EOIs for this purpose. Selection criteria are individually weighted. The weighting of each criteria is given as a percentage of the overall assessment score.
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<th>Criterion</th>
<th>Key considerations – assessors will consider the following:</th>
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| Criterion 1: Strategic approach to conducting the proposed feasibility study 25% | - Does the applicant describe a clear and credible plan for undertaking the proposed feasibility study?  
  ○ This must include a review of any prior studies and assessments.  
  ○ This may include relevant technical elements of the proposed study.  
  - Can the feasibility study be delivered in the proposed time frame (i.e. by June 2019)? |
| Criterion 2: Alignment with Fund objectives 25% | - Does the proposed feasibility study align with the objectives of the Fund?  
  - Will the proposed feasibility study include a consideration of how the anticipated water infrastructure project will uphold the principles of the National Water Initiative?  
  ○ This must include discussion of the potential for National Water Initiative compliant water resource plans.  
  - How does the proposed water infrastructure proposal relate to your state or territory long-term strategic plan? |
| Criterion 3: Proposed funding contributions 5% | - The proportion of feasibility study costs being met by the applicant and any other parties, in-cash or in-kind (costs must be expressed exclusive of GST).  
  - Are all contributions auditable? |
| Criterion 4: Cost-effectiveness 20% | - Are the costs appropriate for the proposed study, and are they well justified?  
  - Is this a value-for-money proposal? |
| Criterion 5: Risk management 15% | - Has the applicant described a clear and credible risk management strategy?  
  ○ Where appropriate, have affected stakeholders been identified and is there a plan to consult and engage? |
| Criterion 6: Performance history 10% | - Has the applicant demonstrated their capacity to deliver the proposed feasibility study?  
  ○ This must include relevant information of any key persons and contractors involved in the proposed feasibility study. |
5 Conditions and instructions for applying

5.1 How to apply

An electronic, signed copy of the EOI form must be forwarded to the department at waterinfrastructure@agriculture.gov.au by the closing date. EOIs will be accepted continuously from 19 November 2015 to 3:00 PM (AEDST) 21 January 2016.

If your EOI, including attachments, is under 20 MB, please email it through to waterinfrastructure@agriculture.gov.au. If it is over 20 MB, please contact the department via this email to discuss how to transmit it.

One EOI should be submitted for each proposed feasibility study. Applicants may apply for funding support for multiple feasibility studies across states or territories. Each proposed feasibility study must be on a separate EOI form.

The department may consider the submission of late EOIs under extenuating circumstances provided an alternative timeframe has been negotiated prior to the closing date. Any requests for an extension of time to lodge an application must be made in writing to waterinfrastructure@agriculture.gov.au.

The department may extend the closing date for this EOI process. State and territory governments will be informed by the Fund team of any changes to the closing date.

5.2 Conflicts of interest
Applicants are required to advise whether any actual or potential conflicts of interest exist in relation to their EOI.

A conflict of interest may arise when a person makes a decision or exercises a power in a way that may be, or may be perceived to be, influenced by either material personal interest (financial or non-financial) or material personal associations.

If a conflict of interests arises, or appears likely to arise, the applicant must

- make a full disclosure of all relevant information relating to the conflict
- bring it to the attention of the department via email if the conflict arises after the EOI has been received.

The department reserves the right to reject an EOI if not satisfied that there are arrangements in place to appropriately address or manage a perceived or actual conflict of interest.

A register of notified conflicts of interest will be maintained by the department. The register will include applicants’ conflicts of interest, as well as those of the technical expert assessors assisting the department and departmental officers.

All persons involved in the assessment process are required to:

- sign and keep up to date conflict of interest declarations, which will ensure the appropriate identification and management of any conflicts of interest.
• comply with the Public Service Act 1999 and the Australian Public Service Code of Conduct.

5.3 False and misleading information
Applicants should be aware that the intentional giving of false or misleading information is a serious offence under the Criminal Code Act 1995.

5.4 Confidential information
All applicants must identify any information contained within their applications or in any documentation that they consider should be treated as confidential and provide reasons for the request. The department reserves the right to accept or refuse a request to treat information as confidential.

Information provided to the department that has not been accepted as confidential may be shared or published, as determined by the department.

Confidential information may be released as required by law or Parliamentary privilege.

5.5 Freedom of Information
All documents in the possession of the department, including those in relation to EOs and proposed feasibility studies under the Fund, are subject to the Freedom of Information Act 1982 (FOI Act).

The FOI Act creates a general right of access to documents in the possession of the department. Unless a document falls under an exemption provision, it will be made available to the public if requested under the FOI Act.

For more information about the FOI process, or to make a FOI request, please review the information at the following link at agriculture.gov.au/about/accessing-information.

5.6 Privacy Statement
Personal information means any information or opinion about an identified, or reasonably identifiable, individual.

The collection of personal information by the department in relation to this application form is for the purposes of assessing applications for the feasibility component of the Fund, evaluating the program and related purposes. If the relevant personal information requested in this application is not provided by you, the department may not be able to assess the application.

Personal information may be disclosed to relevant parties engaged for the purposes of assessment of applications and program evaluation, the Minister and the Minister's office, on the department's website and to other Australia government agencies, persons or organisations where necessary for the above purposes, provided the disclosure is consistent with relevant laws, in particular the Privacy Act 1988. Personal information will be used and stored in accordance with the Australian Privacy Principles.

See the department's Privacy Policy web page to learn more about accessing or correcting personal information or making a complaint. Alternatively, telephone the department on 1800 900 090.
5.7 Corrections
The department will not accept responsibility for any misunderstanding arising from the failure by an applicant to comply with the guidelines or arising from any discrepancies, ambiguities, errors or inconsistencies in an EOI.

If an applicant discovers any material discrepancy, ambiguity, error or inconsistency in their EOI, they must immediately bring it to the attention of the department by email at waterinfrastructure@agriculture.gov.au. The department may, at its discretion, allow an applicant to remedy any discrepancy, ambiguity, error or inconsistency.
6 Administration of Funding

6.1 Notifications of funding decisions
Decisions on funding are anticipated within four months of the closing date for this EOI process. Successful applicants will be advised in writing of the Minister’s determination. The department reserves the right to negotiate with applicants on any aspect of the feasibility study, including supporting fewer activities or offering less funding than the amount applied for.

6.2 Funding conditions
- Funding will be provided to state and territory governments under the Federal Financial Relations framework. Payments by the Australian Government will be on a Treasury-to-Treasury basis in accordance with a Project Agreement. Project Agreement must be signed with the relevant jurisdiction before payments are made.
- A separate schedule to the Project Agreement will be required for each jurisdiction. These schedules will set out the agreed objectives, activities and reporting and payment schedules for individual feasibility studies.
- The department will manage the Project Agreement. The Minister will make decisions in consultation with jurisdictions regarding variations.
- Successful applicants will be responsible for managing the funded feasibility study within agreed timelines, including submitting progress reports to the department. Funded feasibility must be completed by June 2019.
- Successful funded feasibility studies must acknowledge the funding support provided by the Fund in accordance with the recognition guidelines (see section 6.5).
- Departmental officials and others may contact recipients during or after the life of the Fund.
- Recipients must obtain the agreement of the department in relation to, and prior to, any planned media event relating to the funded feasibility study.
- Requests for ministerial or departmental representation at launches and functions relating to the successfully feasibility study must be coordinated through the Fund team.

6.3 Publication of information about successful feasibility studies
The Minister and department may publish the following information in a variety of media about successful applicants:

- the jurisdiction receiving the funding, along with the feasibility study’s title and purpose
- anticipated outcomes and benefits of studies
- amount of funding received
- term of the funding
- funding location
- information on progress as reported to the department.

All agreements under the Federal Financial Relations framework will be published in full on the Council on Federal Financial Relations website.
By submitting an EOI, applicants consent to the above information being publically shared should they be awarded funding.

### 6.4 Reporting requirements

The Project Agreement will detail the reporting requirements for funded feasibility studies. This will include regular contact with the department, progress reports and a final report.

### 6.5 Recognition guidelines

In all publications, promotional materials, signage and activities relating to the funding received, recipients must acknowledge the financial and other support it has received from the Australian Government by including the words: “

*This study is supported by funding from the Australian Government National Water Infrastructure Development Fund, an initiative of the Northern Australia and Agricultural Competitiveness White Papers.*

All publicity, announcements and media releases relating to the feasibility studies should be forwarded to the Fund team for their records.
7 Other information

7.1 Unsuccessful proposals for feasibility studies
Applicants will be notified in writing where an EOI is ineligible or unsuccessful. Unsuccessful applicants may contact the department to obtain feedback on their EOI.

7.2 Complaint handling process
There is no appeal mechanism for unsuccessful applicants and applications will not be reviewed.

If a jurisdiction is dissatisfied with the way an EOI has been handled by the department, they can contact the Fund team at waterinfrastructure@agriculture.gov.au and lodge a complaint.

As only states and territories may apply, complaints will be handled through the dispute resolution tools provided in the Project Agreement.

7.3 For more information
These guidelines and other supporting material are available at www.agriculture.gov.au/water-infrastructure.

The Fund team can be contacted at:

Telephone 1800 900 090
Email waterinfrastructure@agriculture.gov.au
Postal address GPO Box 858 Canberra ACT 2601
Street address 18 Marcus Clarke Street Canberra City ACT 2601