



Australian Government  
Department of Climate Change, Energy,  
the Environment and Water

# Off-farm Efficiency Program

## Monitoring, evaluation, reporting and improvement framework

August 2022



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### Cataloguing data

This publication (and any material sourced from it) should be attributed as: DAWE 2020, *OFEP MERI Framework: Off-farm Efficiency Program monitoring, evaluation, reporting and improvement framework*, Department of Agriculture, Water and the Environment, Canberra, June. CC BY 4.0.

**SBN** 978-1-76003-293-7

This publication is available at [agriculture.gov.au/water/mdb/programs/basin-wide/water-efficiency](http://agriculture.gov.au/water/mdb/programs/basin-wide/water-efficiency). **TBC**

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# Introduction

This document outlines the monitoring, evaluation, reporting and improvement (MERI) framework for the [Off-farm Efficiency Program](#) (the program). The MERI framework was adapted from the [Australian Government NRM MERI Framework](#) (DEWHA 2009).

The MERI framework provides a strategic approach for evaluating the program with an emphasis on learning, improvement, and accountability, as well as guiding the development and implementation of the program and future programs. MERI activities support adaptive program management and good governance, assist in meeting stakeholder expectations, and fulfil legislative requirements.

## Program background

The program was launched on 3 March 2021 to support water efficiency projects transferring water to help 'bridge the gap' to the Sustainable Diversion Limit as required under the *Basin Plan 2012* whilst supporting neutral or positive socio-economic outcomes.

This \$1.54 billion program funds off-farm, on-farm, urban, industrial and stock and domestic infrastructure projects across the Basin. The program is funded through the Water for the Environment Special Account (WESA). Details on the creation and use of the WESA can be found in *Part 2AA* of the *Water Act 2007*.

Funding remains in the Sustainable Rural Water Use and Infrastructure Program for gap-bridging water recovery to ensure that Sustainable Diversion Limits are achieved under the Basin Plan. While this is a separate funding source from the Off-farm Efficiency Program (which is funded by the Water for the Environment Special Account), processes and high-level program criteria wherever possible. MERI reporting for these projects and investments will be kept separate.

## Program objectives

The objectives of the Off-farm Efficiency Program are to:

- Better prepare water delivery networks, irrigators and communities for a water constrained future
- Provide economic stimulus to support regional communities
- Achieve neutral to positive socio-economic outcomes which are supported by the community
- Reduce water losses to increase the volume of available water for the environment, irrigation networks, irrigators and communities
- Enhance the environmental outcomes that can be achieved by the Basin Plan 2012 by increasing the volume of Murray–Darling Basin water resources available for environmental use by up to 450 GL, and by helping to ensure long term Murray–Darling Basin health and water quality for the environment, irrigators, towns and cities

For the purposes of this MERI plan, these objectives are summarised as:

- Contribute to a healthy working Murray–Darling Basin, as envisaged in the Basin Plan, by increasing environmental outcomes while maintaining or improving social and economic outcomes

## Strategic alignment

The program aligns with:

Outcome 5 in the [Portfolio Additional Estimates Statements 2021–22](#)

Water Resources Objectives outlined in [Corporate Plan 2021-22 Department of Agriculture, Water and the Environment](#)

Water Division Strategic Plan 2021.

The program aims to improve water efficiency in the Murray–Darling Basin, resulting in environmental water returns for the Commonwealth, water savings for project participants and enhanced water infrastructure and practices consistent with the purpose and objectives of the *Water Act 2007* [Water Act 2007 \(legislation.gov.au\)](#) and the Murray–Darling Basin Plan 2012 [Basin Plan 2012 \(legislation.gov.au\)](#).

## Accountability and good governance

The MERI framework considers the breadth of program reporting and accountability requirements, including periodic reporting required by the *Basin Plan 2012*, *Water Act 2007*, intergovernmental agreements, as well as Federal Financial Relations, procurement, grant and budget processes. The program has aligned its reporting schedule with governance structures and decision making cycles, to ensure relevant information is provided at useful times.

The program will need to respond to unscheduled parliamentary inquiries, freedom of information and media requests. Responding quickly and accurately will assist the program in meeting the governance and transparency standards set by the *Public Governance, Performance and Accountability Act 2013* and the Australian National Audit Office (ANAO).

# MERI Framework

The MERI framework provides a strategic approach to monitoring, evaluating, reporting on and improving the Off-farm Efficiency Program (the program). The components of the MERI framework are consistent with the [Australian Government NRM MERI Framework](#) (DEWHA 2009). The key components of the MERI framework are:

**Monitoring**—collection and analysis of information to assist timely decision making, ensure accountability and provide the basis for evaluation and learning

**Evaluation**—periodic assessment of the program in terms of appropriateness, impact, effectiveness, efficiency and legacy

**Reporting**—specific reports that demonstrate progress towards targets and outcomes, highlight expected or unexpected impacts at different time intervals and serve to meet accountability requirements

**Improvement**—continuous review, learning and adaptation that leads to improvements in the efficacy of particular strategies, investments and activities.

MERI provides a model for assessing the program against planned immediate, intermediate and longer-term outcomes. It provides opportunities to improve program and project design and implementation, and to reorient investment at key decision points throughout the life of the investment strategy or policy.

This approach to MERI reporting splits the two key stages of reporting - at the time of project's final report when construction is completed and 5 and then 10 years after 2024 when the outcomes of the projects are becoming more apparent.

At the time of the projects' final reports, the outputs covered by the funding agreement will have been completed, but the improvements achieved by modernisation will have partially started. Given the variable nature of water allocation outcomes, it may be several years before the outcomes of the project under dry, medium and wet conditions become apparent. There will also be a process of the project partners learning how to best utilise the new infrastructure under these variable conditions which will also affect short term outcomes. It follows that the MERI reporting at the time of project completion will be very different from the MERI reporting that is possible ten years after project completion.

The Department will work with the Murray–Darling Water and Environment Research Program to develop methodologies to describe the long-term outcomes from the program. The short-term methodologies are all described in this document.

MERI is viewed as a continuous cycle of participation and communication rather than as a single evaluation event. MERI promotes learning and adaptive management in response to progressive monitoring and evaluation, which enables improvement in program design and achievement of desired outcomes.

## Program logic

The program logic (see **Appendix A: Program logic**) shows the rationale behind the program and a simplified representation of the cause-and-effect relationships between program activities



and outcomes. Parameters of the program are defined in a 6-level hierarchy with different temporal scales.

Chapter 13 of the *Basin Plan 2012* outlines principles to be applied for monitoring and evaluation. Specifically, Principle 4 states that monitoring and evaluation should be undertaken within the conceptual framework of program logic.

## Evaluation framework

The structure of the evaluation framework (see **Appendix B: Evaluation framework**) is informed by the program logic. The evaluation framework comprises the following elements:

- Evaluation question**—specified questions that relate to the impact, appropriateness, effectiveness, efficiency and legacy of the program
- Indicator**—qualitative and quantitative measures of program performance used to assess evaluation questions
- Method**—how indicators are measured, and evaluation questions are assessed. The development of specific evaluation methodologies will require approval and funding prior to implementation
- Data source**—data collection through program monitoring activities provides a primary source of information and is supported by other data sources external to the program. Privacy principles are applied to all elements of information collected and stored for the purposes of MERI
- Frequency**—evaluation of the program will occur at particular intervals, reflecting the varying timeframes for program outcomes, timeliness of stakeholder communication, complexity of evaluation, and reporting requirements
- Purpose**—how evaluation results are used throughout the continuous MERI cycle.

## Socio-economic neutrality

Efficiency measures projects funded by the program are required to achieve neutral or improved socio-economic outcomes as set out in s7.17 of the *Basin Plan 2012* and s4.6-4.7 of the [Intergovernmental Agreement on Implementing Water Reform in the Murray-Darling Basin](#). A critical function of the MERI framework is to monitor and evaluate the program against this legislative requirement and stakeholder expectations.

On 14 December 2018, the Murray–Darling Basin Ministerial Council agreed that additional [socio-economic criteria](#) and the associated assessment be adopted as the basis of the neutrality test for assessing efficiency measures projects (MDBA 2018).

The evaluation framework outlines three pathways for evaluating the socio-economic neutrality of the program:

- Participant monitoring**—the program must be delivering enhanced water infrastructure and practices or improved production opportunities for those participating in the program in all streams
- Regional monitoring**—analysis of program impacts on regional economies in the Murray–Darling Basin, which will include backward and forward-looking modelling scenarios

that estimate potential changes to key regions of the Basin and comparisons between estimated impacts and realised outcomes

**Water market monitoring**—examine trends and drivers in irrigation activity and water markets in the Murray–Darling Basin and model the effect of the program on water markets and irrigation industries.

## Consultation

Development of the MERI framework involved consultation with:

State and territory officials

the Murray–Darling Basin Authority

## Partnership

The department intends to partner with specialists to deliver parts of the MERI reporting. One avenue for this is a partnership with the Murray–Darling Water and Environment Research Program to assist with the refinement and long-term delivery of some of the longer-term aspects of this MERI framework. Through the course of the program and beyond MERI specialists and bespoke technical specialists will be used to deliver aspects of the MERI framework that the department is not well resourced to deliver. This will be done as needed to ensure this framework can be delivered in full and provide clear lessons and evaluation on the impact of this program.



# Risk Management

The MERI framework itself is not the risk management tool and a separate framework has been developed using the Department's project management tool, Planning Hub, to record and manage risk management strategies and reporting. Monthly program progress reports are provided to the Water Division's Water Implementation Board for consideration through the Planning Hub.

The Enterprise Risk Management Framework and Policy sets out the department's approach to managing risk and meeting our obligations under the Commonwealth Risk Management Policy and Public Governance, Performance and Accountability (PGPA) Act.

The program is delivered in two parts:

1. State-led projects through schedules to the Federation Funding Agreement - Environment (FFA-Environment)
2. A grant opportunity managed by the Business Grants Hub.

The state-led part of the program is administered as schedules to the FFA-Environment as part of the Federation Funding Agreements Framework implemented by the Council on Federal Financial Relations (CFFR). This allows for direct funding to Basin states for projects they have agreed to directly with eligible proponents. By using this funding arrangement, the delivery risk is shared between the Commonwealth and the Basin state. Milestones are used to ensure funding is proportional to delivery needs and outcomes.

The grant opportunity is delivered by the Business Grants Hub, which provides a shared-services arrangement to deliver grant administration services on behalf of Australian Government client agencies to support their policy outcomes. Client agencies are responsible for grant policy and program development, while the Business Grants Hub is responsible for administering grant programs at the direction of policy owners and consistent with the requirements of the Commonwealth Grants Rules and Guidelines 2017.

The key risks of the program are summarised below. Risk mitigation activities have been applied though some high risks remain. These are time remaining to complete works, participation in water recovery activities, impacts of COVID-19 and cost of water now compared to when funds were apportioned to the Water for the Environment Special Account. The impact of these risks will be included in MERI reporting.

## Risk Summary:

| <b>Risk Description</b>  | <b>Actual Risk</b> | <b>Residual Risk</b> |
|--|--------------------|----------------------|
| Insufficient funds available to recover 450GL of water due to high cost of water recovery  | High               | High                 |
| Supply chain and skilled workers shortages arising from COVID lead to project implementation delays reducing water recovery volumes prior to 30 June 2024                            | High               | High                 |
| Insufficient participation from stakeholders with water recovery opportunities, reducing water recovery volumes  | High               | High                 |
| Lack of 'social license' for the water recovery program  | High               | High                 |
| Project opportunities for water recovery do not offer value for money due to infrastructure costs or rising water entitlement prices, reducing the program's water recovery outcomes | Medium             | Medium               |
| Onsite WHS issues including work site death or serious issue   | High               | Medium               |
| Less than 450GL of water is recovered by end of Murray Darling Basin Plan target date of 30 June 2024  | High               | High                 |
| Public perception of spending too much on water impacting participation in program and sentiment towards efficiency measures projects  | High               | Medium               |

## Reporting timeline

**Table 1 Timeline of MERI reports and expected publication dates**

| <b>Report</b>                               | <b>Date</b>    |
|---|----------------|
| OFEP MERI Interim Report                    | January 2023   |
| OFEP MERI Report 1 – Conclusion of program  | September 2024 |
| OFEP MERI Report 2 – 5 years post program   | September 2029 |
| OFEP MERI Report 3 – 10 years post program, | September 2034 |

Note: All reports are expected to be published on the Department of Agriculture, Water and the Environment website.

# Appendix A: Program logic

**Table A1 Program logic**

| Hierarchy                 | Item   |  |  |   |  |   |
|---------------------------|--|--|--|---|--|---|
| Aspirational program goal | 1 Contribute to a healthy working Murray–Darling Basin, as envisaged in the Basin Plan, by increasing environmental outcomes while maintaining or improving social and economic outcomes |  |  |   |  |   |
| Longer-term outcomes      | 2.1 Environmental outcomes in the Murray–Darling Basin are enhanced  |  |  | 2.2 Water delivery networks, irrigators and communities use water resources more sustainably and efficiently and are better prepared for a water constrained future |  |   |
| Intermediate outcomes     | 3.1 Environmental water portfolio and the capacity for environmental flows are increased   | 3.2 Water systems are more water efficient | 3.3 Project described socio-economic benefits realised |   | 3.4 More water users have improved their water efficiency                    |   |
| Immediate outcomes        | 4.1 Water savings transferred to the Commonwealth  |  | 4.2 Water savings retained by program participants     |   | 4.3 Enhanced water infrastructure and water delivery outcomes                |   |
| Immediate activities      | 5.1 Invest in improving water efficiency with neutral or positive socio-economic outcomes  |  |  | 5.2 Communication with prospective applicants about opportunities to improve water efficiency   |  |   |
| Foundational activities   | 6.1 Facilitate projects that would achieve neutral or improved socio-economic outcomes   | 6.2 Program management                     | 6.3 Budget and financial management                    | 6.4 Assurance and due diligence   | 6.5 Cross-jurisdictional coordination with broader Basin Plan implementation | 6.6 Monitoring, evaluation, reporting and improvement |

# Appendix B: Evaluation framework

**Table B1 Aspirational program goal**

| Item   | Evaluation question   | Indicator   | Method   | Data source   | Frequency           | Purpose  |
|--|---|---|--|---|---------------------|--|
| <p>1 Contribute to a healthy working Murray–Darling Basin, as envisaged in the Basin Plan, by increasing environmental outcomes while maintaining or improving social and economic outcomes</p> <p>Note: The sustainable diversion limit (SDL) adjustment mechanism, including efficiency measures, is intended to increase environmental outcomes while maintaining or improving social and economic outcomes.</p> <p>Operation of the SDL adjustment mechanism is dependent on matters beyond the immediate control of this program, including the success of ‘supply’ and ‘constraints’ projects.</p> | Has the program recovered enough water to maximise the SDL adjustment?                      | The required 62GL of water recovered towards 450 GL of water savings for the environment by 30 June 2024.   | <p>Confirm the volume of water recovered by the program by reconciling registered recoveries in the Water Entitlement Procurement System (OFEPS) with the Murray–Darling Basin Authority (MDBA) register of efficiency measures.</p> <p>Note: Progress towards the program’s water recovery targets are routinely monitored under Item 4.1.</p>  | <p>OFEPS</p> <p>MDBA register of efficiency measures</p> <p>Final project reports</p> | 2024                | <p>Program reports</p> <p>Program reviews</p> <p>MDBA Basin Plan evaluations</p> |
|  | Have the program’s water recovery projects had neutral or improved socio-economic outcomes? | Projects are delivering the program’s anticipated economic and social benefits.   | <p>Participant monitoring—review previous evaluations made under this framework.</p> <p>Specifically, assess whether projects have resulted in enhanced water infrastructure and practices (refer to Item 4.3) or improved production opportunities (refer to Item 3.2).</p> <p>Using standard socio-economic data such as CENSUS data and/or other to be determined ABS data sources to assess impact of program on regions invested in.</p> <p>Surveying of communities to assess changes over course of the program</p> | <p>Program documentation</p> <p>Final project reports</p> <p>Participant surveys</p>  | 2024, 2029 and 2032 |  |
|  |   | <p>There is no net negative change in modelled economic activity, output or key socio-economic indicators at the Basin, industry or regional scale that can be reasonably attributed to the program compared to a reference scenario.</p> | <p>Regional monitoring—analyse estimated socio-economic outcomes of water recovery under various scenarios using computable general equilibrium (CGE) modelling.</p> <p>Additional methodology for this indicator will be developed in partnership with Murray–Darling Water and Environment Research Program.</p>   | <p>Marsden Jacob Associates modelling reports</p> <p>TBC alongside MDWERP</p>         | 2024, 2029 and 2032 |  |
|  |   | <p>There are no negative effects as a result of changes to irrigation activity and water markets in the Basin that can be reasonably attributed to the program compared to a reference scenario.</p>                                      | <p>Water market monitoring—examine trends and drivers in irrigation activity and water markets using water trade modelling.</p>  | <p>ABARES irrigation activity and water markets reports</p>                           | 2024, 2029 and 2032 |  |

**Table B2 Longer-term outcomes**

| Item  | Evaluation question  | Indicator   | Method  | Data source  | Frequency                  | Purpose                            |
|---|--|---|---|--|----------------------------|------------------------------------|
| 2.1 Environmental outcomes in the Murray–Darling Basin are enhanced<br><br>Note: ‘Enhanced environmental outcomes’ are described in the Basin Plan (Schedule 5) and are expected to result from the successful implementation of both efficiency measures and constraints programs (s7.09). | What is the contribution of water recovered by the program to the environmental objectives of the Murray–Darling Basin Plan?                           | Environmental outcomes described by the Murray–Darling Basin Authority (MDBA) and the Commonwealth Environmental Water Office (CEWO), including contributions to the outcomes listed in Schedule 5 of the Basin Plan.   | Review MDBA and CEWO reports.<br><br>Note: The Commonwealth Environmental Water Holder (CEWH) is responsible for managing and using the water entitlements acquired by this program to achieve environmental outcomes in the Murray–Darling Basin.<br><br>The MDBA and the CEWO are responsible for monitoring and evaluating longer-term environmental outcomes under the Basin Plan.  | MDBA reports<br>CEWO reports                                 | 2024, 2029 and 2032        | Program reports<br>Program reviews |
| 2.2 Communities, irrigators and businesses use water resources more sustainably and efficiently   | To what extent has the program led to a longer-term increase in water efficiency and sustainable water use in the Murray–Darling Basin?                | Program participants have maintained or increased production with less water over the longer term compared to baseline conditions (or could have done so given comparable conditions).<br><br>Note: Water efficiency is assessed following project completion under Item 3.2. | Analyse project documentation, including applications and closure reports, and post-project data. Supplement with detailed case studies where appropriate.<br><br>Note: This framework adopts a technical definition of water efficiency—improvements in technology or the methodology employed by farmers or water delivery bodies that results in the capacity for maintaining or increasing production levels with less water. This definition is consistent with the requirements set for this program in the Basin Plan (s7.04). | Project documentation<br>Participant surveys<br>Case studies | 2024, 2029 and 2032        | Program reports<br>Program reviews |
|   | How has the program protected irrigation networks and irrigators against the impact of drought and long term water availability due to climate change? | Productive output and available water in dry years and periods of extended drought. Compared to previous dry years.   | Using surveys of irrigators to understand qualitatively the experience of irrigators and irrigation network operators.<br><br>Using business or regional level data gathered direct from irrigators or networks, or regional data from ABS sources analyse output in dry years and periods of drought compared with output prior to investment.   | ABS, CENSUS, Surveys   | Ad hoc dry years post 2024 | Program reports<br>Program reviews |

**Table B3 Intermediate outcomes**

| Item   | Evaluation question  | Indicator   | Method   | Data source   | Frequency           | Purpose                                       |
|--|--|---|--|---|---------------------|---|
| 3.1 Environmental water portfolio and the capacity for environmental flows are increased | What is the contribution of water recovered by the program to environmental water flows? | The amount of water for the environment from the volume of water entitlements acquired by the program.  | <p>Review the volume of Commonwealth environmental water holdings attributed to the Water for the Environment Special Account (WESA) for the increased capacity to support environmental flows.</p> <p>Note: The Commonwealth Environmental Water Holder (CEWH) is responsible for managing and using water entitlements acquired by this program to achieve environmental outcomes in the Murray–Darling Basin.</p> <p>The Commonwealth Environmental Water Office (CEWO) is responsible for monitoring and evaluating the short- to medium-term outcomes from environmental water flows.</p> | CEWO reports  | 2024, 2029 and 2032 | <p>Program reports</p> <p>Program reviews</p> |
| 3.2 Water systems are more water efficient   | To what extent has the program changed participants' water efficiency?                   | Program participants have gained the capacity to maintain or increase production with less water, given comparable allocations.   | <p>Review project documentation, including applications and closure reports, and post-project data. Supplement with detailed case studies where appropriate.</p> <p>Note: As per Item 2.2, this framework adopts a technical definition of water efficiency.</p>   | <p>Project documentation</p> <p>Participant surveys</p> <p>Case studies</p>   | 2024, 2029 and 2032 | <p>Program reports</p> <p>Program reviews</p> |
| 3.3 Project described socio-economic benefits realised                                   | Do projects result in neutral or improved socio-economic outcomes?                       | The described socio-economic outcomes of approved projects are realised.  | Review project documentation, including applications and closure reports, and post-project data to determine whether described socio-economic benefits have been realised. Supplement with detailed case studies where appropriate that include commentary on community outcomes, regional outcomes and/or impacts (positive or negative) on the lived experience of people as a result of the program.  | <p>Project documentation</p> <p>Participant surveys</p> <p>Case studies</p>   | 2024, 2029 and 2032 | <p>Program reports</p> <p>Program reviews</p> |
| 3.4 More water users are aware of opportunities to improve their water efficiency        | Are more people aware of the program and the benefits of similar programs?               | <p>Water rights holders are more aware of the opportunities and benefits of the program, following the program's communication activities.</p> <p>Program website traffic following communication activities.</p> | <p>Analyse data from targeted surveys undertaken in partnership with industry organisations. Compare levels of awareness before and after the program has completed communication and promotion activities relevant to that region or sector.</p> <p>Review website traffic data before and after communication activities.</p>  | <p>Market research and surveys</p> <p>Communication strategy evaluation report</p> <p>Advertising campaign evaluation report</p> <p>Surveys of irrigators</p> | 2024, 2029 and 2032 | <p>Program reports</p> <p>Program reviews</p> |



**Table B4 Immediate outcomes**

| Item  | Evaluation question  | Indicator  | Method   | Data source                                      | Frequency           | Purpose  |
|---|--|--|--|--|---------------------|--|
| 4.1 Water savings transferred to the Commonwealth               | Is the program recovering water for the Commonwealth?  | Program participants have transferred water entitlements to the Commonwealth.                                    | Reconcile registered recoveries in the Water Entitlement Procurement System (OFEPS) with the Murray-Darling Basin Authority (MDBA) register of efficiency measures.  | OFEPS<br>MDBA register of efficiency measures    | 2024, 2029 and 2032 | Program reports<br>Program reviews<br>Departmental reporting |
| 4.2 Water savings for program participants                      | Are program participants receiving additional water savings from projects?   | Program participants retain additional water savings from projects beyond those transferred to the Commonwealth. | Review project documentation, including applications and closure reports, and post-project data to determine the volume of estimated water savings to be retained by program participants.<br><br>Note: Understanding the receipt and use of additional water savings is critical for assessing the risk of negative socio-economic impacts considered in Item 1.            | Project documentation<br>Participant surveys     | 2024, 2029 and 2032 | Program reports<br>Program reviews                           |
| 4.3 Enhanced water infrastructure and water delivery outcomes   | What infrastructure has been installed or improved, and at what cost?<br>How has the control over timing and volume of water delivery improved?? | Projects are completed as contracted.  | Review project documentation, including applications and closure reports, and post-project data to confirm that projects have been completed as contracted.<br><br>Participant surveys in years following implementation to determine experience with delivery of water of those impacted by program.<br><br>Note: Project assurance is addressed separately under Item 6.4. | Project documentation<br>Participant surveys     | 2024, 2029 and 2032 | Program reports<br>Program reviews<br>Departmental reporting |
| 4.4 Regional stimulus through procurement of goods and services | How has the program delivered economic stimulus to the region through the implementation of projects?  | Economic impact on local region of projects  | Number of jobs FTE created as a result of the project.<br><br>Dollars spent with businesses based within 100km of project site<br><br>Goods manufactured within 100km of project site  | Project documentation<br><br>Participant surveys | 2024, 2029 and 2032 | Program reports<br>Program reviews                           |

**Table B5 Immediate activities**

| <b>Item</b>   | <b>Evaluation question</b>  | <b>Indicator</b>  | <b>Method</b>  | <b>Data source</b>    | <b>Frequency</b>    | <b>Purpose</b>                     |
|---|---|---|--|-----------------------|---------------------|------------------------------------|
| 5.1 Invest in improving water efficiency with neutral or positive socio-economic outcomes     | Are projects being implemented to improve water efficiency with neutral or positive socio-economic outcomes?        | The number of projects received and approved, grouped by region and project type.                             | Review project documentation to determine the number of approved projects.   | Project documentation | 2024, 2029 and 2032 | Program reports<br>Program reviews |
| 5.2 Communication with prospective applicants about opportunities to improve water efficiency | What communication activities have been undertaken by the program and Basin states to reach prospective applicants? | Communication activities are undertaken across a broad spectrum of irrigation networks and water use sectors. | Review program documentation, including communication strategy, stakeholder engagement strategy and advertising campaign, to assess outputs and costs.<br><br>Review documentation and feedback to assess whether audiences were appropriately targeted and addressed. | Program documentation | 2024, 2029 and 2032 | Program reports<br>Program reviews |

**Table B6 Foundational activities**

| Item   | Evaluation question  | Indicator   | Method   | Data source  | Frequency | Purpose  |
|--|--|---|--|--|-----------|--|
| 6.1 Facilitate projects that would achieve neutral or improved socio-economic outcomes | To what extent have projects satisfied stakeholder expectations for involvement and influence in project design?       | Projects demonstrate stakeholder support.   | Review stakeholder engagement activities for each approved project to confirm the level and nature of stakeholder involvement in the project design process and levels of stakeholder satisfaction.  | Project documentation  | Annually  | Program reports<br>Program reviews   |
|  | Do project plans address the need for neutral or improved socio-economic outcomes?                                     | Approved projects address all relevant criteria as agreed by the Ministerial Council in December 2018.  | Review project applications, assessments and plans to confirm that socio-economic neutrality requirements have been addressed.<br><br>Note: Understanding whether project plans address potential socio-economic impacts is critical for assessing Item 1.   |  |           |  |
|  | Is there support for program participants to reach out to relevant stakeholders during project planning?               | Facilitators are working with program participants and communities to develop project proposals.  | Review facilitator activities and reports, if available.   | Facilitator reports  | Annually  |  |
| 6.2 Program management   | To what extent is the program being managed consistent with applicable government and departmental policies and rules? | The program is being managed consistent with the Off-farm Efficiency Program Governance Architecture Framework.   | Review program management activities.<br><br>Note: Policies and rules include but are not limited to the department's program and project management policies (administered by P30) and the Commonwealth Public Governance, Performance and Accountability Act, Workplace Health and Safety Act, Commonwealth Procurement Rules, and Commonwealth Grant Rules.   | Program documentation  | Annually  | Program reports<br>Program reviews   |
| 6.3 Budget and financial management  | Are funds being expended consistent with the statutory constraints of the Water for the Environment Special Account?   | Expenditure from the Water for the Environment Special Account (WESA) is consistent with the purposes of the account as set in s86AD of the Water Act 2007. | Review the total of all recorded payments and transfers attributed to projects, and the total of all other payments for consistency with the statutory constraints.<br><br>Where available, refer to internal and external audits commissioned by the program or department.   | Financial management platform<br>Program documentation<br>Audit reports  | Annually  | Program reports<br>Program reviews<br>Departmental reporting<br>WESA reviews |
|  | Is the program going to achieve its recovery targets within available funding?   | WESA funding is sufficient for the program to yield 450 GL of water entitlements by 30 June 2024  | Convene two independent WESA reviews, as required by the Water Act 2007.<br><br>Note: s86AJ of the Water Act 2007 requires the Minister to convene and table two independent reviews into whether the amount standing to the credit of, and to be credited to, the WESA is sufficient to increase, by 30 June 2024, the volume of the Basin water resources that is available for environmental use by 450 GL, and to ease or remove constraints identified by the Murray-Darling Basin Authority on the capacity to deliver environmental water to the environmental assets of the Murray-Darling Basin. The act also places other obligations on the reviews and Minister relating to this work. | Independent reviews (to be tabled in Parliament)<br>Government responses to reviews (to be tabled in Parliament) | 2024      |  |

OFEP MERI Framework

| Item   | Evaluation question  | Indicator   | Method   | Data source  | Frequency | Purpose                            |
|--|--|---|--|--|-----------|------------------------------------|
| 6.4 Assurance and due diligence  | What level of assurance does the program have that the WHS, financial and technical requirements of the program are addressed? | Projects are subject to reviews of compliance with WHS, financial and technical requirements          | Assurance reviews led by states or department.   | Project closure reports<br>OFEPS                               | Annually  | Program reports<br>Program reviews |
|  | To what extent is the program managing the legal and financial risks associated with trading water entitlements?               | Water entitlement transfers are subjected to legal due diligence checks.                              | Generate and review reports from the Water Entitlement Procurement System (OFEPS) on due diligence coverage.<br><br>Note: Due diligence checks are managed by an independent legal service provider. |  |           |                                    |
| 6.5 Cross-jurisdictional coordination with broader Basin Plan implementation | Do Basin states support the program's implementation?  | Relevant jurisdictions facilitate program implementation.   | Review Basin state participation, including the number of proposed and approved projects in each state against possible project opportunities.   | Basin state documentation and reports<br>Program documentation | Annually  | Program reports<br>Program reviews |
| 6.6 Monitoring, evaluation, reporting and improvement                        | Does the MERI Framework cover all areas of interest?   | The MERI Framework sufficiently addresses all aspects of the program.                                 | When undertaking evaluation activities, reflect on whether there are gaps in the evaluation framework.<br>External consultant to assess the program's capability for MERI.                           | Evaluations for all items<br>Program documentation             | Ongoing   | Program reports<br>Program reviews |
|  | Is the program collecting and storing the data needed to make reliable evaluations?  | Sufficient data are available to undertake all evaluations scheduled in this framework.               |  |  |           |                                    |
|  | Are project details made public?   | Relevant project information and closure reports are publicly available.                              | Review the extent of published material.   |  |           |                                    |
|  | Is this framework supporting program improvement?  | Improvements to the program have been identified or implemented as a result of evaluation activities. | Review whether outputs from this framework are used as evidence when program changes are presented to the Project Board.   |  |           |                                    |

# References

DEWHA 2009, [NRM MERI Framework: Australian Government natural resource management monitoring, evaluation, reporting and improvement framework](#), Department of the Environment, Water, Heritage and the Arts, Canberra

MDBA 2018, [Murray-Darling Basin Ministers meet in Melbourne](#), media release, Murray-Darling Basin Ministerial Council, Canberra, accessed 1 March 2020.