



**Australian Government**

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**Department of Infrastructure,  
Regional Development and Cities**

**National Water Infrastructure  
Development Fund – Capital Component  
Expression of Interest Guidelines**

April 2018

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#### **For more information**

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Email	<a href="mailto:waterinfrastructure@infrastructure.gov.au">waterinfrastructure@infrastructure.gov.au</a>
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Street address	111 Alinga Street Canberra ACT 2601

Information, guidelines and related forms are available at [infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/](http://infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/).

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# 1 Overview

The Australian Government has committed \$2.5 billion to assist state and territory governments (the states) in the construction of major water infrastructure.

The Government will provide:

- \$2 billion in concessional loan funding for the **National Water Infrastructure Loan Facility**
- \$440 million in capital funding for the **National Water Infrastructure Development Fund – Capital Component**, including \$170 million for water infrastructure in northern Australia

**These guidelines apply ONLY to the National Water Infrastructure Development Fund – Capital Component.**

The National Water Infrastructure Development Fund (the fund) was announced through the White Papers on Agricultural Competitiveness and Developing Northern Australia, available from [agwhitepaper.agriculture.gov.au](http://agwhitepaper.agriculture.gov.au) and [industry.gov.au/ONA/WhitePaper/index.html](http://industry.gov.au/ONA/WhitePaper/index.html) respectively.

Expressions of Interest (EOIs) will be accepted continuously from October 2016 until all funds are committed.

**Assessment Dates will be notified via the [website](#). States will be informed by the fund team of any changes or additions to Assessment Dates. The Department of Infrastructure, Regional Development and Cities may alter assessment timeframes at its discretion.**

Only states, as the project proponent (proponent), may apply for funding. States may act in partnership with other organisations.

Proponents do not need to have received funding through the feasibility component of the fund to apply for capital funding. Studies funded through the feasibility component are not guaranteed capital funding.

Projects must be ready to progress to construction to be considered for funding.

## 2 Objective and outcomes

### 2.1 Objective

The Australian Government will work in partnership with the states to support long-term regional economic growth and development by providing secure and affordable water through investments in economically viable water infrastructure that will be managed in accordance with the principles of the National Water Initiative (NWI).

Ensuring sufficient and appropriately treated water for critical human needs is a core responsibility of states, and as such, water infrastructure primarily for urban and potable use is outside the scope of the fund.

## 2.2 Outcomes

The fund will have the following outcomes:

- the construction of economically viable water infrastructure, including but not limited to dams, weirs, pipelines, managed groundwater recharge and water treatment and reuse schemes
- the provision of access to secure and affordable water to underpin regional economic growth, including irrigated agriculture and industry.

## 2.3 Structure of the fund

There are two components to the fund:

- Feasibility component: The feasibility component is now closed, with \$59.5 million provided for 39 feasibility studies. More information is available at [infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/feasibility-studies](https://infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/feasibility-studies). Capital component: \$440 million over eight years from 1 July 2017, including a component for northern Australia of up to \$170 million.

Funding will be allocated to eligible infrastructure projects on a merit basis until all funds are committed.

## 2.4 How will the Australian Government invest?

The Department of Infrastructure, Regional Development and Cities (the Department) will deliver the fund on behalf of the Australian Government.

Only states, as the project proponent (proponent), may apply for funding. States may act in partnership with other organisations.

Funding will be prioritised towards water infrastructure that, if developed, will provide affordable and secure water supplies to support the growth of regional economies and communities and focus on water infrastructure that:

- is economically viable over its proposed operational life
- aligns with the fund's objectives
- is consistent with relevant Australian Government policies
- has all relevant Commonwealth and state regulatory and planning approvals in place
- has matching funding commitments approved by the state
- represents value-for-money for Australian Government funds
- is supported by a clear and credible business case.

Preference will be given to water storage infrastructure including the construction of dams and weirs that deliver broad public benefits through increasing regional water availability and security for water users.

## 3 Eligibility

### 3.1 Eligibility criteria

- Only state and territory governments may apply for funding.
- Only proposed water infrastructure projects ready to progress to construction are eligible for funding.
- EOIs must have the support of the state minister responsible for water.
- States must commit to implementation of NWI consistent water management in the catchment where the infrastructure is proposed, available at [infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/guidance-notes](http://infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/guidance-notes).

### 3.2 Eligible funding types

Eligible activities include construction or enhancement of major water infrastructure including, but not limited to:

- dams, weirs and pipelines
- managed groundwater (aquifer) recharge
- water treatment and reuse.

### 3.3 Ineligible funding types

Examples of activities ineligible for funding include:

- retrospective activities (activities that have already been conducted)
- pre-feasibility and feasibility activities
- activities undertaken for safety upgrade purposes / dam safety upgrades
- infrastructure or upgrades chiefly for recreational / social purpose
- water infrastructure primarily for urban and potable use
- infrastructure that is related or associated but is not chiefly water infrastructure, including but not limited to roads, rail and energy and communication networks
- activities funded / intended to be funded using another Australian Government source
- debt restructuring / re-financing of existing debt
- ongoing operational and maintenance costs
- purchase of land
- business as usual operation and administration costs of the state, including staffing, of the organisation delivering the construction project. This does not extend to consultants or contractors engaged specifically and solely for the purposes of the project.
- anything deemed by the Department to be contrary to the objectives of the fund.

### 3.4 Funding terms and conditions

- The Department will cease accepting EOIs once funds have been fully allocated.

- Funding will be delivered through a National Partnership Agreement (Agreement).
- Funding will be on a treasury-to-treasury basis, as per milestones in the Agreement.
- Australian Government contributions from all sources will not exceed 50 per cent of the total project cost.
- In-kind contributions cannot form part of the non-Australian Government contribution.
- Projects must be completed by 30 June 2025.
- Projects requesting \$100 million or more in Australian Government funding will be referred to Infrastructure Australia for economic review.

### 3.5 Funding guarantees

Projects must be either ready to commence construction or undergoing final approvals requirements at the time the EOI is lodged with the Australian Government — that is, construction can commence within six months of funding being agreed.

The Australian Government will consider EOIs for projects close to construction (for example, where feasibility and environmental studies have been completed and financing options are being examined). In these cases, successful offers would be subject to conditions and timeframes imposed by the Australian Government and these would be set out in a schedule to the *National Partnership Agreement on National Water Infrastructure Development Fund – Capital Component* (the Agreement). The funding guarantee may be withdrawn and reassigned by the Australian Government to another national project of its choice if the conditions are not satisfactorily met within the specified timeframes.

Once the conditions are met and construction commenced, funding would be provided as per milestone conditions in the bilateral schedule to the Agreement.

## 4 Expressions of Interest

### 4.1 How to apply

EOIs must be made on the form available from [infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/](https://infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/). Proponents may not alter the EOI form.

An electronic, signed copy of the EOI form must be forwarded to the Department at [waterinfrastructure@infrastructure.gov.au](mailto:waterinfrastructure@infrastructure.gov.au). EOIs will be accepted and assessed continuously until all funds are committed.

The Department may alter Assessment Dates at its discretion.

For EOIs, including attachments, under 20 MB, please email through to [waterinfrastructure@infrastructure.gov.au](mailto:waterinfrastructure@infrastructure.gov.au). For EOIs 20 MB or over, please contact the Department via this email to discuss how to transmit it.

One EOI should be submitted for each water infrastructure project. Each project must be on a separate EOI form.

The Department reserves the right to change the EOI process. States will be informed of any changes.

## 4.2 Information required for assessment

All EOIs must be accompanied by a comprehensive business case, supported by robust evidence, confirming the need for the infrastructure, including a detailed cost-benefit analysis. Copies of studies, plans, reports and/or decisions and/or approvals that support or form part of the business case should be provided with the EOI.

The EOI form available from the website [infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/](http://infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/) details the information required from proponents. Some critical information to include is as follows:

- the amount of funding sought from the Australian Government (exclusive of GST)
- a breakdown of proposed auditable funding 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)
- a clear description of the proposed project, including its location, proposed commencement and completion dates and the nature of the work to be undertaken
- a description of how the proposed project aligns with the objectives of the fund
- whether funding will be sought from another Australian Government source – e.g. the Northern Australia Infrastructure Facility, the National Water Infrastructure Loan Facility or the other Commonwealth programs.

## 4.3 Mandatory assessment criteria

Proposed projects must address all the mandatory assessment criteria outlined in Table 1. The Department reserves the right to seek external advice and use the information provided in the EOI for this purpose.

**Table 1: Mandatory Assessment Criteria**

<b>Criterion (weighting, %)</b>	<b>Description</b>
1. The proposed project involves construction of water infrastructure (5%)	Project proponents must demonstrate that there is a clear need for the infrastructure, and that the infrastructure is significant and in the national interest.  The project must bring new capacity online, either through the construction of new infrastructure or by materially enhancing existing infrastructure.
2. The proposed project will be compliant with the National Water Initiative (15%)	Project proponents must demonstrate that the anticipated project and the water resources for the project are managed in accordance with the principles of the National Water Initiative.
3. The proposed project will be of public benefit (10%)	Project proponents must demonstrate the public and private benefits expected to be delivered from the project.  The project should support long-term regional economic growth and development by providing secure and affordable water through investments in economically viable water infrastructure that

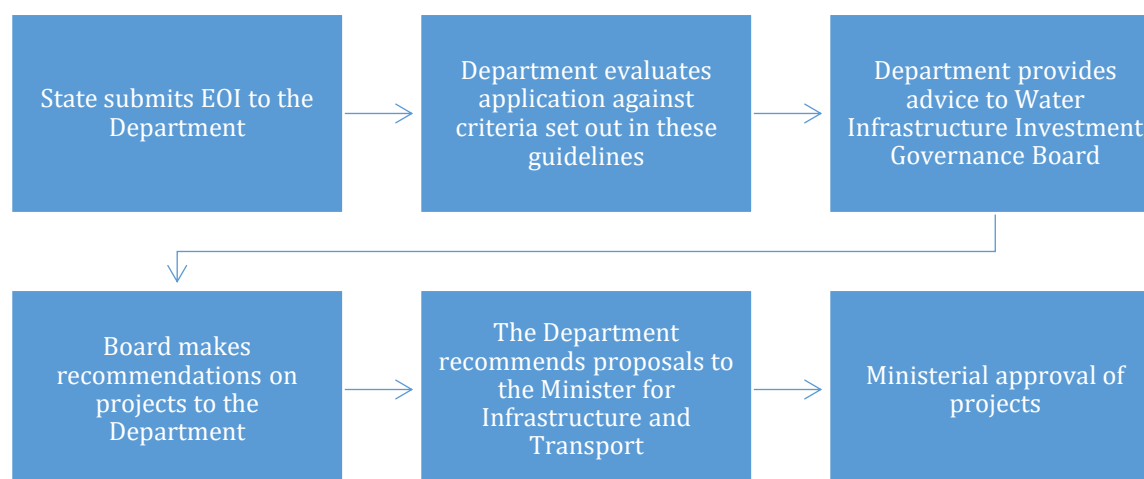


Criterion (weighting, %)	Description
	<p>will be managed in accordance with the principles of the National Water Initiative.</p> <p>In considering public benefit, preference will be given to those projects that will:</p> <ul style="list-style-type: none"> <li>• supply water or have the capacity to supply water to multiple users</li> <li>• produce benefits to the broader economy, community and environment.</li> </ul>
4. The proposed project is unlikely to proceed, or will only proceed at a much later date, or with a limited scope, without assistance from the fund (5%)	Project proponents must demonstrate that financial assistance is necessary to enable the project to proceed, or to proceed much earlier than it would otherwise.
5. The proposed project has received the required Commonwealth and state regulatory and administrative approvals required to proceed to construction (15%)	<p>Evidence of regulatory and planning approvals is required, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Environmental Impact Assessment</li> <li>• State development approvals.</li> </ul>
6. Overall business case (35%)	<p>Project proponents should provide advice on the various components the Australian Government requires, including:</p> <ul style="list-style-type: none"> <li>• Cost benefit analysis</li> <li>• Demand forecasting and price modelling</li> <li>• Regulatory, planning, environmental, legal and other approvals (e.g. Environmental Impact Statement)</li> <li>• Consistency with relevant Australian Government policy (e.g. Reef 2050 plan)</li> <li>• Project planning, construction and risk management, including whole-of-life operation and maintenance</li> <li>• Benefits realisation.</li> </ul>
7. Co-funding greater than 50 per cent of the total project cost (10%)	<p>Project proponents must show that the finance from all Australian Government sources will not exceed 50 per cent of the total cost of the proposed project.</p> <p>Other considerations include:</p> <ul style="list-style-type: none"> <li>• other contributions, especially from the private sector, are guaranteed</li> <li>• the proposal represents value-for-money for Commonwealth funds</li> <li>• all contributions are auditable.</li> </ul>
8. Stakeholder and Indigenous engagement (5%)	<p>Project proponents must provide a clear and credible plan to properly and fully engage and consult with affected stakeholders and communities.</p> <p>Project proponents must provide an Indigenous engagement strategy which sets out objectives for Indigenous participation procurement and employment that reflect the Indigenous population in the region of the proposed project.</p>

Criterion (weighting, %)	Description
9. For the northern component, the proposed project is located in, or will have a significant benefit for, northern Australia	Northern Australia, for the purposes of the fund, is all of the Northern Territory and those parts of Western Australia and Queensland above the Tropic of Capricorn.

## 5 Conditions for applying

### 5.1 Application and assessment process



**Figure 1: Application and Assessment Process**

The Department will evaluate EOIs against the criteria set out in the guidelines and will seek advice on EOIs from relevant experts as required, including through the establishment of a water infrastructure expert panel. EOIs seeking funding of more than \$100 million will also be referred by the Department to Infrastructure Australia for economic evaluation.

The Water Infrastructure Investment Governance Board will be established by the Department to provide advice and recommendations on the merit of EOIs against the mandatory assessment criteria.

The Department will use this advice in making recommendations to the Minister for Agriculture and Water Resources on the merits of projects for funding.

### 5.2 False and misleading information

Project proponents should be aware that the intentional giving of false or misleading information is a serious offence under the *Criminal Code Act 1995*.

### 5.3 Confidential information

Project proponents must identify any information contained within their EOIs 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.

## 5.4 Freedom of Information

All documents in the possession of the Department, including those in relation to the EOI and proposed construction projects 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 [infrastructure.gov.au/department/foi/index.aspx](http://infrastructure.gov.au/department/foi/index.aspx).

## 5.5 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 EOI is for the purposes of assessing EOIs for the capital component of the fund, evaluating the fund and related purposes. If the relevant personal information requested in this EOI is not provided, the Department may not be able to assess the EOI.

Personal information may be disclosed to relevant parties engaged for the purposes of assessment of EOIs and fund evaluation, the Minister and the Minister's office, on the Department's website and to other Australian 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 075 001.

## 5.6 Corrections

The Department will not accept responsibility for any misunderstanding arising from the failure by a state to comply with the guidelines or arising from any discrepancies, ambiguities, errors or inconsistencies in an EOI.

If a project proponent 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@infrastructure.gov.au](mailto:waterinfrastructure@infrastructure.gov.au). The Department may, at its discretion, allow a state to remedy any discrepancy, ambiguity, error or inconsistency.

## **6 Administration of Funding**

### **6.1 Notifications of funding decisions**

Decisions on EOIs will be made as soon as practicable after receipt, noting that all EOIs will be subject to analysis and consideration by the Australian Government before an offer of funding is made.

Project proponents will be notified of the outcome in writing.

The Australian Government reserves the right to negotiate the scope of a project under the fund.

The Australian Government reserves the right to impose conditions on projects that must be met before funding is provided.

### **6.2 Funding conditions**

- Funding will only be provided to states through an Agreement in accordance with the Federal Financial Relations framework. Payments by the Australian Government will be to states on a Treasury-to-Treasury basis in accordance with the Agreement.
- A separate schedule to the Agreement will be required for each state. These schedules will set out the agreed objectives, activities and reporting and payment schedules for individual construction projects.
- The Agreement and schedule must be signed by the relevant state before payments are made.
- If a state is offered a funding guarantee, the schedule will also set out the conditions and timeframes to be met before funds are transferred.
- The Department will manage the Agreement and schedules. The Minister for Infrastructure and Transport will make decisions in consultation with states regarding variations.
- Successful project proponents will be responsible for managing the project within agreed timelines, including submitting progress reports to the Department.
- Funded projects 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 project proponents during or after the life of the fund.
- Project proponents must obtain the agreement of the Department in relation to, and prior to, any planned media event relating to the funded infrastructure.
- Requests for ministerial or departmental representation at launches and functions relating to the funded construction projects must be coordinated through the fund team.

### **6.3 Publication of information about successful projects**

The Australian Government may publish the following information in a variety of media about successful projects:

- the state receiving the funding, along with the project's title and purpose
- anticipated outcomes and benefits of the infrastructure

- amount of funding received
- term of the funding
- funding location
- information on progress as reported to the Department.

The Agreement and schedules will be published in full on the Council on Federal Financial Relations website.

By submitting an EOI, project proponents consent to the above information being publicly shared should they be awarded funding.

## 6.4 Reporting requirements

The Agreement and associated schedules will detail the reporting requirements for funded projects.

## 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 project 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 project should be forwarded to the Department for its records.

# 7 Other information

## 7.1 Unsuccessful proposals

Project proponents will be notified in writing where an EOI is ineligible or unsuccessful. Proponents may contact the Department to obtain feedback on their EOI.

## 7.2 Complaint handling process

There is no appeal mechanism for unsuccessful EOIs, and EOIs will not be reviewed.

If a proponent is dissatisfied with the way an EOI has been handled by the Department, they can contact the fund team at [waterinfrastructure@infrastructure.gov.au](mailto:waterinfrastructure@infrastructure.gov.au) and lodge a complaint.

## 7.3 For more information

These guidelines and other supporting material are available at [infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/](https://infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/).

The fund team can be contacted at:

Telephone 1800 075 001

Email [waterinfrastructure@infrastructure.gov.au](mailto:waterinfrastructure@infrastructure.gov.au)

Website [infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/](https://infrastructure.gov.au/infrastructure/water-infrastructure/nwi-development-fund/)

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