



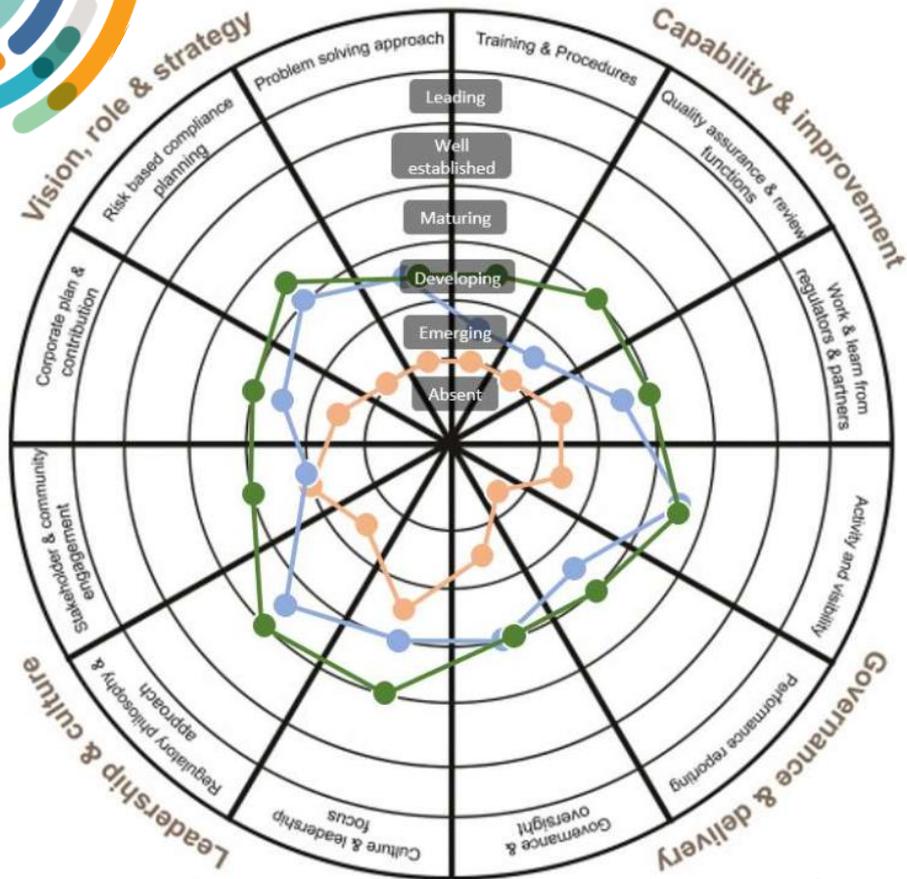
The Natural Resources
Access Regulator
(NRAR)

NRAR's Compliance Approach

NSWIC AGM
November 2020



Before NRAR, compliance was ineffective



Matthews and Ombudsman Reports 2017

NSW water compliance and enforcement:

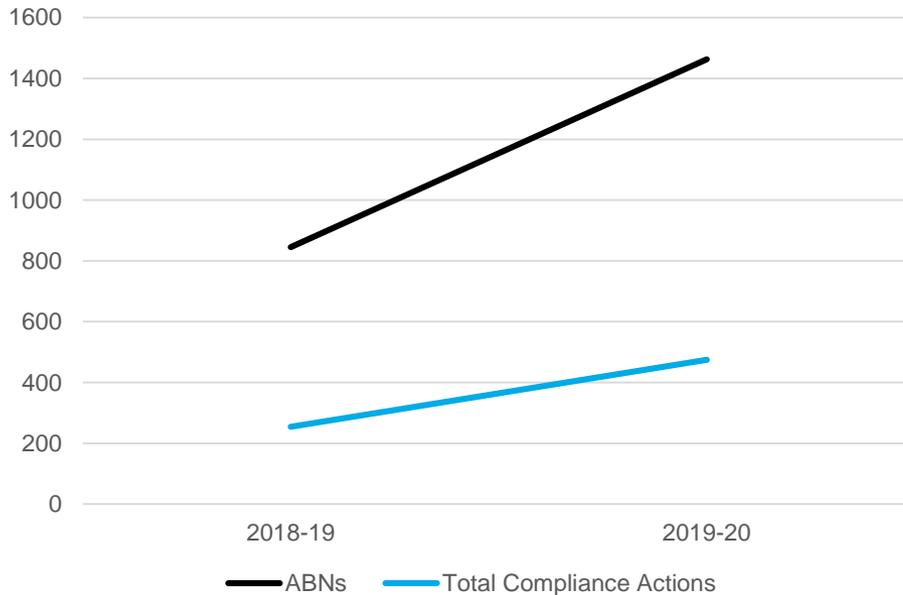
- Ineffectual, needing urgent improvement
- Loss of public confidence in compliance
- Inadequate resourcing to protect NSW water resources

Regulatory Assessment Tool 2017

- Most elements of best practice compliance regulation were “absent” or “emerging”

NRAR's establishment turned things around

NRAR activity – the first two years



Regulatory Assessment Tool 2019

- Most elements of best practice regulation now “emerging” or “developing”



73%
annual increase in
ABNs

87%
annual increase in
total compliance
activity

25
prosecutions
commenced by NRAR

NRAR's best practice compliance approach

Compliance attitude

Have decided not to comply:
criminal intent and illegal activity;
recidivist, reckless, wilful conduct
and/or serious harm

Don't want to comply: propensity to
offend; deliberate, intentional non-
compliance, and/or harm

Try to, but don't always succeed:
unintentional non-compliance;
willing to comply, but not sure what
is expected

Willing to do the right thing:
know what is expected and
willing/ incentivised to do
what is right

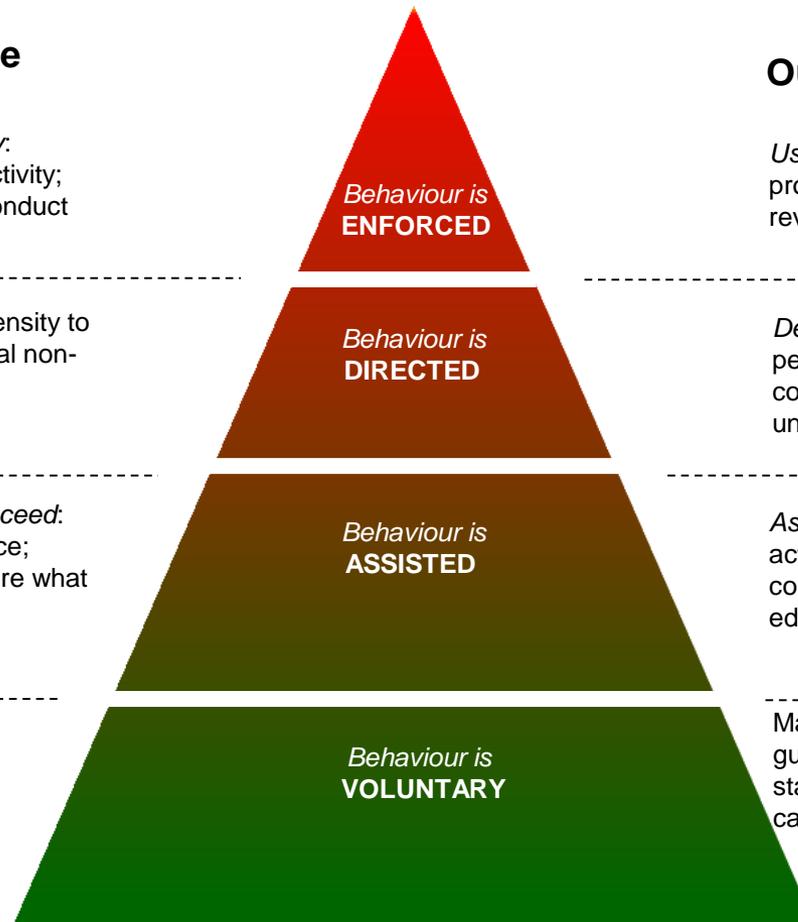
Our regulatory tools

Use full force of the law:
prosecution, licence suspension or
revocation

Deter by detection then action:
penalty infringements, directions,
compliance orders, enforceable
undertakings, financial recoveries.

Assist to comply: use risk-based
active monitoring, system audit,
corrective actions, guidance and
education

*Make it easy - advice and
guidance through digital means,
stakeholder outreach, promotional
campaigns*



Actions at the top of the pyramid support actions at the bottom by clarifying expectations and demonstrating that those who don't comply will be held to account

NRAR and floodplain harvesting

- The **disallowance** of the Water Management (General) Amendment (Exemptions for Floodplain Harvesting) has created a **sense of uncertainty**.
- **Water management laws are complex**. Water taken in NSW must be done so in accordance with the conditions of an access licence, works or use approval, exemption, or basic landholder right.
- NRAR will continue our hard work to investigate alleged breaches of water law as we have always done: **on a case-by-case basis**, in accordance with our regulatory principles, policy and priorities, consistent with our enforcement guidelines, and upon assessment of individual circumstances.
- We apply a **risk-based approach to decisions**, with the aim of delivering the best outcomes for the people of NSW, the environment and water users. **Water is a precious, community-owned resource and we take our role very seriously**.
- While the NSW Government is actively undertaking the licensing of floodplain harvesting works, **we will remain focused on unlawful water take rather than eligible structures which may be licenced within months**.

