



**Submission to the draft
NSW Groundwater Strategy
Consultation**

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**Australasian Bottled Water Institute
(ABWI)**

**A Division of the
Australian Beverages Council Limited**

Preface

The Australian Beverages Council Ltd (ABCL) commends the NSW Department of Planning and Environment (DPIE) on publishing a thorough and comprehensive draft strategy for the management of groundwater in NSW. With competing demands and an ever-changing climate, those reliant on groundwater systems must evolve and adapt in order to ensure the longevity of this natural resource.

This response is submitted by the ABCL on behalf of the Australasian Bottled Water Institute (ABWI) representing the bottled and packaged water industry. The ABCL is the peak body representing the non-alcoholic beverage industry.

The Australasian Bottled Water Institute (ABWI) is a dedicated division of the ABCL representing the voice of the bottled and packaged water industry and is an authoritative source of information on all types of bottled water products, production techniques, quality matters, industry trends and consumer issues. Members produce a broad range of water types for the entire water market including mineral, glacier, rainwater, spring, purified, packaged and table water.

ABWI is the leading industry association and certification body for bottled water standards covering both bottlers and water source owners in Australia, New Zealand and the South Pacific. Bottled water produced by our ABWI member companies must comply with strict guidelines on quality, safety and sustainability as stipulated in the ABWI Model Code (Model Code) and must maintain ABWI accreditation by undergoing an annual third-party independent audit. ABWI has been certifying bottlers and water source owners for over twenty years.

The bottled and packaged water industry has a presence in every state and territory with the majority of businesses based on the east coast. NSW is home to over 36% of bottled water businesses. Annual revenue for the last financial year 2022 was \$658.3m with a projected annual growth rate of 1.3% over the next five years (2022-2027) to a total of \$700.6 million¹.

Bottled water produced by ABWI members must meet the standards of the ABWI Model Code. These standards go beyond the minimum requirements of a food safety program and guarantee the safe bottling of water to a high quality. In 2020, ABWI developed and adopted changes to the [Model Code](#) to embed greater sustainability provisions, creating a new third pillar alongside quality and safety.

As part of the ongoing accreditation process, ABWI members are required to ensure that they adhere to the non-negotiable, industry-leading sustainability criteria of the code, including but not limited to, the requirement to collate and tabulate local water levels, rainfall data, groundwater extraction volumes and periodically review other hydrogeological parameters.

¹ IBISWorld. Bottled water manufacturing in Australia, February 2022

With regards to licensed water extraction, the industry was shown to be highly compliant with State laws during inspections carried out by the Natural Resources Access Regulator (NRAR) in 2020. NRAR [reported](#) 92% compliance with NSW water laws across the water bottling industry after visiting 53 approval holders with inspections spanning the Southern Highlands, Lithgow, Oberon, Hawkesbury, the Northern Rivers and the Central Coast.

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In 2020, the ABCL launched a digital interactive map that shows groundwater extraction levels by our ABWI members in Queensland, as a means of providing transparency to stakeholders on its use for commercial bottling. The bottled water industry is paving the way for other industries in being a responsible and responsive steward of water. Self-regulation via the Model Code and thought leadership activities in collaboration with state government departments are key examples of our industry's efforts to maintain one of the country's most precious resources.

The ABCL on behalf of the bottled water industry has reviewed the proposed NSW Groundwater Strategy and provides a detailed response below. The industry supports the three strategic priorities:

1. Protect groundwater resources and the ecosystems that depend on them.
2. Build community and industry resilience through sustainable groundwater use.
3. Improve groundwater management decisions with better information.

For the purpose of this submission, the ABCL has identified the priority actions that are of immediate importance for the bottled water industry. These are:

- **1.2:** Better integrate groundwater management with other land and water management processes
- **1.4:** Review and update approaches to sustainable groundwater extraction
- **1.5:** Protect groundwater quality within natural limits
- **2.2:** Support economic growth using groundwater
- **3.1:** Develop a groundwater knowledge plan to improve how we use groundwater information to make decisions
- **3.2:** Better share and integrate groundwater information
- **3.3:** Improve our understanding of groundwater resources
- **3.4:** Expand our groundwater data collection

Summary

- The ABCL aligns with the vision and outcomes outlined in the strategy to ensure the sustainable use of groundwater resources and to improve water security.
- The ABCL supports measures that improve coordinated management of groundwater sources across states and territories. Where possible the industry seeks national harmonisation of regulations where processes and procedures may be simplified, and efficiencies improved.
- The ABCL supports measures that provide greater clarity for industry on the use of groundwater sources particularly in areas with existing community concern.
- The ABCL agrees that a coordinated approach is critical to managing fully committed groundwater systems.

- The industry supports measures that will improve access to relevant and accurate groundwater information and data.

Priority 1: Protect groundwater resources and the ecosystems that depend on them

Action 1.2: Better integrate groundwater management with other land and water management processes

- 1.2.2 Integrate groundwater considerations into land use planning decisions

The ABCL supports the Strategy's acknowledgement of the importance of incorporating groundwater considerations into state, regional and local planning processes for land use management. Under the sustainability pillar in the ABWI Model Code, our members are required to complete hydrogeological assessments prior to establishment of the source and every five years thereafter. Land use patterns and an evaluation of past and present events that may have impacted water availability are included in the hydrogeological assessments and monitored on an annual basis to assess potential future risks. It is logical for NSW to consider the varied impacts land use has on groundwater sources in its management frameworks.

- 1.2.4 Strengthen cross-border groundwater management

The ABCL supports measures that improve coordinated management of groundwater sources across states and territories. Where possible the industry seeks national harmonisation of regulations where processes and procedures may be simplified, and efficiencies improved. As such we support the department in its efforts to *'develop and implement cross-border agreements embedding shared principles, common management criteria and outcomes, and common processes for trade across boundaries where appropriate'*.

Action 1.4: Review and update approaches to sustainable groundwater extraction

The ABCL agrees with the department that *'a coordinated approach is critical to manage fully committed groundwater systems'*. The industry understands the importance of managing groundwater systems in a sustainable manner and to collectively take the necessary action to manage fully committed groundwater systems. A holistic approach across all industries will ensure that the management of groundwater sources is conducted in a fair and reasonable manner for all impacted parties.

1.4.1. Review groundwater source extraction limits using new knowledge

The ABCL is interested in contributing to the development of a methodology to review extraction limits that better considers climate change and improved understanding of resource sustainability. Currently, our ABWI Model Code (section 2.2.58) required hydrogeological assessments state the following data to be collated:

- The identification of the water basin size and boundaries and other major water users within it;
- Evaluation of the baseline, as well as future water stress in the basin;
- Identification of events (past and present) that have or may have impacted water availability;

- Identify water authorities, surrounding users, local government and community groups – used to inform community engagement plan;
- Collation of local water level monitoring data and trend analysis;
- Collation of local rainfall data and groundwater extraction volumes in relation to the site and estimate aquifer recharge rates; and
- Groundwater level trending in production and monitoring.

The ABCL supports measures that provide greater clarity for all users on the use of groundwater sources particularly in areas of high extraction. The bottled water industry is committed to ensuring that the extraction of water is done so in a sustainable manner to ensure the longevity of the groundwater system and thus the industry and the people it employs.

Action 1.5: Protect groundwater quality within natural limits

The ABCL supports a pragmatic approach to the management of groundwater quality. All ABWI members follow rigorous protocols laid out in the Model Code that ensures that water quality is maintained and monitored on an ongoing basis. On behalf of the bottled water industry, we wish to collaborate with the Department on any changes to the management policy framework that impacts water source owners and bottlers.

Priority 2: Build community and industry resilience through sustainable groundwater use

Action 2.2: Support economic growth using groundwater

As the strategy states, *'the largest economic value derived from groundwater use is found in industrial activities such as livestock, water bottling, manufacturing and food processing'*. The packaged water industry contributes to the Australian economy in a variety of ways, including employment generated by the beverages industry in manufacturing, packaging, transport and retail. Despite our industry being of significant value and positively contributing to the economy, the water extracted for commercial bottling comprises less than 1 per cent of all groundwater used.

Member companies of the ABCL which are involved in the supply and production of packaged water support Australian families and local communities by providing jobs across the supply chain and in retailing. In manufacturing alone, the bottled water industry employs 3,208 FTEs².

Ensuring the long-term viability of the bottled water industry is of paramount importance to the ABCL and its members. We support actions taken by the DPIE that will enable improved sustainable groundwater use in targeted areas. On behalf of our members the ABCL offers its expertise and support to the Department on any actions that seek to provide clarity for groundwater users listed in section 2.2.2 of the strategy.

² ACIL Allen Consulting, 2015

Priority 3: Improve groundwater management decisions with better information

Action 3.1: Develop a groundwater knowledge plan to improve how we use groundwater information to make decisions

Action 3.2: Better share and integrate groundwater information

Action 3.3: Improve our understanding of groundwater resources

Action 3.4: Expand our groundwater data collection

The bottled water industry aims to be approachable, open and transparent. In 2020 the ABWI Model Code underwent a significant review to embed greater sustainability measures (under Section 4.1). A comprehensive hydrogeological assessment is required at the initial establishment of source followed by a review every 5 years to re-evaluate water basin size, baseline and future water stresses, past or present events that may have impacted water availability.

An annual sustainability assessment is also required thereafter to monitor any material changes to water quality or extraction volumes that may trigger an updated hydrogeological review prior to the 5-year review. Requirements for the responsible transport of water aligned with the Community Engagement Plan from the source must be established along with the following requirements for the extraction and bottling of water:

- Source owners and bottlers required to have a public sustainability statement;
- Requirements for the reuse & recycling of packaging (must meet 2025 National Packaging Targets);
- Requirements for appropriate use and disposal of water coolers; and
- Recommendations for setting operations efficiency targets for water and energy.

On behalf of ABWI members the ABCL collates, aggregates and deidentifies water extraction data as part of the sustainability requirements embedded in the ABWI model code. The industry supports measures that will improve access to relevant and accurate groundwater information and data. ABWI members are required to implement a community engagement plan in the areas of operation to provide greater transparency on operations of commercial water extraction.

The ABCL supports the key actions summarised under section 3.3.3. that aim to increase the capacity and capability to apply leading groundwater science. We wish to take the opportunity to state our interest in participating in discussions that improve the dialogue between researchers, government and industry to explore innovative groundwater solutions.

The industry is aligned with the Department's draft strategy in that greater groundwater data access and sharing will support more informed, collaborative and complex decision-making. We support the integration of industry-collected data into existing databases so long as the data requested is not deemed confidential.

In its desire to demonstrate the responsible management of groundwater sources, the bottled water industry in collaboration with the Queensland Department for Natural Resources, Mines and Energy [DNRME], developed an [interactive water extraction map](#) (Fig1). This map is publicly available and was designed to provide greater transparency

about water extraction for commercial bottling purposes across Local Government Areas (LGAs). The ABCL also utilises this platform to educate the public by providing consumer friendly facts that showcases that the bottled water industry is both responsive and responsible.

We are currently in the midst of expanding the map to other states and territories with NSW due to launch later this year. The ABCL welcomes the opportunity to meet with the Department and the Minister for Lands and Water to present this project and discuss ways in which the industry and the department may collectively work together to deliver the priorities laid out in this strategy.

Figure 1. shows an example of the water extraction map in Queensland



ABWI is dedicated to the responsible management of all water sources and supports water resource management plans that use sound science, are comprehensive, and treat all users in an equitable manner, for the sustainability of this natural renewable resource today and in the future.

For questions regarding this submission please contact:

[Redacted contact information]