

# Regulatory statement: recovery of unused licensed water

## Key messages

- It is critical to ensure the sustainability of the Territory's water resources.
- The Northern Territory Government ensures that water supports economic development through policy to manage licence entitlements.
- All water licences in the Northern Territory have a requirement to use their entitlement and can be reduced if underutilised (recovery of unused water).
- Reductions in licence entitlements target users that have water in excess of their needs, so water can be made available to other water users.
- The water licences in the [Katherine Tindall Limestone Aquifer Water Allocation Plan](#) area have been prioritised for the recovery of unused water.
- Water allocation plans are established in areas where there is competing use for water and where important regional aquifers are suitable for development that require management.

## Background

The recovery of unused water is a water management tool with the following objectives:

- to ensure that water that is licensed to water users is fully utilised for the benefit of the licence holder, the community and the Territory
- to reduce speculation in licensed entitlements
- to enable the effective management of the Territory's water resources.

Recovery of unused water is a process where the Controller makes a decision to amend a water licence to reduce its entitlement to be closer aligned with the actual amount of water required by the licence holder. This process is outlined in the [Recovery of Unused Licensed Water Entitlements Policy](#) and the [Procedure: Recovery of Unused Licensed Water Entitlements](#).

Licences are identified as eligible for a recovery of unused water decision, if they continuously fail to meet their licence condition that requires they use a minimum percentage of their water licence.

Before a decision is made to reduce a licence entitlement, the licence holder's reported water use and development plan is considered, and the licence holder is invited to provide submissions to the department to be provided to the Controller. Where a licence holder would like to retain their full entitlement, they are encouraged to provide supporting information that outlines why they require their full licence entitlement. Those submissions are taken into account in the Controller's decision. Where the licence holder can demonstrate a genuine need for the water, the licence entitlement is not reduced.

When a decision is made to reduce a licence entitlement and the licence holder disagrees with the decision, the licence holder may seek review of the decision.

## Recovery of unused water in the Katherine Tindall Limestone Aquifer water allocation plan area

The water that is available for licensing in the Katherine water allocation plan area is 36,407 ML/year. There are 75 water licences in the plan area, which hold a combined total of 36,430 ML/year. This means that there is no further water available to be licensed in the plan area and that applications for new water licences or increases to existing water licences cannot occur.

However, the actual water use in the plan area in 2022-23 was 12,421 ML, which is only 33% of the total volume of water for all licences in the area. To rectify the difference between licensed water and actual water use, and to ensure that licensed water is fully utilised for the benefit of the licence holder, the community and the Territory, the Controller of Water Resources is considering decisions to reduce entitlements that are consistently not using their licensed entitlement.

While decisions to recover water in Katherine are aligned with the objectives of the [Recovery of Unused Licensed Water Entitlements Policy](#), they are also aligned with the objectives for water resource management of the [Katherine Tindall Limestone Aquifer Water Allocation Plan 2019-2024](#). The objectives of the plan include to provide fair access to water to support ecologically sustainable regional economic development and to ensure the security of water supply for rural stock and domestic purposes.

The plan includes the objective to provide access to water resources to support local Aboriginal economic development with a notional allocation of 3,254 ML/year. The water returned is re-allocated in the following priority order:

1. environmental and cultural (where required); then
2. public water supply (where required); then
3. Aboriginal water reserve (where required); then
4. general consumptive pool.

In Katherine, water will be made available to the Aboriginal water reserve and general consumptive pool.