



Australian Government

**Assessment Requirements for
AHCWAT505 Purchase and sell temporary
water for irrigated agriculture and
horticulture**

Release: 1

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Modification History

Release	Comments
Release 1	This version released with AHC Agriculture, Horticulture and Conservation and Land Management Training Package Version 8.0.

Performance Evidence

An individual demonstrating competency must satisfy all of the elements and performance criteria in this unit.

There must be evidence that the individual has undertaken the processes required to purchase at least two different temporary water products. For each purchase, the individual must have:

- calculated water requirements for the plant or livestock production period
- identified at least two different water trading areas or zones that can supply the required water, where possible
- identified regulatory requirements and trading rules related to the purchase of water products
- completed a cost benefit analysis, including return on investment for the water purchase
- developed a strategy to purchase the water, including options for financing
- determined criteria for selection of water trading platform and water broker
- determined risks and benefits of trading without using a water trading platform or broker
- used digital technologies to research water products
- produced a report for each water purchase that includes:
 - purpose for the water purchase
 - summary of applicable regulations
 - risk analysis
 - financial planning
 - purchasing strategy, including a rationale for timing of the purchase
 - water product mix
 - key sources of information for water products.

There must also be evidence that the individual has undertaken the processes required to sell at least two different temporary water products. For each sale, the individual must have:

- determined the volume of water for sale
- identified water for retention and water proposed for sale
- identified regulatory requirements and trading rules related to the sale of water

- completed a cost benefit analysis for the water sale
- developed a strategy to sell the water
- determined criteria for selection of water trading platform and water broker
- used digital technologies to research water products
- produced a report for each water sale that includes:
 - determination of water quantity and type proposed for sale
 - risk analysis
 - financial planning
 - selling strategy, including a rationale for timing of the purchase
 - water product mix
 - key sources of information for water products.

Knowledge Evidence

An individual must be able to demonstrate the knowledge required to perform the tasks outlined in the elements and performance criteria of this unit. This includes knowledge of:

- key features of regulations that apply to the transactions being undertaken
- functions and compliance powers of federal, state and regional water authorities that apply to water transactions being undertaken
- functions and operations of state water registers
- water use licences and water trade restrictions that apply to local area
- key features of water entitlements and water allocations, including seasonal variations
- key principles of carryover water
- water products, including types and classes, available in local water market and other markets
- features and benefits of temporary water trading
- risk analysis and risk management strategies related to trading water, including soil carbon, long range weather forecast and long-term water allocation
- when and how to seek legal and financial advice related to water trades
- water broker and water trading platforms functions, benefits and costs
- water trading rules and guidelines provided by local water authorities
- information on allocation, allocation announcements and market opportunities
- historical data and analysis on long-term reliability of different entitlement types or water products
- considerations for developing a strategy for trading water, including:
 - total volume
 - water losses during transmission
 - timing and sequencing water sale
 - legal advice
 - financing
 - production requirements
 - weather forecasts

- water allocation seasonal forecasts.

Assessment Conditions

Assessment of the skills in this unit of competency must take place under the following conditions:

- physical conditions:
 - a workplace or an environment that accurately represents workplace conditions
- resources, equipment and materials:
 - digital technologies required to complete the tasks specified in the performance evidence
 - historical data related to irrigated agriculture and/or horticulture specified in the performance evidence
 - access to water trading platform and/or documentation required to trade water without use of a water trading platform or broker
- specifications:
 - access to regulations and trading rules that apply to the water purchases and sales specified in the performance evidence

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

Companion Volumes, including Implementation Guides, are available at VETNet: - <https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c6399549-9c62-4a5e-bf1a-524b2322cf72>