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Secretary’s review

I am pleased to present the Department of Agriculture and Water Resources’ first assessment against its Regulator Performance Framework (RPF). The RPF was developed to evaluate how well we work to minimise the compliance burdens we impose on those we regulate.

The department has broad regulatory responsibilities, including: delivering biosecurity and export functions; regulating importation of timber products; monitoring imported food; collecting levies and charges; and implementing the Water Efficiency Labelling and Standards (WELS) scheme.

The way we regulate biosecurity functions has been improved by the Biosecurity Act 2015 and our service delivery modernisation programme. These initiatives assist with improving our risk management practices and designing more efficient and effective regulation.

Review processes and reforms were ongoing throughout 2015–16 for several of our regulatory functions. These are examining the appropriateness of our current regulatory practices and are a part of our strategy to identify further opportunities to reduce or improve regulation.

Imported food operates under a risk-based approach that rewards compliance with reduced regulatory burden. To build on this, we are evaluating reforms aimed at better aligning the imported food inspection programme with contemporary risk management approaches.

Reform of agricultural exports regulation is targeted at allowing us to negotiate new export opportunities and meet evolving importing standards of trading partners. We undertook a review to assess regulation of agricultural exports to meet importing country requirements to ensure it remains fit for purpose and identify opportunity for improvement.

Also undergoing review is the Illegal Logging Prohibition Regulation 2012. Our review of this regulation seeks to find a balance between risk and regulatory burden to industry.

Levies and charges are used to fund a wide variety of activities, including: research and development; marketing; residue testing; plant and animal biosecurity programmes; and emergency responses for industry. Where appropriate, we implement changes to levies and charges at the request of industry by making amendments to regulation.

In 2015–16 reforms were underway to finalise changes to the WELS scheme. The outcomes of the revised standard will benefit industry by clarifying labelling obligations and improving the quality of information provided to consumers on product water rating and consumption labels.

Reporting under the RPF provides us an opportunity to take a look at our performance in administering regulation and to identify opportunities where our regulatory approach can be improved. With experience and as our data and evidence gathering becomes more integrated with our usual business practices and processes, the range and volume of evidence available to assist in monitoring and improving performance will increase.

Daryl Quinlivan
Secretary
Regulatory activities at a glance 2015-16

**LEVIES AND CHARGES**

- $741m disbursed
- 47,296 returns lodged
- 8,120 collection points
- 519 record inspections
- $4.9m cost recovery charges
- 1.0% cost as percentage of total levies and charges collected and disbursed

**BIOSECURITY**

- 19m international air and sea passengers and crew cleared
- 138m international mail articles cleared
- 18,000 vessel pratique
- 296,000 container inspections (wharf gate and country action list)
- 3,707 audits undertaken
- 3,070 approved arrangements
- 12,210 live animals and hatchling eggs accommodated at government post-entry quarantine facilities — cats, dogs, horses, birds, eggs
COMBATING ILLEGAL LOGGING

19,522
regulated importers

300–400
regulated processors
(approximately)

$7.5b
total value of imported
timber product

$2.0b
value of domestic processed
hardwood and softwood logs
Note: Illegal logging regulations 2015 estimates

520
compliance assessments of
due diligence processes

IMPORTED FOOD

$17.5b
value of food imports

29,715
lines of food inspected

464
holding orders issued

EXPORTS

1,865
registered vessels, establishments
and livestock exporters

12,058
cat and dog exports

3.2m
cattle, sheep and
goat exports

$44.5b
export earnings from
farmed commodities

$1.6b
export earnings from
fisheries products

407,342
export certificates

30,081
quota certificates issued,
saving the industry
approximately $700 million
in tariffs
Introduction

The Australian Government’s Regulator Performance Framework (RPF) encourages regulators to undertake their functions with the minimum impact necessary to achieve regulatory objectives and to effect positive lasting cultural changes within regulators.

The RPF also allows regulators to report objectively on the outcomes of their efforts to administer regulation effectively, efficiently and fairly and is a useful tool for identifying opportunities to improve and better target resources for greater impact.

This report evaluates how the Department of Agriculture and Water Resources performed against the six key performance indicators listed in the RPF (Department of the Prime Minister and Cabinet 2015):

1) regulators do not unnecessarily impede the efficient operation of regulated entities
2) communication with regulated entities is clear, targeted and effective
3) actions undertaken by regulators are proportionate to the regulatory risk being managed
4) compliance and monitoring approaches are streamlined and coordinated
5) regulators are open and transparent in their dealings with regulated entities
6) regulators actively contribute to the continuous improvement of regulatory frameworks.

We perform a range of functions to achieve regulatory objectives. These core functions are within the scope of the framework:

- delivering biosecurity functions
- performing export functions including: registration, licensing, auditing, inspection, and certification
- regulating imports of timber products and processing of raw logs to combat illegal logging
- monitoring of imported food
- collecting levies and charges for research and development, marketing, animal and plant health, emergency biosecurity responses and national residue survey testing
- implementing the Water Efficiency Labelling and Standards (WELS) scheme.

We continue to focus on improving our risk management practices and designing efficient and effective regulation. Therefore while all KPIs inform its operation, the department applied particular attention to KPIs 1, 3 and 4.

This additional emphasis served to inform the department of the outcomes of recent reforms, such as the implementation of the Biosecurity Act 2015 and the service delivery modernisation programme, align with this focus. The department is committed to continuously improving its performance as policymaker, market access facilitator and regulator. Central to this is maintaining quality engagement with industry and stakeholders.
Methodology

In preparing the self-assessment report, the department:

- drew from information on the department’s website and intranet
- received advice from departmental regulators and policy areas
- considered other information sources, including internal audit reports and independent reviews to validate results
- sourced key material from the department’s performance assessment, published in the *Department of Agriculture and Water Resources Annual Report 2015–16*.

The scope of this self-assessment is broader than first envisaged in the 2015–16 Department of Agriculture RPF. The Water Efficiency Labelling and Standards (WELS) scheme was transferred from the Department of the Environment and Energy on 21 October 2015 as part of Machinery of Government changes. The self-assessment of the WELS scheme appears as a separate chapter in the report.

External validation

The department invited the Agricultural Industry Advisory Council (Council), who had commented on the development of the framework to act as external validators.

The overall feedback on the report was generally positive with agreement on the findings on performance. In its feedback the Council suggested that all KPIs should have equal emphasis and metrics could be improved to better highlight effectiveness. The Council also noted that while the self-assessment was a good internal check mechanism, a far superior methodology to assess the department’s regulatory performance was to use external and independent audits.
KPI 1—Regulators do not unnecessarily impede the operation of regulated entities

Our objectives as a good regulator
1) We understand the operating environment of our clients and the current and emerging issues that affect the sectors.
2) We take actions to minimise the potential for unintended negative impacts of regulatory activities on our clients or affected supplier industries and supply chains.
3) We implement continuous improvement strategies to reduce the cost of compliance.

Assessment of performance measures

<table>
<thead>
<tr>
<th>Performance measure</th>
<th>Result against performance measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholder impact analyses are conducted prior to introduction of all new or amended regulations.</td>
<td>In 2015–16 we finalised four Regulation Impact Statements (RIS) relevant to the department’s regulatory frameworks including: biosecurity and export funding (cost recovery redesign); approved arrangements for livestock exports; fodder export research and development charge; and sweet potato marketing levy. All four RISs were assessed as compliant and consistent with best practice by the Office of Best Practice Regulation. In 2015–16 we commenced four Regulation Impact Assessment processes to amend legislation for: agricultural exports; imported food; biofouling; and illegal logging.</td>
</tr>
<tr>
<td>Eligible regulated entities receive tailored approaches based on an understanding of their operating environment and the size of their operations.</td>
<td>Across the biosecurity and export services, imported food and illegal logging frameworks, the department has adopted different regulatory approaches that take into account compliance history and the overall risk of the commodity or operations. These frameworks also target communication about compliance requirements based on the size, diversity and nature of the client group or industry (see KPI 2). The department works closely with primary industries who impose a levy or charge to ensure that their collection mechanisms are as efficient and cost-effective as possible. The Levy Efficiency and Feasibility rating was developed by the department and provides industries with a comparison of their position against others to better understand the cost drivers that influence their rating.</td>
</tr>
<tr>
<td>Performance measure</td>
<td>Result against performance measure</td>
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<tr>
<td>Strategies being implemented under the business improvement programme are successful in delivering more effective and consistent services for clients.</td>
<td>In 2015–16 the department introduced an online invoicing and payments system. Around 41 000 payments have been made online since its introduction in November 2015. Of 232 056 calls made to the national client service number, 76% were answered within the service level of 120 seconds. Importers have expressed high levels of satisfaction with the Biosecurity Import Conditions System (BICON). They expect to realise significant financial and other benefits from the system.</td>
</tr>
<tr>
<td>Engagement with relevant domestic and international organisations influences standards to support efficient operation of industry. a</td>
<td>We have developed assessment criteria for trusted international standards and risk assessments to ensure we don’t impose any requirements on businesses and individuals without a good and demonstrable reason to do so. The department plays a significant role in organisations that set international standards. These include the International Plant Protection Convention, World Organisation for Animal Health and Codex Alimentarius Commission. The department also engages with domestic organisations to harmonise standards. These include state and territory food regulators, Animal Health Australia, Plant Health Australia and state and territory biosecurity agencies.</td>
</tr>
<tr>
<td>Feedback from regulated entities or results from client surveys on regulatory frameworks and approaches is analysed and appropriately responded to; and indicates that the department has minimised unnecessary compliance costs.</td>
<td>The department received 54 compliments, 312 complaints and 23 suggestions through its formal feedback channel. Of the complaints received, the majority (68%) related to service standards and 20% related to government policy and process, the majority of which were in relation to the live animal export trade. The department is currently developing a methodology for surveying clients in 2016–17.</td>
</tr>
</tbody>
</table>

a Not applicable to the levies management framework.

**Analysis of performance against the key performance indicators**

**Regulatory Impact Statements finalised in 2015–16**
Developing Regulation Impact Statements (RISs) early in the policymaking process and undertaking proper consultation assists with development of effective regulatory and administrative processes, and minimises the likelihood of unintended negative impacts. In 2015–16 the department finalised four RISs relating to regulatory frameworks covered by the Regulator Performance Framework.

In December 2015, the department implemented new import and export cost recovery arrangements. The new cost recovery arrangements followed a comprehensive review of the cost of services and activities, the creation of a model for best recovering these costs, and consultation with clients, industries and the public about the new model. The department also....
introduced approved arrangements for Australian exporters of live animals. These arrangements reduced duplication, improved timeframes for consignment approval and allowed reliable exporters to operate with less intervention. The approved arrangements became available on 1 April 2016. Approved arrangements were subject to further review during 2016 and became compulsory on 1 January 2017.

The department is responsible for collecting, administering and disbursing levies and charges on behalf of Australia’s primary industries. The department works with industries to introduce or amend a levy or charge through relevant legislation.

In January 2016 and May 2016, respectively, the Office of Best Practice Regulation assessed two levy and charge related RISs as compliant and consistent with better practice. These were:

- a statutory marketing levy and export charge on sweet potatoes
- a statutory research and development export charge on fodder exports to maintain and strengthen the Australian export hay industry.

**Regulation Impact Assessment processes that commenced in 2015–16**
The department commenced Regulation Impact Assessment processes to amend legislation in four areas: agricultural exports, imported food, biofouling and illegal logging.

Agricultural export legislation is being improved to better support exporters, and ensure compliance with overseas requirements in the future. An internal analysis and consultation with a wide range of stakeholders, including trading partners, industry representatives, exporters and producers took place between July and September 2015. Stage 2 of the reform is now underway. Identified improvements to the existing legislation include: creating a consolidated set of regulations that are easier to understand and can flexibly respond to a range of contemporary issues; broader monitoring, investigative and enforcement powers; and clearer rules for undertaking verification (such as audits and inspections) across the supply chain.

The work on reforming imported food legislation aims to provide more flexible and targeted ways to prevent and respond to food safety risks, to better protect the health of consumers while reducing the regulatory burden for compliant food importers. This will include providing greater incentives for importers to operate under a Food Import Compliance Arrangement, which offers an alternative to routine inspection and testing of food.

To inform the development of the regulatory options, we met with clients, industry, state and territory governments, and representatives from New Zealand and other trading partners. We also conducted research into food importer compliance, awareness and import behaviour. This information was used to prepare a consultation RIS for public comment.

In 2014 the department reviewed the national marine pest biosecurity arrangements. The review found the most effective way to manage the risks posed by marine pests is to manage the pathways by which they arrive. The department already manages one of the main pathways for marine pests—ballast water which is carried to stabilise vessels and taken up as cargo is loaded and unloaded. The other main pathway—biofouling on the hulls of international shipping or vessels—remains a key risk. After consulting with stakeholders, we commenced work on aligning biofouling regulations with guidelines established by the International Maritime Organisation.
In December 2014 the Australian Government announced an independent review to assess the existing due diligence requirements set out in the Illegal Logging Prohibition Regulation 2012. The review considered whether the due diligence requirements strike an appropriate balance between the costs of compliance for small business and reduce the risk of illegal logged timber entering the Australian market. In February 2016 the government released the review’s final report and its associated response, which committed the government to progressing a package of regulatory and non-regulatory reforms to minimise the cost of compliance to small business. The review’s regulatory recommendations are currently undergoing a Regulatory Impact Review process.

**Tailored approaches**
The department implements appropriately tailored regulatory approaches and responses based on the risk profile of the regulated entities, their operating environment and their communication needs.

Partnersing with industry members whose commercial systems meet departmental requirements (backed by verification of compliance) provides an opportunity for businesses to reduce costs and operate more flexibly.

The *Biosecurity Act 2015* introduced new requirements that affect how the department approves and manages arrangements with quarantine approved premises (QAP) and compliance agreements (CA). The new legislation consolidates existing QAPs and CAs under a single approved arrangement system. The new model is more flexible and caters for a broader scope of biosecurity activities and corporate structures. A number of pilots are underway to explore opportunities in this area.

The Automated Entry Processing system allows trained and accredited customs brokers to apply directions for the release or next step in processing cargo – provided they are operating under approved arrangements and are subject to requirements and conditions to assess biosecurity risk associated with specific types of cargo. The department currently has a project underway that aims to simplify this system and increase uptake. A significant increase in the number of commodities eligible, as well as changes in the way the system operates, will enable up to 50 per cent of cargo to be cleared by customs brokers using the AEP system. The project is scheduled for completion and roll out by mid-2017.

Approved arrangements have been implemented for installations outside Australian territory that receive selected international goods or persons. Under these arrangements, the operator of the installation undertakes biosecurity functions on behalf of the department to prevent transfer of biosecurity risk from the installation to vessels returning to Australia.

Food importers may enter into a Food Import Compliance Agreement (FICA) with the department under the *Imported Food Control Act 1992*. Many food importers have documented food management systems for sourcing and importing food. Under a FICA, the department may recognise these, thereby offering an alternative to the routine inspection and testing of food products under the Imported Food Inspection Scheme.

The approved arrangement model operates across many types of agricultural export commodities such as meat, dairy, fish, and plant. In 2015–16 the department extended the approved arrangement model to livestock exports.
Under these approved arrangements, exporters and operators of export meat, fish and dairy establishments who carry out low risk operations and consistently comply with the necessary standards have less frequent regulatory audits.

In 2014 the department launched the Export Meat System Audit Programme (EMSAP), which allows for reduced intervention for higher risk operations such as abattoirs and boning rooms that are consistently compliant. The new audit programme reflects ISO audit principles, is risk-based and underpins the department’s health certification of export eligible meat and meat products. Audit frequency was reduced from monthly to biannually, thereby giving greater autonomy to managers to operate their establishments. On 1 April 2015, following a 12-month implementation phase, all eligible establishments could choose between remaining on the monthly audit regime and upgrading to EMSAP. In late 2015, the wild game sector agreed to be part of EMSAP.

In 2014–15 we introduced the Compliance-Based Inspection Scheme for plant importers, which rewards compliance by reducing the number of inspections for low-risk pathways. This delivers cost savings for importers and the department. Nine new commodities were added to the scheme in 2015–16, bringing the total to 17. A further four commodities were added in the second half of 2016.

In October 2015 the department transferred responsibility for collecting the wine export charge to the Australian Grape and Wine Authority, the wine export regulator under the Australian Grape and Wine Authority Act 2013. This has removed the requirement for licensed exporters to submit multiple forms to regulators when exporting wine from Australia, while maintaining the level of export charge collected on behalf of the wine industry.

The introduction of inspections by external plant authorised officers is supporting a more effective and timely system that continues to deliver high-quality product to export markets. The department currently has 1,044 industry-based authorised officers to perform export inspections, with a further 2,555 applications in progress.

Theauthorisedofficer(AO)modelcameoutoftheExportCertificationReformProgrammeobjective todevelopamoreefficientandcost-effectiveinspectionsystemthatmaintainsand enhancesmarketaccessandenhancessupplychainefficiencywithbetteralignmentofall regulatoryandindustrycommercialresourcesandsystems.

TheawardrecognisedtheworkthathadgonetoensuringtheintegrityoftheAOmodeland addressingtheriskofusingexternalofficers tocompletestandardgovernmentinspections,without placingundue measuresorred tape ontheofficersorthedepartment.

TheawardalsoreconnisedthattheAOmodelhaveliveredrealbenefitstoindustry.Growers andexportershave moreflexibility aroundinspection timings:previously inspections werelimited totheadailabilityofdepartmentofficerswithinnormalbusinesshours(7am to7pm, MondaytoFriday)orsubjecttopayingovertimeifadepartmentofficerwasavailable.Under theAOmodel,growersandexportersusingexternalAOshavemoreflexibilityinthetimingof inspections,andsubsequentlythetimingofpackingandloading.

Business improvement programmes
For some time, the department has applied a ‘do it once and do it for the department’ approach. The broad principles of this approach include: investments should build capability; corporate policies, procedures and programmes will apply to the entire department; and the department will continue to implement national service delivery improvements, some of which will be through the service delivery modernisation (SDM) programme. Modernising our service delivery means that across the department we will be adopting a client-focused approach to the way we deliver our services—to makemore easier forclients to accesstock services and meet their regulatory obligations.
For the department, it means finding more modern and streamlined ways to deliver our services—for example, by moving paper-based functions to an online environment.

Under the SDM programme, the department has:

- refreshed its technology, supported by wireless communication for staff, to enable mobile officers to perform online, remotely and in real time many functions that were previously restricted to paper forms in the field
- launched the Cargo Online Lodgement System (COLS), which provides an online self-service capability for customs brokers and commercial importers to lodge cargo documentation online, at a time that suits them
- introduced additional electronic payment methods and improved the consistency of their availability across our services for clients. Invoices have been enhanced with more meaningful information and itemised transactions (subject to current system constraints) and an automatic receipting function. A new client contact number, 1800 900 090, was introduced to make it easier for clients to contact us and receive a nationally consistent level of service through the Client Contact Group. We implemented a client-facing online reservation and lodgement system so that clients can submit reservations and upload supporting documents for cats and dogs at the new Mickleham Post Entry Quarantine facility.

New technology has made entering Australia by sea more efficient with the introduction of Maritime Arrivals Reporting System (MARS)—an online web portal for use by international vessel masters and shipping agents undertaking pre-arrival reporting and associated biosecurity vessel clearances at our border. A staged rollout of MARS occurred between September and October 2016, with full implementation achieved in December 2016.

The Vessel Compliance Scheme (VCS) for commercial maritime vessels was designed in conjunction with MARS to provide greater transparency of Australia's biosecurity requirements. It provides vessel masters and crew with more information on those risks biosecurity officers will focus on as part of the inspection allow them to better prepare the vessel to reduce the likelihood of non-compliance. This will improve their chances of qualifying as compliant entities to take advantage of reduced intervention and associated benefits.

The department is progressing the design of a streamlined traceability system to support market access for agricultural exports. The new system will modernise electronic documentation, establish registration databases and introduce interactive workflow processes.

In June 2016 the department also commenced scoping work on opportunities to improve the agricultural levy system. The work included an assessment of legislative arrangements, and targeted consultation with levy recipients and industry representative bodies to gather views on the strengths and challenges faced by the system. This work was completed in September 2016 and the department will draw on the findings in deciding on improvements that could be made.
In 2015–16 the department released our new online Biosecurity Import Conditions (BICON) system. BICON helps importers by clearly outlining the import conditions they need to meet. It contains more than 40,000 unique scenarios for importing commodities through different pathways. After answering a small number of questions, importers are presented with the most relevant scenarios, with specific advice and guidance on what they need to do to import their goods into Australia. BICON allows importers to submit and self-manage their import permits entirely online.

In implementing BICON, the department worked with the importing community to design and develop the new system. It undertook extensive stakeholder engagement to inform, educate and support importers throughout the implementation and ongoing usage. This included taking an industry roadshow to eight major cities, which gave around 3,000 importers the opportunity to see the new system and discuss questions face-to-face. Importers have expressed high levels of satisfaction with BICON. They expect to realise significant financial and other benefits from the system.

International standards and risk assessments
Australia is a signatory to the World Trade Organisation’s Sanitary and Phytosanitary Agreement. Therefore, Australia must consider the adoption of international standards and guidelines as national standards and only impose more stringent conditions if there is scientific evidence to support the additional measures. Protection of Australia’s animal and plant health status and unique environment is a high priority for the department and risk assessment criteria have been developed to enable trade while maintaining that protection.

International engagement
Australia’s involvement in international standards is a long-term endeavour, and our active participation has earned Australia a leadership role in developing international agricultural and food standards. The Australian Chief Veterinary Officer is an elected member of the World Organisation for Animal Health (OIE) and currently holds the position of Vice President. Senior departmental officials also hold the positions of Chair of the governing body of the International Plant Protection Convention (IPPC), Chair of the IPPC Standards Committee and Chair of the Codex Committee on Food Import and Export Inspection and Certification Systems.
In February 2016 the department hosted the 22nd session of the Codex Committee on Food Import and Export Inspection and Certification Systems, which put forward new draft guidelines on exchanging information between countries about imports and exports, food safety emergencies and rejected food consignments. The Codex Contact Point (CCP) is located within the department. The CCP considers government and industry comments and develops an Australian position on Codex subject and commodity committees and task forces.

The department’s involvement in a series of International Standards for Phytosanitary Measures adopted on pest-free areas provided a platform for Australia to successfully negotiate recognition of pest-free areas with trading partners. This has enabled producers in pest-free areas to avoid the costs associated with treatment to destroy fruit flies prior to exporting fresh horticultural products.

The department also enters into agreements and arrangements with countries that can result in decreased regulatory intervention for our importers and exporters. Examples include:

- working towards an arrangement with the US Food and Drug Administration (US FDA) to allow for systems recognition of imported food to reduce the rate of inspection (to 5 per cent) for all consignments of imported risk food covered by an arrangement with any foreign government authority
- working with major trading partners to develop country specific guidelines (CSGs) to help importers better understand the legal frameworks that are used in other countries for regulating the harvesting of timber. This included negotiating a single export programme signed in February 2016 for Canadian untreated timber coming to Australia to better manage biosecurity risks and to ensure stability in the market
- continuing to prepare CSGs and state specific guidelines (SSGs) in collaboration with relevant government officials to provide information on the laws in force in the place of harvest to assist importers and domestic processors to carry out their due diligence obligations. At 30 June 2016, the department had successfully negotiated eight CSGs and six SSGs.

**Domestic engagement**

The national Australian food safety regulatory framework is an integrated preventative system developed by industry organisations and Australian Government and state regulatory agencies.

Agreements between the department and state regulatory agencies (SRAs) have been established to ensure regulatory obligations are met while minimising duplication of oversight of export-registered meat, dairy, fish and egg establishments. Oversight of these service delivery arrangements is managed through the Food Export Regulatory Steering Committee (see KPI 4).

For imported food, food regulation authorities in Australia and New Zealand work together to ensure food regulations are implemented and enforced consistently. This work is done through the Implementation Subcommittee for Food Regulation (ISFR), face-to-face meetings, out-of-session business and separate collaborations. Membership of ISFR comprises officials from health and related portfolios from Australian states and territories, our department, the Department of Health and the NZ Government.

The Intergovernmental Agreement on Biosecurity (IGAB), which came into effect in January 2012, is an agreement between the Commonwealth and all state and territory governments,
with the exception of Tasmania. The IGAB aims to strengthen the working partnership between
governments and to improve the national biosecurity system and minimise the impact of pests
and diseases on Australia’s economy, environment and the community. The IGAB is currently
being reviewed by an independent panel.

The National Biosecurity Committee (NBC) provides advice to the Agriculture Senior Officials
Committee (AGSOC) and the Agriculture Ministers’ Forum (AGMIN) on national biosecurity and
progress in implementing the Intergovernmental Agreement on Biosecurity. In 2015–16, the
NBC met face-to-face in August, November and April as well as through teleconferences and
considering matters out-of-session.

The NBC is also responsible for managing a national, strategic approach to biosecurity threats
relating to plant and animal pests and diseases, marine pests and aquatics, and the impact of
these on agricultural production, the environment, community well-being and social amenity.

A core objective of the committee is to promote cooperation, coordination, consistency, and
synergies across and between Australian governments. This includes exploring measures to:

- provide assurance that the system is working
- better connect the biosecurity rationale to market access and trade
- increase visibility and engagement with sectoral committees
- engage, partner and communicate with relevant stakeholders, as required
- coordinate biosecurity investment in the national interest.

The NBC is supported by four sectoral committees, comprising officers from the Australian, state
and territory governments, that deal with animal and plant health, invasive plants and animals and
marine pests. Two expert groups deal with emergency preparedness and information governance.

An example of how the department uses the NBC framework to achieve outcomes is through
maintaining active participation on the Sub-Committee on Domestic Quarantine and Market
Access (SDQMA), which reports to the Plant Health Committee. The SDQMA comprises senior
plant health regulators from state and territory government departments and seeks to develop,
maintain and improve harmonised, transparent and scientifically justified plant biosecurity
measures that facilitate market access for plants and plant products for domestic markets, whilst
minimising risks associated with the spread of regulated pests to unaffected regions and states. In
2015–16, the sub-committee met in October 2015 and April 2016.

Feedback
The department has several mechanisms to ensure that regulatory frameworks and approaches
are analysed and appropriately responded to. These include:

- consultation on Regulatory Impact Statements (see KPI 1)
- reviews such as the Independent review of the impact of illegal logging regulations on small
  businesses (see KPI 1)
- industry consultative committees (see KPI 2).

The department also has a formal feedback mechanism. In 2015–16 we received 56
compliments, 312 complaints and 23 suggestions. Of the complaints received 68 per cent related
to our service standards and 20 per cent related to government policy and process, the majority
of which were protests against the live animal export trade.
In 2016–17 the department is improving its client feedback system by implementing new software to enable better tracking and monitoring of complaints. This will allow lessons learned from complaints to feed into review processes more efficiently.

In 2015–16 the department commissioned market research to develop a methodology for client surveys. This work was delayed due to the caretaker period.
KPI 2—Communication with regulated entities is clear, targeted and effective

Our objectives as a good regulator

1) We provide guidance and information that is up-to-date, accurate, accessible and concise.

2) We consider the impact of regulation and engage with stakeholders before changing policies, practices or service standards.

3) We make decisions and provide advice that is timely, consistent and supports predictable outcomes; and the underlying reasons for them.

Assessment of performance measures

<table>
<thead>
<tr>
<th>Performance measure</th>
<th>Result against performance measure</th>
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<tbody>
<tr>
<td>100% of relevant legislation and guidance on regulatory requirements is readily available and regularly reviewed.</td>
<td>We utilise different approaches to ensure that legislation and guidance is readily available. This includes the departmental website, import and export specific systems (the Biosecurity Import Conditions System (BICON) and the Manual of Importing Country Requirements (MICOR)) and industry alerts and announcements. In 2015–16 the Digital Content Strategy Team reviewed priority areas of the department’s website. This process made significant improvements to the content in importing, exporting and travelling pages of agriculture.gov.au. Prior to the implementation of the Biosecurity Act 2015 on 16 June 2016, 10,000 web pages and documents were identified for review. We implemented BICON (see KPI 1), making it easier for importers to identify and comply with Australia’s biosecurity system. The department operates the Manual of Importing Country Requirements (MICOR), which sets out known import requirements of overseas trading partners. MICOR is updated when an importing country’s requirements change, and it will undergo further improvements in 2016–17 to make it more accessible and user-friendly. The department issued 353 industry advice notices to ensure all clients received announcements and updates. The department has developed a range of guidance material to help raise awareness and understanding of the due diligence requirements for timber importers and producers. It has also worked with selected industry associations to develop additional resources and guidance material. This material will continue to be revised, updated and improved.</td>
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<tr>
<td>Performance measure</td>
<td>Result against performance measure</td>
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<tr>
<td>Stakeholder engagement toolkit is available for staff use when interacting with clients.</td>
<td>We published the department’s stakeholder engagement toolkit on 21 May 2015. The establishment of the toolkit was communicated to staff on 9 June 2015.</td>
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<tr>
<td>Engagement and discussion with industry stakeholders on potential changes to regulatory policies, practices or service standards is undertaken.</td>
<td>As identified against KPI 1, we have engaged with industry stakeholders as part of the Regulatory Impact Assessment process. We also have a range of longstanding industry consultative committees operating within the department to discuss specific industry issues. This is a key mechanism by which the department engages with industry stakeholders. These committees are underpinned by governance and management frameworks. To support the implementation of the Biosecurity Act 2015, the department released an interactive learning tool to help clients and stakeholders gain a deeper understanding of the legislation and changes for individuals and businesses.</td>
</tr>
<tr>
<td>Department’s decisions upheld following external review.</td>
<td>No regulatory decisions made by the department have proceeded to a decision on external review in 2015–16.</td>
</tr>
<tr>
<td>Client survey results and other feedback from regulated entities and other stakeholders indicates that the department’s communication is clear, appropriately targeted and effective in facilitating compliance or understanding of regulatory requirements, systems and processes.</td>
<td>Feedback from regulated entities or results from client surveys on regulatory frameworks and approaches is analysed and appropriately responded to as outlined in KPI 1. This approach ensures that the department is able to minimise unnecessary compliance costs.</td>
</tr>
</tbody>
</table>

Analysis of performance against the key performance indicator

Review of legislation and guidance

The implementation of the Biosecurity Act 2015 prompted the review of relevant departmental website pages. Using a website search tool, all web pages/documents/PDFs that contained certain keywords (including ‘Quarantine Act’ and ‘Compliance agreement’) were identified. The web assets were prioritised before being distributed to departmental web content coordinators. The web content coordinators facilitated the review of content and submitted their amendments for biosecurity legislation implementation team review and publishing.

In the three months to 16 June 2016, 10 000 web pages and documents were identified for review. Of these, 2,933 were prioritised and distributed for review to 26 divisional coordinators, across 12 divisions. During the two-week period before 16 June 2016, 661 web pages and documents were updated and 647 web pages and documents were retired.

The Manual of Importing Country Requirements (MICOR) is a publicly available database for exporters, producers of export product and other stakeholders and is maintained by the department. MICOR provides guidance on import requirements for most export commodities for a number of Australia’s key export markets. Currently, not all meat and livestock requirements are included in MICOR.
A MICOR project is currently underway to improve exporter access to importing country requirements. This will be achieved through a number of changes to information technology infrastructure, the creation of guidelines and policy for the maintenance of up-to-date information in MICOR, and liaison activities with stakeholders to ensure MICOR is relevant and easy to use.

**Industry advice notices**
The department publishes notices to the import industry and stakeholders who rely on or regularly check our website for updates. Registered subscribers automatically receive an email alert when a new industry or market access notice is published. Export market access advice notices are sent to relevant export stakeholders and clients, are posted on the departmental website, and result in an update in MICOR.

In 2015–16 the department published 353 industry advice notices and market access notices, covering biosecurity and export market access requirements, levies management, imported food and illegal logging.

**Stakeholder engagement toolkit**
The department’s stakeholder engagement toolkit was published on 21 May 2015. The toolkit draws on the standards for quality engagement described in the international AA1000 Stakeholder Engagement Standard. It also draws on the Public Participation Spectrum developed by the International Association for Public Participation, an internationally recognised framework that assists organisations to identify the appropriate level of participation for different stakeholder groups.

**Industry consultative committees**
The department maintains close contact with industry clients through industry consultative committees (ICCs), ensuring efficient and effective communication with stakeholders on matters such as service delivery. ICCs are instrumental in developing effective operational responses to government policy for the department’s import and export programmes. At 30 June 2016, the department had 11 established ICCs (Table 1).

<table>
<thead>
<tr>
<th>Industry consultative committee</th>
<th>Aim of the committee</th>
<th>2015–16 meetings held and areas of discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biological Consultative Group</td>
<td>Provide the department and importers of biological products with a consultative forum to ensure that effective biosecurity outcomes are delivered without unnecessary impediments to trade. This is done by facilitating efficient and effective biosecurity regulation across the biosecurity continuum.</td>
<td>24 September 2015 and 31 March 2016&lt;br&gt;Key areas of discussion included: service delivery operations and amended cost recovery arrangements.</td>
</tr>
<tr>
<td>Dairy Export Industry Consultative Committee</td>
<td>Provide the department and the Australian dairy industry with an ongoing forum for liaison and consultation.</td>
<td>23 November 2015 and 24 June 2016&lt;br&gt;Key areas of discussion included: cost recovery arrangements; review of the Australian Milk Residue</td>
</tr>
<tr>
<td>Industry consultative committee</td>
<td>Aim of the committee</td>
<td>2015–16 meetings held and areas of discussion</td>
</tr>
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</tr>
</tbody>
</table>
| **Department of Agriculture and Water Resources Cargo Consultative Committee**<sup>a</sup> | Provide the department and international trade and international logistics service providers industries with a consultative forum to ensure that effective biosecurity outcomes are delivered without unnecessary impediments to trade by facilitating efficient and effective biosecurity regulation across the biosecurity continuum. | Survey to better fit the needs of the export dairy industry; information on the review of MICOR and the Agricultural Export Regulation review; updates to technical market access; and international relations. 29 July 2015, 18 November 2015 and 9 March 2016  
Key areas of discussion included:  
cost recovery arrangements;  
updates on biosecurity legislation implementation; proposed programme of imported food reforms; the introduction of changed service delivery mechanisms including Cargo Online Lodgement System, BICON, electronic payments and improved invoicing; and the roll out of mobile devices for supporting our mobile workforce in the field. |
| **Export Meat Industry Advisory Council (EMIAC)** | Considers technical issues affecting the export meat sector and provides policy advice on major issues such as residues, pathogens and international requirements. EMIAC also has a finance subcommittee that considers cost structures/reviews and appropriateness and equity of charging mechanisms. | 13 August 2015, 25 November 2015 and 17 March 2016  
Key areas of discussion included:  
market access issues and potential changes to importing country requirements; overseas audit schedules; the Export Meat Systems Audit Programme and updates on the enhanced traceability project; and the Agricultural Export Regulation Review. |
| **Grain and Plant Products Export Industry Consultative Committee** | Provides the department with a forum for effective consultation, communication and partnership with industry stakeholders involved in exports of grains and related products by ensuring stakeholders’ views are given due consideration. The department only introduces major policy or operational changes after the committee has been consulted. | 3 September 2015, 19 November 2015, 3 February 2016 and 15 June 2016  
Key areas of discussion included:  
cost recovery arrangements; the introduction of the Plant Exports Management System (PEMS), the introduction of the Quality System Recognition (QSR) policy (which allows recognition of independently audited quality systems that meet phytosanitary requirements for products exported by registered establishments); the Agricultural Export Regulation Review; and updates on the Fumigation Working Group, including working with countries to encourage a reduction in their fumigation requirements. |
<table>
<thead>
<tr>
<th>Industry consultative committee</th>
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<th>2015–16 meetings held and areas of discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Horse Industry Consultative Committee</td>
<td>Provides the department with a forum to consult with industry on equine biosecurity, quarantine and market access issues, and related animal health and welfare matters.</td>
<td>30 July 2015 and 18 February 2016 Key areas of discussion included: updates on the Mickleham Post Entry Quarantine facility; the post entry quarantine reservation system; the Agricultural Export Regulation Review and implementation of the Biosecurity Act 2015.</td>
</tr>
<tr>
<td>Horticulture Export Industry Consultative Committee</td>
<td>Provides the department with a forum to consult with industries involved in the export of horticulture products. The committee is consulted on: significant proposed changes to policy and operational procedures; programme budgets, cost recovery mechanisms and charging levels; and key programme performance issues such as efficiency and effectiveness indicators.</td>
<td>24 September 2015, 17 November 2015, 17 February 2016 and 8 June 2016 Key areas of discussion included: cost recovery arrangements; service delivery modernisation initiatives (including electronic invoicing and the mobile platform for carrying out inspection); and the Agricultural Export Regulation Review.</td>
</tr>
<tr>
<td>Imported Food Consultative Committee</td>
<td>Provides the department and the food and beverage importing industries with a consultative forum to ensure that effective food safety and compliance outcomes are delivered without unnecessary impediments to trade by facilitating efficient and effective imported food regulation.</td>
<td>4 November 2015 and 3 May 2016 Key areas of discussion included: cost recovery arrangements; updates on biosecurity legislation implementation, proposed programme of imported food reforms, Food Import Compliance Agreements including a review of the legal framework, the introduction of the Cargo Online Lodgement System, BICON, electronic payment options and improved invoicing; and the roll out of mobile devices for supporting our mobile workforce in the field.</td>
</tr>
<tr>
<td>Live Animal Exports Industry Roundtable</td>
<td>Provides a dedicated consultation mechanism for live animal exports reform. The roundtable meets monthly, or as required. Inter-sessional teleconferences on particular reform project issues are common.</td>
<td>The industry roundtable met five times in 2015–16. Key areas of discussion included: key priorities for livestock exports for the year; risk based approach to livestock regulation; development and implementation of approved arrangements for livestock exports; regulation of ESCAS non-compliance; performance dashboards for livestock exporters; and new cost recovery arrangements.</td>
</tr>
<tr>
<td>Post-Entry Plant Industry Consultative Committee</td>
<td>Provides the department and importers of plants with a forum to support discussion of issues</td>
<td>3 December 2015 and 12 May 2016 Key areas of discussion included: updates on the Mickleham post-</td>
</tr>
<tr>
<td>Industry consultative committee</td>
<td>Aim of the committee</td>
<td>2015–16 meetings held and areas of discussion</td>
</tr>
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<tr>
<td></td>
<td>specifically related to the importation of plants. The committee is consulted on significant proposed changes to policy and operational procedures, programme budgets, cost recovery mechanisms and charging levels, and key programme performance issues such as efficiency and effectiveness indicators.</td>
<td>entry quarantine facility; the Post-Entry Quarantine reservation system; and the implementation of the Biosecurity Act 2015, specifically how this will impact import conditions/permits, entry assessments and approved arrangements.</td>
</tr>
<tr>
<td>Seafood Export Consultative Committee</td>
<td>Provides the department and the Australian seafood export industry a forum to consult on technical and administrative matters.</td>
<td>18 November 2015 and 8 June 2016 Key areas of discussion included: cost recovery arrangements; removal for the requirement for establishments that freeze or salt whole fish (to be further processed in an export registered establishment) to be export registered; and the Agricultural Export Regulation Review.</td>
</tr>
</tbody>
</table>

a The timber and imported food industries are also represented at the Department of Agriculture and Water Resources Cargo Consultative Committee.
Snapshot: Consultation undertaken for the implementation of the Biosecurity Act 2015

On 23 February 2016 the Biosecurity Implementation Branch held a forum in Canberra with peak industry bodies to discuss the impacts of the Biosecurity Act 2015 coming into effect on 16 June 2016. Stakeholders in attendance came from a variety of industries and were given the opportunity to participate in roundtable discussions with senior executives and subject-matter experts. Attendees were also asked to provide input into content being prepared for the Biosecurity Legislation Information Sessions taking place around the country between March and April 2016. The feedback from this group about their experience at the forum was positive; they appreciated the opportunity for two-way dialogue and were keen to ensure the messages and information discussed flowed out to their members and other stakeholders.

Following the success of this forum, the branch, together with colleagues from the Compliance Division, designed the format for the national roadshow information sessions based on the input from peak industry groups.

Over 700 stakeholders attended these sessions, which were held in capital cities around Australia. Subject-matter experts from across the department presented content in a panel discussion format, encouraging attendees to engage and ask questions throughout the session. This format had a strong focus on engagement and two-way discussion on the legislation.

In addition to these sessions, the legislation eLearning package was tailored and made available to industry and stakeholders via our department’s website. This tool was accredited by the Customs Brokers and Forwarders Council of Australia for Continuing Professional Development points. Feedback has been positive and more than 1,500 individuals accessed the eLearning package.

After the roadshow, feedback was sought from attendees via an online survey. The results were overwhelmingly positive, with industry indicating they had a strong understanding of the legislation and the impact any changes would have on their businesses. Stakeholders also expressed confidence in the department to follow up issues and actions raised.

I understand the new biosecurity legislation and how the changes will impact my business/organisation:

Source: Biosecurity Legislation information sessions – Readiness Survey May 2017
KPI 3—Actions undertaken by regulators are proportionate to the regulatory risk being managed

Our objectives as a good regulator
1) We apply a risk-based, proportionate approach to compliance, engagement and enforcement activities.
2) We regularly reassess the regulatory environment to identify new and changing regulatory risks, altering strategies, systems and processes appropriately, without reducing regulatory certainty.
3) We recognise the compliance record of regulated entities, providing for earned autonomy where appropriate and permitted by legislation.
4) We consider all available and relevant data on compliance.

Performance measures

<table>
<thead>
<tr>
<th>Performance measure</th>
<th>Result against performance measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk assessments for imported goods use contemporary risk analysis, best available science and advice.</td>
<td>All assessments were conducted in accordance with regulations and best available science and advice.</td>
</tr>
<tr>
<td>The department’s compliance strategy is risk-based, regularly reviewed and updated.</td>
<td>The department published the Biosecurity Compliance Statement in April 2016. In 2016–17 the department will consider the incorporation of the Exports, Illegal Logging, Imported Food, and Water Efficiency Labelling and Standards (WELS) frameworks to form a departmental compliance statement.</td>
</tr>
<tr>
<td>Staff are aware of regulatory risk assessment strategies and associated policies, processes and procedures.</td>
<td>We announced the Biosecurity Compliance Statement on our weekly business bulletin, Quicklink, on 26 April 2016. Quicklink is emailed to staff and published on our intranet.</td>
</tr>
<tr>
<td>A range of graduated compliance and enforcement tools are used where applicable.</td>
<td>As identified against KPI 1, we adopt risk-based approaches across all regulatory frameworks. The Biosecurity Act 2015 introduced a broader range of compliance and enforcement tools. The imported food and exports frameworks have a range of graduated compliance and enforcement tools, but a broader range will be considered as part of the proposed changes to their legislation. The department developed a compliance posture to guide the implementation and operation of the</td>
</tr>
<tr>
<td>Performance measure</td>
<td>Result against performance measure</td>
</tr>
<tr>
<td>----------------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>Biosecurity legislation. The compliance posture guides staff, industry and the general public in the application of the provisions of the Biosecurity Act 2015.</td>
<td>The department undertakes coordinated environmental scanning at least annually to identify new and emerging risks.</td>
</tr>
<tr>
<td>The department undertakes coordinated environmental scanning at least annually to identify new and emerging risks.</td>
<td>The department undertakes environmental scanning across a number of frameworks. Commencing in 2016–17 the department will implement an annual threat risk assessment of the regulatory environment to identify new and changing regulatory risks. This assessment will initially cover biosecurity services but is expected to include all regulatory frameworks over time.</td>
</tr>
<tr>
<td>Feedback from regulated entities or results from client surveys on regulatory frameworks and approaches is analysed and appropriately responded to.</td>
<td>As addressed at KPI 1, feedback from regulated entities or results from client surveys on regulatory frameworks and approaches is analysed and appropriately responded to. This indicates that the department has minimised unnecessary compliance costs.</td>
</tr>
</tbody>
</table>

**Analysis of performance against the key performance indicator**

We undertake a range of work to prevent biosecurity risks reaching Australia or emerging from within Australia. Biosecurity Import Risk Analyses, reviews and other assessments are key activities used to identify pests and diseases that might be associated with imports. We use these risk tools to set import conditions to reduce the likelihood of pests entering, becoming established or spreading in Australia.

In 2015–16 we worked on a number of import risk assessments. These included:

- releasing the final biosecurity risk review for the importation of honey bee semen
- releasing a draft biosecurity risk review for the importation of cooked turkey meat from the United States
- commencing a review of the importation of dragon fruit from Vietnam
- commencing a review of the importation of psittacine birds (parrots)
- commencing a review of the importation of fresh strawberries from the Republic of Korea
- commencing a review of the importation of fresh beef from the Netherlands, Japan, New Zealand, the United States and Vanuatu.

Under the Biosecurity Act 2015 import risk analyses should be consistent with Australia’s international biosecurity obligations. This will establish a balance between our international obligations and the various risks that imported goods pose, improve transparency around process and establish a Biosecurity Import Risk Analysis liaison officer to enable better communication with stakeholders.

**Centre of Excellence for Biosecurity Risk Analysis**

The department provides governance for the Centre of Excellence for Biosecurity Risk Analysis (CEBRA), which was established by the University of Melbourne in July 2013. The centre
supports the advancement of biosecurity risk management through providing expertise in risk analysis techniques and developing associated protocols, tools and procedures.

The objectives of the centre are to deliver practical, rigorous solutions and advice about the assessment, perception and communication of biosecurity risk.

**Risk-Return Resource Allocation model**

The department has developed a Risk-Return Resource Allocation (RRRA) model to help us make informed decisions about how we allocate resources to manage biosecurity risk. The model supports our science-based approach to managing biosecurity risk by drawing together our collective biosecurity knowledge, helping us analyse the costs and benefits of allocating resources based on biosecurity risk and helping us make informed decisions on how we use our resources.

**Graduated compliance and enforcement tools**

The *Biosecurity Act 2015* introduced a range of new compliance and enforcement tools, with options available to reward compliance with our biosecurity laws and to pursue those who choose not to comply (Figure 1).

The department developed a compliance posture to guide the implementation and operation of the biosecurity legislation. The compliance posture guides staff, industry and the general public in the application of the provisions of the *Biosecurity Act 2015*.

The compliance posture is based on a phased implementation approach across a number of regulatory requirements and enforcement powers under the Act. To support the compliance posture, the department published a Biosecurity Compliance Statement to help clients understand the department’s approach to biosecurity compliance management and specifies how various compliance management tools fit together to drive compliant behaviour.

**Figure 1 Biosecurity compliance and enforcement tools**

![Figure 1 Biosecurity compliance and enforcement tools](image)
To facilitate a smooth transition to the new legal framework, we are adopting a specific compliance posture to guide the implementation and operation of the new legislation in its early phase. While many of the requirements under the new Act are equivalent to the existing arrangements, significant effort is being made to ensure everyone understands and is aware of their new obligations.

Our compliance approach is based on phased implementation. In the first six months of the commencement of the Act in June 2016, we focused on educating stakeholders and clients about their obligations. We also continued to work towards improving our capacity to detect and respond to non-compliance, through monitoring and surveillance, intelligence gathering and data analysis, targeted campaigns and routine and random inspections and audits.

**Illegal logging**

Since March 2015 we have been assessing how businesses are complying with the regulatory requirements. This was done under a ‘soft start’ approach, where assessments were designed to gather information about the trade, and to educate businesses on how to comply and improve their due diligence systems.

In the period to 30 June 2016 we assessed businesses responsible for importing more than 70 per cent of regulated products, including solid wood products, particle boards, pulp, paper products, wooden furniture and prefabricated buildings. Approximately 47 per cent of businesses were fully compliant with the regulatory requirements and were appropriately managing the risk of illegal logging in their supply chains.

This included around 30 per cent of businesses relying on certification under the Forest Stewardship Council or the Programme for the Endorsement of Forest Certification standards as a means of managing the risk of illegal logging in the products assessed.

Of those businesses that did not meet the requirements, many did not understand how the certification chain of custody schemes applies to products compared with how they apply to businesses in the supply chain. In line with the soft start approach, we did not issue penalties to
businesses that did not meet the due diligence requirements. We provided feedback about improvements that would need to be made to ensure compliance in the future. This approach will continue until any amendments arising from the review have commenced.

**Levies**
The department’s risk-based National Compliance Program (NCP) encourages levy payers to voluntarily comply with legislation and provides assurance to the department and industry that levy collections are materially complete. The programme targets agents or commodities of operational or strategic risk and comprises three risk-based programmes:

- **Operational Compliance Programme (OCP)**—a national record inspection programme that certifies the accuracy of levies and charges being paid by business type or commodity
- **Strategic Compliance Programme**—delivering projects to address specific areas of non-compliance
- **Targeted Compliance Assessment Programme**—focusing on agents not selected in the OCP.

Non-targeted compliance activities are also carried out under the NCP, as required.

**Environmental scanning**
The department aims to identify significant emerging issues before they become critical. Some strategic foresight activities include:

- environmental scanning in areas such as biotechnology, emerging diseases, science and society, climate change, and food safety
- consideration of key emerging issues using foresight techniques to assist with future planning.

In 2015–16 we reviewed the global risk profile of a range of pests including the bacterial pathogen *Xylella fastidiosa*. *Xylella* is an invasive bacterial plant pathogen that causes significant environmental and economic impacts. Many commercial and ornamental plant species are susceptible to this pathogen. *Xylella* is spreading around the world and, although not present in Australia, is of major concern to Australia’s plant industries. Following this review, the department implemented emergency quarantine measures to reduce the likelihood of entry *Xylella* and strengthen import conditions.

The department also participates in the APEC Experts Group on Illegal Logging and Associated Trade (EGILAT). EGILAT allows the department to exchange information and analysis on relevant matters, including on developments in regulations, new technologies designed to assist efforts to combat illegal logging and data on production, exports, imports and consumption of forest products. The department’s involvement with EGILAT also strengthens its policy dialogue on combating illegal logging and promoting trade in legally harvested forest products.

In 2016–17 the department will undertake a coordinated assessment of biosecurity risks and threats. Once this assessment process has been established, it is expected to be rolled out to other regulatory frameworks.
KPI 4—Compliance and monitoring approaches are streamlined and coordinated

**Our objectives as a good regulator**

1) Our information requests are tailored and only made when necessary to ensure achievement of regulatory objectives, in a way that minimises impact.

2) We coordinate our compliance activities with similar processes and other regulators to minimise duplication.

3) We use existing information to limit the requests of stakeholders, and share the information with other regulators where possible.

4) We base our monitoring and inspection approaches on risk and, where possible, take into account the circumstance of regulated entities and clients operating context.

**Performance measures**

<table>
<thead>
<tr>
<th>Performance measure</th>
<th>Result against performance measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress on the service delivery modernisation programme aimed at reducing unnecessary or disproportionate compliance costs.</td>
<td>Strategies being implemented under the business improvement programme are successful in delivering more effective and consistent services for clients, as outlined under KPI 1.</td>
</tr>
<tr>
<td>Demonstrated collaboration with other relevant regulators aimed at reducing unnecessary or disproportionate compliance costs. a</td>
<td>To reduce duplication in regulatory audits for export arrangements, there are five memorandums of understanding and two letters of exchange in place with state and territory agencies.</td>
</tr>
<tr>
<td>Inspection and monitoring is conducted on a risk-based approach where permitted by legislation.</td>
<td>Eligible regulated entities receive tailored approaches based on an understanding of their operating environment and size of their operations, as outlined under KPI 1.</td>
</tr>
<tr>
<td>Client Service Charter timeframes are met.</td>
<td>Of 232 056 calls made to the national client service number, 76% were answered within the service level of 120 seconds. During the year, 71% of official complaints were responded to within 10 days.</td>
</tr>
<tr>
<td>Client survey results and other feedback from regulated entities and other stakeholders indicate that the department’s compliance and monitoring approaches are streamlined and coordinated.</td>
<td>Addressed at KPI 1—Feedback from regulated entities or results from client surveys on regulatory frameworks and approaches is analysed and appropriately responded to. This indicates that the department has minimised unnecessary compliance costs, as outlined under KPI 1.</td>
</tr>
</tbody>
</table>

a Not applicable to levies management and illegal logging frameworks.
Analysis against the performance measures

Collaboration with other relevant regulators

The department has formal forums in place with relevant regulators to share information, harmonise standards and consider opportunities for minimising duplicative information requests or streamlining monitoring or inspection processes (Table 2).

Table 2 Regulator forums

<table>
<thead>
<tr>
<th>Forum</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Export Regulators Steering Committee</td>
<td>Strengthen national export certification systems for food through establishing policy for the implementation of the national service delivery framework for export certification between the department and state regulatory agencies.</td>
</tr>
<tr>
<td>Implementation Sub-Committee for Food Regulation</td>
<td>Provides a mechanism for food regulation authorities to work together to ensure food regulations are implemented and enforced consistently.</td>
</tr>
<tr>
<td>National Tripartite Forum</td>
<td>Provides a mechanism for communication between our department, the Department of Immigration and Border Protection and Australia Post about incoming international mail. Two working groups have also been established. A technical expert working group to consider data exchange issues and opportunities for use of technology in the mail environment, and an operational processes expert working group to consider operational process including physical screening processes and work flow.</td>
</tr>
</tbody>
</table>

Analysis of performance against the key performance indicator

The department collaborates with other regulators on a case by case basis. These include:

- Department of the Environment and Energy on the import and export of international endangered native wildlife
- Therapeutic Goods Administration on the import and export of therapeutic goods containing biological products
- Australian Pesticides and Veterinary Medicines Authority on the import of vaccines containing animal products
- Department of Immigration and Border Protection in relation to:
  - the import and export of prohibited breeds
  - EXDOC/Customs Single-Electronic-Window (SEW) that provides a single data entry point for obtaining export clearance of goods from both the department and the Department of Immigration and Border Protection
  - the Agriculture Import Management System (AIMS)/Customs SEW that provides a single data entry point for obtaining import clearance of goods from the department and the Department of Immigration and Border Protection
- Department of Infrastructure and Regional Development in relation to port security
• Australian Maritime Safety Authority in relation to livestock reporting
• Food Standards Australia in relation to the Imported Food Programme
• Department of Foreign Affairs and Trade, which supports the overseas agricultural counsellors network and provides advice and assistance to the department and its clients in those countries or regions that do not have an agricultural counsellor.

Meeting service standards
Our Client Service Charter outlines our service responsibilities. The charter establishes benchmarks for service delivery to the community and other stakeholders.

During the year, 232,056 calls were made to the department through our national client service number and 93 per cent were answered. Of all calls presented, 76 per cent were answered within the service level standard of 120 seconds. Changes to the skill groups across all states are expected to increase calls answered within the service level to our target of 80 per cent in 2016–17.

We met our benchmark of responding to official complaints within 10 business days in 71 per cent of cases. A new process introduced from April 2016 yielded a compliance rate of 94 per cent within 10 days, indicating this target is likely to see improvement in the future.
KPI 5—Regulators are open and transparent in their dealing with regulated entities

Our objectives as a good regulator

1) Our risk-based compliance monitoring and enforcement frameworks or strategies are publicly available in a format that is clear, understandable and accessible.

2) We are open and responsive to requests from regulated entities about the operation of these risk based frameworks and the approaches we implement.

3) Our performance measurement results are published in a timely manner to ensure accountability to the public.

Performance measures

<table>
<thead>
<tr>
<th>Performance measure</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Risk-based frameworks or strategies are available on the department’s website and include systems for regular review and update.</td>
<td>The department’s compliance strategy is risk-based, regularly reviewed and updated, as outlined under KPI 5.</td>
</tr>
<tr>
<td>Engagement with relevant industry representatives is undertaken prior to changes to regulatory policies, practices or service standards.</td>
<td>Stakeholder impact analyses are conducted prior to introduction of all new or amended legislation as outlined under KPI 1. Engagement and discussion with industry stakeholders on potential changes to regulatory policies, practices or services standards is undertaken, as outlined in KPI 2.</td>
</tr>
<tr>
<td>Reports to stakeholders and other regulator performance reports are published in the required timeframe.</td>
<td>The department publishes a self-assessment against its Regulator Performance Framework annually. The Report to levies stakeholders is published six-monthly. In 2015–16 the mid-year report was published in February 2015 and the full year report was published in September 2016. To facilitate broader compliance, we make food inspection data reports publicly available. A failing food report is published monthly and imported food six-monthly inspection reports are made available in May and November each year. Compliance and investigation reports on livestock exports are published on the departmental website. Similarly, data about live exports are made available to the public.</td>
</tr>
</tbody>
</table>
Analysis of performance against the key performance indicator

Report to levies stakeholders
Twice a year, the department publishes a report to levies stakeholders, including for levy recipient bodies, industry representative bodies and levy payers. This report outlines the operations and financial performance of levies administration by the department, with particular focus on the fees and charges associated with providing this service and the outcomes of compliance activities. The 2015–16 mid-year report was published on 11 February 2016 and the final 2015–16 report was published on 1 September 2016.

Imported food reports to stakeholders
Food inspected under the department’s Imported Food Inspection Scheme (IFIS) may be subject to analytical testing for particular hazards. The foods listed in these reports have been identified as ‘failing foods’ under the Imported Food Control Act 1992.

The department also publishes imported food six-monthly inspection reports, which are made available in May and November each year. The data used in these reports refer to entries, lines and test results for consignments of food referred by the Department of Immigration and Border Protection to the department for inspection at the rates specified in the IFIS. In 2015–16 the report covering July to December 2015 was published in May 2016.

Compliance and investigation reports on livestock
The department is committed to ensuring compliance with the Exporter Supply Chain Assurance System (ESCAS), which applies to the handling and treatment of exported livestock. Compliance and investigation reports on livestock are published on the departmental website.

Similarly, the data about live exports are made available to the public including:

- twice yearly reports of livestock voyages by sea are provided to the Parliament
- data on volumes of livestock, results of mortality and ESCAS investigations are published on the department’s website and updated quarterly.
KPI 6—Regulators actively contribute to the continuous improvement of the regulatory framework

Our objectives as a good regulator
1) We establish cooperative and collaborative relationships with stakeholders to promote trust and improve the efficiency and effectiveness of our regulatory framework.
2) We engage stakeholders in the development of options to reduce compliance costs.
3) We regularly share feedback from our stakeholders and performance information with policy areas to improve operation of the regulatory framework and administrative processes.

Performance measures

<table>
<thead>
<tr>
<th>Performance measure</th>
<th>Result against performance measure</th>
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</thead>
<tbody>
<tr>
<td>Portfolio industries and other stakeholders are regularly consulted on potential opportunities to reduce unnecessary compliance costs.</td>
<td>Engagement and discussion with industry stakeholders on potential changes to regulatory policies, practices or service standards is undertaken, as outlined in KPI 2.</td>
</tr>
<tr>
<td>Regular updates are provided to policy areas and other agencies regarding stakeholder and regulated entity feedback on regulatory frameworks.</td>
<td>Demonstrated collaboration with other relevant regulators aimed at reducing unnecessary or disproportionate compliance costs, as outlined in KPI 4.</td>
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<tr>
<td>Regular updates to policy areas regarding the effectiveness of the department’s regulatory performance.</td>
<td>In 2015–16 the Illegal Logging Project Board met six times. Key outcomes included: improvements to the project board governance; illegal logging regulation reforms; compliance activities including the initial round of compliance assessments; and improvements to guidance material and approaches. In the export arena, trading partners provide immediate feedback when Australian exports do not meet their import requirements. Industry consultative committees also provide feedback to the department on the impact of regulation on the industries they represent.</td>
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</table>

Analysis of performance against the key performance indicator
As identified at KPI 4, the department collaborates with a number of Australian Government and state and territory agencies – who are performing similar processes – to improve the effectiveness and efficiency of our regulatory frameworks. Departmental service delivery is managed under our function-based structure, which sees staff who perform similar functions organised together into national teams. This approach enables the implementation of national procedures and service standards, to provide a consistent service to our clients.

The senior executive teams from the policy and operational areas meet on a regular basis to review new initiatives that will impact on the regulatory operations, progress on implementation on new or revised policy positions, and operational issues that require policy
input. Issues of particular focus in 2015–16 include initiatives being progressed under the Agriculture Competitiveness White Paper, particularly the review of import conditions, enhancements to the Compliance-Based Inspection System, implementation of web-based management system for import conditions (BICON), continued implementation of plant-related external authorised officer programme and management of hitchhiker pests such as the brown marmorated stink bug.

Departmental staff from the operational and policy areas also work closely on issues identified from border activities, reviews of available scientific information, new and revised import conditions, reports prepared by the Inspector-General of Biosecurity and environmental scanning. In 2015–16 there was a significant focus on the perishable plant pathway, in part arising from the report from the Inspector-General but also because of concerns about the efficacy of risk management measures for addressing the pest Xylella.

The department has formal processes for managing incidents, including the interception and incursion of exotic pests and diseases, which requires the involvement of both policy and operational areas. In early 2016 the incident management process was activated in response to the detection of khapra beetle larvae and adults on imported goods at premises in Adelaide and on Kangaroo Island in South Australia. The department responded in collaboration with the SA Government.

The department develops instructional material and e-training courses to ensure consistent effective implementation of export legislation and importing country requirements. Regular recall days are held for field operations managers and area technical managers, who manage and audit on-plant veterinary activities.

The department’s Forestry Branch, with input from the Targeting and Enforcement Branch, is responsible for managing high level policy issues related to Australia’s illegal logging laws. This includes managing any legislative amendments, broader international engagement on illegal logging issues and coordinating the department’s development of related guidance materials. These functions support the regulatory functions undertaken by the Targeting and Enforcement Branch, which is responsible for assessing compliance with the illegal logging laws and pursuing any identified breaches.

At a department level, the implementation of the illegal logging regulatory framework is overseen by the Illegal Logging Project Board, which is chaired and attended by senior officials from across the department. In 2015–16 the project board met six times and key discussions included: improvements to the project board governance; illegal logging regulation reforms; compliance activities in the first round of compliance assessments; and improvements to guidance material.
Water Efficiency Labelling and Standards scheme

Since 2005 the Water Efficiency Labelling and Standards (WELS) scheme has been the national instrument for encouraging more efficient domestic water use. The scheme has driven reductions in demand for water and greater competition amongst suppliers to improve the water efficiency of their products. Reductions in urban water demand have a positive effect on the environment through reductions in extraction from rivers and storages and decreasing emissions from energy generation.

WELS products include showers, toilets, urinals, taps, flow controllers, dishwashers and washing machines. Under the scheme these products must be registered with the WELS Regulator and carry a water efficiency star rating label to be offered for sale. Suppliers such as retailers, manufacturers, importers, wholesalers, plumbers and online businesses have obligations under the scheme to only supply registered and correctly labelled products. Nearly 600 entities are registered with WELS, with approximately 16,500 fee paying registrations.

The WELS scheme is funded 80 per cent by industry (through registration fees), 10 per cent by the Australian Government and 10 per cent by state and territory governments. It is a national scheme with Commonwealth legislation supported by corresponding legislation in each state and territory.

The WELS scheme was transferred to the Department of Agriculture and Water Resources from the Department of the Environment and Energy on 21 October 2015 through Machinery of Government changes.

To date, WELS scheme compliance and enforcement activities have focused on educating industry about its legal obligations under the Water Efficiency Labelling Scheme Act 2005. All instances of non-compliance identified with the WELS scheme during 2015–16, including allegations, were assessed in accordance with the department’s Biosecurity Compliance Strategy.

WELS has a range of compliance responses at its disposal which escalate according to the seriousness of the non-compliance and responsiveness of the non-compliant entity. Generally, education and/or warnings are used in response to first and less serious non-compliances. This ensures that suspected offenders become aware of legislative requirements.

An independent review of the operation of the WELS scheme was conducted in 2014–15 and concluded that it is appropriate, efficient and effective. The report was finalised in June 2015 and the findings identified challenges and opportunities for improvements that need to be addressed to ensure future benefits are secured at the least overall cost. A joint government response to the review recommendations and a strategic plan to implement agreed recommendations was agreed to by all governments in August 2016. Work is underway to deliver on the strategic plan, such as adopting a risk-based compliance approach, developing education material and investigating streamlining application processes.

In 2015–16 reforms were underway to finalise changes to the standard that underpins the WELS scheme. The outcomes of the revised standard benefit industry by making their labelling
obligations clearer and improving the quality and accuracy of information provided to consumers on product water rating and consumption labels. The revised Water Efficient Products — Rating and Labelling Australian Standard came into legal effect in August 2016 with the signing of a ministerial determination.

**WELS assessment against key performance indicators**

**KPI 1—Regulators do not unnecessarily impede the efficient operation of regulated entities**

*Performance measures*

- Regular, ongoing review of policies, procedures and requirements, including through consultation and engagement with stakeholders, independent experts and industry associations.
- Documented established communication mechanisms with regulated entities, including feedback from existing complaint mechanisms and surveys of regulated entities.

*Response against performance measures*

**WELS Review**

There is a legislated requirement (Section 76 of the WELS Act) for the operation of the WELS scheme to be reviewed every five years. A written report of the review must be tabled in each House of Parliament.

The second independent review of the WELS scheme occurred in 2014–15. The final report of the review was published in June 2015 and tabled in Parliament in September 2015. The review looked at many aspects of the WELS scheme, including the regulatory burden imposed by the scheme on product registrants and suppliers. A number of recommendations came out of the review, aimed at streamlining processes, improving consultation and reducing regulatory burdens on industry where possible.

A joint government response to the review recommendations was subsequently published in August 2016. Recommendations that were agreed or agreed to in principle are:

- the WELS scheme should be retained
- compliance and enforcement activities for the WELS scheme should move to a risk-based approach with improved education, assistance, support and advice provided to help stakeholders meet their obligations. A compliance and enforcement framework should also be developed in consultation with industry
- stakeholder engagement processes for the WELS scheme should be modified, including convening the WELS Advisory Group (WELSAG) to advise on the five yearly independent review cycle, or for proposed material changes to the WELS scheme. As the WELSAG is the primary means by which the department obtains industry views, regular consultation will continue to occur to ensure scheme changes are aligned with industry needs.
- the department should assess the feasibility of additional administrative and procedural changes to reduce costs and improve WELS scheme operation, including:
  - establishing a cooperative compliance programme with all Australian state and territory consumer affairs departments
- a joint testing and compliance programme with the Equipment Energy Efficiency scheme for relevant whitegoods covered under both schemes
- cooperation between Commonwealth agencies, including streamlining registrations processes.

The 2016–19 WELS scheme strategic plan identifies the strategies and actions that will be undertaken to deliver the agreed recommendations.

**WELS Advisory Group (WELSAG)**

WELSAG comprises industry and government representatives, with the department providing secretariat support. The group provides advice on:

- opportunities to improve and streamline the operation of the WELS scheme including reducing regulatory compliance costs for business and the community
- how the scheme is used by consumers, industry and regulators and the interaction with other regulatory arrangements including WaterMark and the Equipment Energy Efficiency (E3) scheme
- the appropriateness of the scheme and the risk and benefits of any proposed changes

During 2015–16 the WELSAG met on one occasion to discuss the recommendations to the Second independent review of the WELS Scheme (final report June 2015).

**Other consultation**

Various industry groups were consulted throughout 2015–16 on an ad-hoc basis relating to scheme enhancements, including:

- Consumer Electronics Suppliers Association (CESA)
- Plumbing Products Industry Group (PPI Group)
- Australian Industry Group (AI Group).

**KPI 2—Communication with regulated entities is clear, targeted and effective**

**Performance measures**

- Demonstrated appropriate consultation with stakeholders prior to significant regulatory or policy changes.
- Decisions are accompanied by a statement of reasons and advice about relevant review or appeal mechanisms, where appropriate.

**Response against performance measures**

As noted in KPI 1 the department consults with WELSAG in relation to any significant regulatory or policy changes.

The department maintains the Water Rating website, which details information about the WELS scheme, such as its aims and objectives, how to register products, how to comply, compliance obligations and penalties for non-compliance. The website is also updated with regulatory and policy advice affecting industry and consumers when available.
Industry is provided secure access to the registration database in order to submit new registrations or update existing registration information. The WELS Regulator provides targeted information to registrants through the registration database when changes are being implemented to assist industry in meeting its compliance obligations.

The WELS Act determines which decisions are reviewable decisions and specifies the requirements that the Regulator must adhere to when these types of decisions are made. Reviewable decisions all relate to product registration activities, such as refusing to register products, suspension or cancellation of product registrations and refusing a request to waive or refund a fee under the Water Efficiency Labelling and Standards (Registration Fees) Act 2013.

Statements of reasons and advice on review and appeal mechanisms are provided where relevant and processes are embedded in registration standard operating procedures. The Regulator did not initiate any reviewable decisions in 2015–16.

KPI 3—Actions undertaken by regulators are proportionate to the regulatory risk being managed

Performance measures

- Compliance and enforcement strategies are published and are consistent with agreed risk management policies.
- Documented enforcement strategy which allows for the compliance records of regulated entities to be considered in determining regulatory actions.

Response against performance measures

To date, WELS scheme compliance and enforcement activities have focused on educating industry about its legal obligations under the WELS Act. During 2015–16 all non-compliances identified with the WELS scheme, including allegations, were assessed in accordance with the department’s Biosecurity Compliance Strategy or the Department of the Environment’s Compliance and Enforcement Policy before the Machinery of Government Changes in October 2015.

WELS has a range of compliance responses at its disposal which escalate according to the severity of the non-compliance, or if non-compliant activity continues. Generally, education and/or warnings are used in response to first and less serious non-compliances. This ensures that suspected offenders become aware of legislative requirements. For serious or continuing non-compliances, enforcement powers under the WELS Act may be used.

As noted in KPI 1, the Second independent review of the WELS Scheme (final report June 2015) identified the need for WELS compliance and enforcement activities to move to a risk-based compliance approach. This included the development of a risk-based compliance and enforcement framework in consultation with industry.

Whilst the review recommendation refers to a ‘framework’, a project was initiated to develop an underpinning compliance and enforcement policy, proposed to set by the Regulator, and a strategy to be developed in consultation with industry.

The purpose of the policy will be to:
set out the approach taken by the Regulator to maximise compliance with the requirements of the WELS Act

set out the compliance and enforcement tools provided by the WELS Act

assist the Regulator in making sound, defensible decisions in relation to compliance and enforcement actions.

The purpose of the strategy will be for industry and the WELS Regulator to guide and focus compliance and enforcement activity over a three year period.

As of 30 June 2016 the work on the policy and a strategy discussion paper was ongoing. It is intended that both the approved policy and strategy will be public documents.

Case Decision Records inform delegates of the compliance history and behaviour of regulated entities before any decision on regulatory action is made. The implementation of the risk-based compliance approach will utilise this information to help formulate appropriate regulatory actions.

**KPI 4—Compliance and monitoring approaches are streamlined and coordinated**

*Performance measures*

- Demonstrated effort to share and receive information among regulators, where appropriate.
- Demonstrated transparency of inspection and monitoring arrangements.

*Response against performance measures*

The department maintains an ongoing and collaborative relationship with a number of government entities. Where appropriate, compliance activities and intelligence is shared with those organisations. This includes referring/reporting non-compliant or faulty products and may facilitate combined investigations or audits of business entities, for example:

- Equipment Energy Efficiency (E3) programme through the Department of Industry, Innovation and Science
- WaterMark scheme through the Australian Building Code Board (ABCB)
- Australian Competition and Consumer Commission (ACCC)
- Office of the Small Business Commissioner.

The Second independent review of the WELS scheme (final report June 2015) recommended that a cooperative compliance programme with all Australian states and territories consumer affairs departments be established. Work on this project will be progressed during 2016–17.
In 2015–16 WELS held meetings with water efficiency regulators from Singapore and China.

The Australian Government sent a delegation to China in June 2016 to promote the WELS scheme to the Chinese Government as a means of helping them to improve the management of their water resources.

Standard operating procedures are in place to guide compliance and enforcement activities undertaken by WELS. These procedures are dynamic documents and are updated as required. All officers appointed as WELS Inspectors under the WELS Act are qualified and undergo training prior to conducting inspections and collecting evidence. As noted in KPI 3, Case Decision Records inform delegates of the compliance history and behaviour of regulated entities before any decision on regulatory action is made. The implementation of the risk-based compliance approach will utilise this information to help formulate appropriate regulatory actions.

**KPI 5—Regulators are open and transparent in their dealings with regulated entities**

**Performance measures**
- Responses to requests from regulated entities are provided within specified timeframes.
- Reasons for information requests are communicated clearly and consistently.

**Response against performance measures**

WELS accepts enquiries from consumers and industry on a regular basis and are initially captured by the department’s Contact Centre Group (CCG) or emails to WELS or WELS Compliance inboxes. A similar arrangement existed when WELS was based in the Department of the Environment. All responses to requests are provided within the timeframes specified in the department’s Service Charter or as legislated. Where appropriate, clients are provided with links to relevant legislation and standards. Where applicable enquiries may be escalated to complaints and become subject to investigation.

Applications for WELS product registrations are processed in a timely manner and clients are advised of the reasons for any applications that could not be processed due to insufficient or inaccurate information.

Following inspections, notices of findings from the inspections are provided to entities with clear and consistent instructions about actions they need to take to become compliant under the WELS Act, including timeframes for action and/or to respond. Entities are provided with WELS contact details to discuss all correspondence.

As with KPI 2 statements of reasons and advice on review and appeal mechanisms are provided where relevant and processes are embedded in registration standard operating procedures. The Regulator did not initiate any reviewable decisions in 2015–16.
KPI 6—Regulators actively contribute to the continuous improvement of regulatory frameworks

Performance measures

- Documented procedures are in place to allow active and regular engagement with stakeholders.
- Documented procedures are in place to facilitate the flow of information between the regulator and policy departments.

Response against performance measures

Refer to KPI 1 for stakeholder engagement.

The WELS Section has policy, communications, registration and compliance functions. Decisions or actions that require a policy ruling are discussed with the WELS policy team and if warranted the WELS Regulator before any advice is provided or reforms to business processes are implemented. Processes for providing information or advice to stakeholders are contained in registration and compliance standard operating procedures.

Other continuous improvement initiatives

As part of the Department of Agriculture and Water Resources, WELS maintains a process of continuous improvement. This includes regular consultation with the Office of General Council (OGC) in order to improve the regulatory frameworks WELS operates within, including streamlining of processes, whilst ensuring the Regulator’s decisions are legally sound.

WELS continually reviews the operation of the WELS Registration Database and standard operating procedures.