



Australian Government
Department of Defence

Department of Defence

Regulator Performance Framework



Annual Self-Assessment Report 2015-2016



Introduction

The Regulator Performance Framework

The Australian Government Regulator Performance Framework (the Framework) was agreed by Government and released on 29 October 2014¹.

The purpose of the Framework is to encourage regulators to minimise their impact on those they regulate. The Framework applies to those Commonwealth entities and functions that have statutory responsibility to administer, monitor or enforce regulation by undertaking some or all of the following activities:

- Licensing and/or approvals processes, including registration or accreditation, that controls entry to or participation in a market;
- Monitoring and compliance activities, including imposing and collecting fees;
- Enforcement actions for non-compliance and complaints resolution; and
- Providing advice and guidance regarding compliance with regulation, including education around compliance.

Self-assessment

Under the Framework, regulators must conduct an annual self-assessment of regulatory activities, have the self-assessment externally validated through an approved stakeholder consultation mechanism and publish a report on the outcomes of this process. The first annual reporting period is from 1 July 2015 to 30 June 2016. This is the Defence Portfolio's first Self-assessment Report under the Framework.

Regulators are to assess their performance against six outcomes-based Key Performance Indicators (KPIs):

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

¹ Further information on the Regulator Performance Framework is available on the [Australian Government's online resource for regulation reform](#)

Regulatory roles within the Defence Portfolio

The Defence Portfolio's primary activities as a regulator involve conducting licensing and approvals processes. The Framework applies to the following two areas within the Defence Portfolio:

- The Defence Export Controls Branch including the AS-US Defence Trade Cooperation Treaty; and,
- Woomera Prohibited Area Coordination Office.

Defence Export Controls

Defence Export Controls (DEC) administers the *Defence Trade Controls Act 2012*, *Defence Trade Controls Regulation 2013*, *Weapons of Mass Destruction (Prevention and Proliferation) Act 1995*, and *Weapons of Mass Destruction Regulations 1995*. Defence Export Controls also administers s112BA of the *Customs Act 1901* and regulation 13E of the *Customs (Prohibited Exports) Regulations 1958* on behalf of the Department of Immigration and Border Protection.

DEC is responsible to the Minister for Defence for regulating the export of defence and dual-use goods as part of Australia's system of export controls.

Australia's export control system reflects the Government's commitment to ensure that proliferation-sensitive goods and technologies are not supplied or exported to states or groups that would be detrimental to Australia's national interests or in contravention of Australia's international obligations and commitments.

Organisations and individuals who supply or export proliferation-sensitive goods and technologies must comply with the regulatory framework and are required to apply for a permit prior to supply or export. DEC processes around 3,500 export permissions annually.

Australia's export control legislation, policies and procedures are reviewed regularly to reflect changes in strategic circumstances and priorities and in Australia's international obligations.

Defence Export Controls – AS-US Defence Trade Cooperation Treaty

In 2007, the Australian and the United States Governments signed the Treaty concerning Defence Trade Cooperation (the Treaty).

The Treaty is intended to improve the efficiency of eligible two-way transfers between Australian Community members and the United States' Community members. Both communities include government and non-government entities that have applied for and been approved as members of the

Approved Community. Each Community is managed by their respective Government.

The membership of Australian Community members and Intermediate Consignees is administered by DEC.

Woomera Prohibited Area Coordination Office

Woomera Prohibited Area Coordination Office (Woomera Prohibited Area Rule 2014)

The Woomera Prohibited Area (WPA) has been declared a 'Prohibited Area' under the Defence Force Regulations 1952 and described in the Woomera Prohibited Area Rule 2014. The WPA is an important Defence capability and testing and evaluation asset that plays a significant role in Australia's national security. The Department of Defence is responsible for ensuring the safety of people and security of trials during all defence activities inside the WPA.

As a declared prohibited area, access to the WPA (excluding some access routes and the Village) for non-Defence use requires prior Commonwealth approval by the way of permission or a permit. Users of the WPA with prescriptive application requirements are: a) Mining and Exploration b) Tourists c) Opal and precious stone prospectors and d) research and environmental.

Assessment and Reporting

Self-Assessment Methodology

The performance metrics developed under the Framework for each of the two Defence Portfolio regulatory areas was approved by the Minister for Defence on 7 August 2015. These metrics assess performance against each of the six KPIs under the Framework with relevant supporting evidence specific to each regulatory activity.

The two Defence Portfolio regulatory areas conducted self-assessments in 2016 and these have been validated through an external review conducted as approved by the Minister for Defence.

Reporting

The final self-assessment reports, performance metrics and evidence provided to support self-assessment and review against the six KPIs is published in the final self-assessment reports at Tables 1 to 3 of Appendix A.

Table 1: Defence Export Controls Branch – 2015-16 Regulator Performance Framework Self Assessment

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
KPI 1 – Regulators do not unnecessarily impede the efficient operation of regulated entities	1.1: Demonstrate an understanding of the operating environment	1.1.1: Engage up stream with stakeholders to ensure prompt decisions and resolve any issues	<p>In July 2015, the Defence Export Controls Branch (DEC) organised a round-table event with over 60 representatives from a number of Australian university and key research institutions. This was an opportunity to provide tailored training to these sectors and allowed for two-way discussion on export controls. The roundtable event was received favourably by these sectors with a representative from one university providing the following feedback - <i>“A very belated thank you for a terrific forum. I have been very impressed with how DEC has engaged with universities in enabling us to set up processes for managing regulatory requirements. And I am very grateful for tools that you have developed, including that really cool little survey that one can undertake. Please do pass on my praise to everyone in DEC.”</i></p> <p>In mid-2015, website content relating to rights of review and guidance for internal compliance programs was released. In early 2016, extensive guidance was published for the life sciences and ICT sectors.</p> <p>In September 2015, DEC provided export control awareness training to all AUSTRADE liaison officers who work with Australian industry. In October 2015, DEC were stall holders at the Pacific 2015 Maritime Exhibition and Conference.</p> <p>In March 2016, DEC undertook public outreach activities in most Australian capital cities to provide information to exporters on export policy and process.</p> <p>In April 2016, comprehensive presentations were conducted at major export control events to industry in Melbourne, Sydney, Brisbane Adelaide and Perth in 2016. Additionally, a number of export control presentations were given as part of the DEC Outreach program. Presentations were also given to Defence Science and Technology Group personnel in conjunction with these industry presentations.</p> <p>In June 2016, DEC representatives attended the Defence and Industry Conference in Canberra and used the opportunity to engage with defence industry on their export control responsibilities.</p> <p>During Financial Year (FY) 2015-16, DEC undertook a significant number of targeted outreach activities. Over this period, DEC engaged with at least a dozen individual companies and research institutions to discuss their export obligations and to assist them in acquiring the most suitable permits to meet their requirements.</p>		<p>Attend and present at key industry events, engage with individual companies and organisations to design tailored licensing solutions and conduct a regular program of outreach activities in most capital cities.</p> <p>Regularly review and refresh all documents, policies, procedures and customer interfaces.</p> <p>Review the current compliance regime and develop a holistic compliance framework. This framework will include the US Trade Treaty (the Treaty).</p> <p>Work with the newly created Centre for Defence Industry Capability and the Defence Innovation Hub to allow for early engagement on export controls surrounding developing technologies.</p>
		1.1.2: Licence/Permit renewal process (Two years export licence to Five years or life of project licence)	<p>Since 16 May 2015, DEC has had the ability to issue permits with a validity period of five years or the life of the project. During FY2015-16, DEC issued 705 permits with a validity period of five years or more. This is approximately, 19% of the permits issued for this FY. Previously, the maximum amount of permit validity was two years. The introduction of this measure has benefited DEC and regular exporters who no longer need to re-apply for permits as frequently.</p>		
	1.2: Take actions to minimise the potential for unintended negative impacts of regulatory activities on regulated entities	1.2.1: Close engagement with stakeholders (Strengthened Export Controls Steering Group and Senate Committee)	<p>Between December 2012 and April 2016, a Steering Group chaired by Australia's then Chief Scientist Professor Ian Chubb AC, oversighted the implementation of the <i>Defence Trade Controls Act 2012</i>.</p> <p>The Steering Group supported DEC's work with stakeholders; as a result, significant collaboration between government, industry and the university sector ensured that a practical risk-based approach was adopted with the view to improve legislation on Australia's export controls. An amendment bill was passed in April 2015 and came into full effect in April 2016. Bespoke working groups for industry, information and communications technology and the life sciences were established. These groups have worked closely with DEC to progressively enhance material, tools such as an online Defence Strategic Goods</p>		

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
			<p>List self-assessment tool, and training modules to resolve implementation issues.</p> <p>The Steering Group has provided feedback to DEC that both the industry and university sectors indicate that the outreach activities conducted by Defence have been successful with the majority indicating they feel ready for the new controls. The Steering Group submitting a final report to the Government in April 2016, their work has concluded.</p> <p>During FY2015-16, there was a Senate inquiry from the Joint Standing Committee on Foreign Affairs, Defence and Trade (JSCFADT) relevant to DEC's operations as a regulator. The 'Inquiry into Government Support for Australian Defence Industry Exports' was completed in December 2015. A chapter of the report focused on DEC's operations and its impact on Australian defence industry. The report found that <i>'during the inquiry, comments in submissions and at public hearings pertaining to DEC's performance were largely favourable. There were some suggested improvements...however; DEC's overall performance was praised.'</i> The three recommendations made by the JSCFADT have since been actioned by DEC.</p>		
KPI 2 - Communication with regulated entities is clear, targeted and effective	2.1: Extensive information on website including approval time periods published	2.1.1: Assessment time for routine applications is up to 15 working days	<p>The DEC website provides detailed information on approval times for permit applications.</p> <p>DEC also publishes quarterly performance reports on the website including statistics on the percentage of applications that were approved within the mandated timeframe.</p> <p>DEC ensures applicants receive regular updates on the status of all active cases. Case managers contact applicants at intervals of no more than two weeks to discuss case progress.</p> <p>In FY2015-16, DEC received 4581 applications. Over 90% of these applications were assessed within the required timeframes.</p>		<p>Continue to publish quarterly performance reports.</p> <p>Endeavour to assess all applications within the required timeframes.</p> <p>Assess the possibility of enhancing detail of published Export Control data.</p>
	2.2: Close stakeholder engagement and open channels of communication	2.2.1: Engage up stream with stakeholders to ensure prompt decisions and resolve any issues.	<p>In addition to activities outlined in 1.1.1, DEC maintains open lines of communication with entities throughout the permit application assessment process. Specific stakeholders are engaged early in the process to ensure timely resolution of issues and applicants are kept apprised developments regularly.</p>		<p>Attend and present at key industry events, engage with individual companies and organisations to design tailored licensing solutions and conduct a regular program of outreach activities in most capital cities.</p> <p>Regularly review and refresh all documents, policies, procedures and customer interfaces.</p> <p>Review the current compliance regime and develop a holistic compliance framework. This framework will include the Treaty.</p> <p>Work with the newly created Centre for Defence Industry Capability and the Defence Innovation Hub to allow for early engagement on export controls surrounding developing technologies.</p>

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
		2.2.2: Online help facility & range of contact options (telephone, email and mail)	The DEC website provides detailed information on Australia's export control framework, policy, key legislation and regulations. There is also an extensive frequently asked questions information available on the website. Telephone, email and mail contact options are provided on the website and on all documents issued by DEC. DEC operates a 1800 number (freecall) service during business hours to enable applicants to contact the DEC team directly. In FY2015-16, DEC received over 4000 phone calls.		Regularly review and refresh all documents, policies, procedures and customer interfaces.
		2.2.3: Conference, news, notices, guidance materials & training modules on website.	News, notices, guidance material and online training modules are available on the DEC website and are regularly updated.		Regularly review and refresh all documents, policies, procedures and customer interfaces. Provide sector specific guidance as required.
KPI 3 - Actions undertaken by regulators are proportionate to the regulatory risk being managed	3.1: Risk-based approach is regularly re-assessed and amended to reflect changing priorities, without diminishing regulatory impact	3.1.1: Risk assessment process determines licensing conditions	In August 2015, DEC introduced Australian General Export Licences (AUSGELS). AUSGELS are five-year broad licences for a pre-approved list of goods and technology going to a pre-approved list of destinations. AUSGELS enables a risk-based approach for lower risk scenarios and reduces the regulatory burden on exporters whose circumstances fit into these categories. 58 companies or organisations were granted AUSGELS in FY2015-16. In FY2015-16, DEC undertook a review of policy surrounding when conditions are applied to permits. A new policy was implemented that reduced the number of conditions and lowered the threshold of when conditions are applied.		Review existing risk based licensing, assessment and approval processes to ensure they are robust, efficient and effective. Refine AUSGELS processes to ensure they remain relevant and useful.
		3.1.2: Licence/Permit renewal process (2 years export licence to 5 years or life of project licence)	Since 16 May 2015, DEC has had the ability to issue permits with a validity period of five years or the life of the project. During FY2015-16, DEC issued 705 permits with a validity period of five years or more. This is approximately, 19% of the permits issued for this FY. Previously, the maximum period of permit validity was two years. The introduction of this measure has benefited DEC and regular exporters who no longer need to re-apply for permits as frequently.		Identify licensing solutions that best suit the needs of applicants whilst balancing risks to Australia's defence, security or international relations. Trial tailored broad permits for the cryptographic sector.
KPI 4 - Compliance and monitoring approaches are streamlined and co-ordinated	4.1: Utilise existing information and shares information with other regulators	4.1.1: Online Defence Export Control System (DECS) provides an automated permits and assessments application process.	Defence Export Control's operations are managed through an IT system – the Defence Export Control System (DECS). This system contains all information from applications to correspondence. The system supports more effective tracking of cases through a range of dashboards, alerts and reports. Application assessment times have significantly improved since DECS introduction in 2013. The system continues to be enhanced and upgraded to meet stakeholder requirements.		Convert the application forms to web forms. In consultation with relevant stakeholders, examine options to make the export application form more user-friendly.
		4.1.2: Sharing of information with other agencies/dept i.e. Customs, Australian Intelligence Community (AIC), non-proliferation counterparts	DEC has a well-established information sharing process regarding export applications through the Standing Interdepartmental Committee on Defence Exports (SIDCE). SIDCE is chaired by the Department of Defence and includes representatives from Prime Minister and Cabinet, Department of Foreign Affairs and Trade (DFAT), the Attorney-General's Department and Australian Border Force (ABF). The Assistant Secretary DEC attends the Senior Executive Service Band One Non-Proliferation Coordination Group bi-monthly meeting and an Operational Working Group Inter-departmental Committee. During FY2015-16, DEC regularly shared information with our international counterparts through export control regime meetings which occur throughout the year.		Seek access to the Australian Firearms Information Network (AFIN). Update DEC Standard Operating Procedures to guide the uploading firearms export permit information into AFIN for access by ACIC, Department of Immigration and Border Protections, the Australian Federal Police and State and Territory police

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
					forces. Where possible, increase information sharing and connectivity with the AFP, State and Territory Police Forces.
KPI 5 - Regulators are open and transparent in their dealings with regulated entities	5.1: Extensive information on website including approval time periods published	5.1.1: Conference, news, notices, guidance materials & training modules on website	News, notices, guidance material and online training modules are available on the DEC website and are regularly updated.		Regularly review and refresh all documents, policies, procedures and customer interfaces. Assess the possibility of enhancing detail of published Export Controls data. Provide sector specific guidance as required.
		5.1.2: Assessment time for routine applications is up to 15 working days	The DEC website provides detailed information on approval times for permit applications. DEC also publishes quarterly performance reports on the website including statistics on the percentage of applications that were approved within the mandated timeframe. DEC ensures applicants receive regular updates on the status of all active cases. Case managers contact applicants at intervals of no more than two weeks to discuss case progress. In FY2015-16, DEC received 4581 applications. Over 90% of these applications were assessed within the required timeframes.		Continue to publish quarterly performance reports. Endeavour to assess all applications within the required timeframes. Assess the possibility of enhancing detail of published Export Controls data.
	5.2: Advice and guidance is widely available to stakeholders, with feedback mechanisms in place to support continuous improvement	5.2.1: Engage up stream with stakeholders to ensure prompt decisions and resolve any issues	In addition to activities outlined in 1.1.1 DEC maintains open lines of communication with entities throughout the permit application assessment process. Specific stakeholders are engaged early in the process to ensure timely resolution of issues and applicants are kept apprised developments regularly. Advice and guidance is available to all stakeholders via the 1800 number (freecall) service during business hours.		Attend and present at key industry events, engage with individual companies and organisations to design tailored licensing solutions and conduct a regular program of outreach activities in most capital cities. Regularly review and refresh all documents, policies, procedures and customer interfaces. Review the current compliance regime and develop a holistic compliance framework. This framework will include the Treaty. Work with the newly created Centre for Defence Industry Capability and the Defence Innovation Hub to allow for early engagement on export controls surrounding developing technologies.

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
		5.2.2: Online help facility & range of contact options (telephone, email and mail)	<p>The DEC website that provides detailed information on Australia's export control framework, policy, key legislation and regulations. There is also extensive frequently asked questions information available on the website. Telephone, email and mail contact options are provided on the website and on all documents issued by DEC. DEC operates a 1800 number (freecall) service during business hours to enable applicants to contact the DEC team directly.</p> <p>In FY2015-16, DEC received over 4000 phone calls.</p>		Regularly review and refresh all documents, policies, procedures and customer interfaces.
KPI 6 - Regulators actively contribute to the continuous improvement of regulatory frameworks	6.1: Seeks regular feedback	6.1.1: Engage up stream with stakeholders to ensure prompt decisions and resolve any issues	<p>In addition to activities outlined in 1.1.1, DEC regularly engages with stakeholders to seek feedback regarding their experience with the application process, targeting specific stakeholders through targeted outreach where necessary, for example, extensive engagement with the university sector to improve the regulatory framework surrounding research.</p> <p>DEC routinely seeks feedback from the Defence Export Controls Working Group. Consisting of representatives from industry and universities, this working group provides DEC with an industry perspective on policy and planning.</p> <p>DEC maintains open lines of communication with entities throughout the permit application assessment process. Specific stakeholders are engaged early in the process to ensure timely resolution of issues and applicants are kept apprised developments regularly.</p>		<p>Attend and present at key industry events, engage with individual companies and organisations to design tailored licensing solutions and conduct a regular program of outreach activities in most capital cities.</p> <p>Regularly review and refresh all documents, policies, procedures and customer interfaces.</p> <p>Review the current compliance regime and develop a holistic compliance framework. This framework will include the Treaty.</p> <p>Work with the newly created Centre for Defence Industry Capability and the Defence Innovation Hub to allow for early engagement on export controls surrounding developing technologies.</p>
		6.1.2: Consistent and regular outreach activities	<p>Although DEC undertook extensive outreach activities as described in 1.1.1, broad public outreach activities in most Australian capital cities could be conducted with more consistency. Although online training materials are available, stakeholder feedback indicates that they prefer regular face-to-face training events from DEC.</p>		<p>Maintain regular "road show" outreach activities in 2016-17.</p> <p>Work with the newly created Centre for Defence Industry Capability to coordinate outreach.</p>
	6.2: Improve and refine licensing and approval process	6.2.1: DECS is fully integrated to deliver a more robust and flexible approach to managing the expanding range of export legislation	<p>DEC began administering new export control laws regulating the supply, brokering and publication of controlled software and technology in May 2015. DEC staff members offer an integrated approach to managing export controls. Applicants advise their proposed activity via an application which DEC staff then assess against the full suite of export control legislation to deliver the required permits.</p>		<p>Review existing risk based licensing, assessment and approval processes to ensure they are robust, efficient and effective.</p> <p>Dedicate exclusive resources to focus on export control legislation and policy.</p> <p>To deliver a consistent and integrated approach DEC will consider an organisational</p>

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
					restructure. Identify licensing solutions that best suit the needs of applicants whilst balancing risks to Australia's defence, security or international relations.

Table 2: Australia-US Defence Cooperation Trade Treaty – Regulator Performance Framework Self Assessment 2015-16

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
KPI 1 – Regulators do not unnecessarily impede the efficient operation of regulated entities	1.1: Implement continuous improvement strategies to reduce the costs of compliance for those they regulate	1.1.1: Stakeholder and industry consultation on policies and procedures	<p>The Defence Export Controls Branch (DEC) Trade Treaty Team (Treaty Team) undertook regular consultation with United States Department of State (USDoS) Directorate of Defense Trade Controls through VTC, email and annual meetings.</p> <p>A Post Implementation Review was completed in August 2015 in accordance with Office of Best Practice Regulation directions. The review process involved surveys of Treaty users. The Review found that the regulatory framework meets the intent of both Governments and produces a cost benefit to those that opt into it. However, as the Treaty was relatively new in existence and the scope of its application is diverse, nominating benefits in specific terms was limited.</p> <p>DEC has a specific website with all key documents, legislation, regulations and policy. There is also a hotline to enable industry to contact the Treaty Team directly. In October 2015, DEC were stall holders at the Pacific 2015 Maritime Exhibition and Conference.</p> <p>In March 2016, DEC undertook public outreach activities in most Australian capital cities to provide information to exporters on export policy and process, including the Treaty.</p> <p>In April 2016, comprehensive presentations were conducted at major export control events to industry in Melbourne, Sydney, Brisbane Adelaide and Perth in 2016. Additionally, a number of export control presentations were given as part of the DEC Outreach program. Presentations were also given to Defence Science and Technology Group personnel in conjunction with these industry presentations.</p> <p>In June 2016, DEC representatives attended the Defence + Industry Conference in Canberra and used the opportunity to engage with defence industry on their export control responsibilities and the Treaty.</p> <p>During Financial Year (FY) 2015-16, DEC undertook a significant number of targeted outreach activities. Over this period, DEC engaged with at least a dozen individual companies and research institutions to discuss their export requirements and to assist them in acquiring the most suitable permits to meet their requirements and to advise on the benefits of signing up to the Treaty.</p>		<p>A United States – Australia Treaty Management Board is planned to be held late 2017 in accordance with the Implementing Arrangement. This will include direct discussions and negotiations with the US Treaty Managers including the US DoS. Industry consultation will occur in conjunction with the Board. The Board will conduct industry visits and discussions.</p> <p>Initiate a direct consultation role with Capability Acquisition and Sustainment Group (CASG) Materiel Export Controls to provide time critical advice to Defence customers throughout the Capability Life Cycle.</p> <p>Attend and present at key industry events, engage with individual companies and organisations to design tailored licensing solutions and conduct a regular program of outreach activities in most capital cities.</p>
		1.1.2: Documented application and compliance processes	<p>DEC's operations, including those of the Treaty Team, are managed through an IT system – the Defence Export Control System (DECS). This system retains all information from applications, correspondence, and compliance. This system allows simple and complex reports and research to be created with little to no impact on key stakeholders.</p> <p>Parts of the application and compliance checks are self assessed. The Australian Community Manual and Defense Trade Control Treaty (DTCT) Compliance Policy Manual explain these checks and are available on the Treaty website.</p> <p>The restrictions on the use of Treaty are presented on the website in detailed lists. These allow users of the Treaty to self-manage and investigate any limitations.</p>		<p>Create a review schedule for all documents, policies, procedures and customer interfaces.</p> <p>Audit the current compliance regime to identify risks inherent in our procedures and where these can be better managed.</p>

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
	1.2: Take actions to minimise the potential for unintended negative impacts of regulatory activities on regulated entities	1.2.1: Data sourced from other government agencies	The Defence Security and Vetting Service (DSVS) and the Department of Immigration and Border Protection (DIBP) supply information for the application assessment process for Community Members. A review is being undertaken on interagency cooperation, standing operating procedures and streamlining procedures.		Review and consolidate effort within and from outside of DEC to ensure duplication does not occur. Approach agencies, such as the Department of Immigration and Border Protection, to participate in information sharing during compliance checks. This would allow cross checking of all submitted information to reduce on-site inspections and reporting requirements by customers.
		1.2.2: Information only sought for demonstrated requirements	Information is gathered from customers using smart-forms on DECS. This allows the gathering of data to be specific, uniform and meet DEC's requirements. See self assessments in 1.1.2.		The meeting of United States and Australia Treaty Management Board in 2017 will address proposals to simplify and streamline compliance requirements.
KPI 2 - Communication with regulated entities is clear, targeted and effective	2.1: Close stakeholder engagement and open channels of communication	2.1.1: Outreach and industry engagement	DEC's Trade Treaty Team (Treaty Team) undertook regular consultation with United States Department of State (USDoS) Directorate of Defense Trade Controls through VTC, email and annual meetings During Financial Year (FY) 2015-16, DEC undertook a significant number of targeted outreach activities. Over this period, DEC engaged with at least a dozen individual companies and research institutions to discuss their export requirements and to assist them in acquiring the most suitable permits to meet their requirements and to advise on the benefits of joining the Australian Approved Community.		See 1.1.1 Source annual reports from all Australian Community members, identifying use of the Treaty.
		2.1.2: Feedback mechanisms and timely responses	In FY2015-16, DEC received over 4000 phone calls. The Treaty website provides detailed information on the Treaty including all key documents, legislation, regulations and policy. There is also an extensive frequently asked questions information available on the website. Telephone, email and mail contact options are provided on the website and on all documents issued by the DEC Treaty Team. DEC operates a 1800 number (freecall) service during business hours to enable applicants to contact the DEC Treaty Team directly. The Treaty Team uses these mechanisms to provide timely assessment feedback to applicants, quickly respond to request for information and provide regular updates on the Treaty. In late 2015, Treaty enquiries became backlogged due to resource constraints. In January 2016, following an organisational review, responsibilities for Defence's Treaty management and the associated staff functions were transferred from Arms Control Branch in Strategic Policy Division to the Defence Export Controls (DEC) Branch in the newly-formed Defence Industry Policy Division. All outstanding enquiries were address by the end of March 2016.		Create a review schedule for all documents, policies, procedures and customer interfaces.
	2.2: Extensive information on website including approval time periods published	2.2.1: Accessible, plain language guidance (online, by email or telephone hotline)	The guidance currently in place is easily accessible. The language is not consistent amongst all documents and platforms.		Rewrite documents and correspondence to ensure consistent language. Transfer writing into flowcharts and process guides were possible.

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
		2.2.2: Regulatory decisions clearly communicated and explained	<p>Comprehensive presentations were conducted at Export Control events in all major cities.</p> <p>All decisions involving customer outcomes are communicated in writing with avenues of review and obligations specified.</p> <p>DEC has a specific website with all key documents, legislation, regulations and policy. There is also a hotline to enable industry to contact the Treaty Team directly.</p>		The website will be changed to become more user friendly and process driven.
KPI 3 - Actions undertaken by regulators are proportionate to the regulatory risk being managed	3.1: Risk-based approach is regularly re-assessed and amended to reflect changing priorities, without diminishing regulatory impact	3.1.1: Applicant self assessment against published frameworks	The restrictions on the use of Treaty are presented on the website in detailed lists. These allow users of the Treaty to self-manage and investigate any limitations.		<p>Create a review schedule for all documents, policies, procedures and customer interfaces.</p> <p>Review the current compliance regime and develop a holistic compliance framework. This framework will include the US Trade Treaty.</p>
		3.1.2: Compliance management plan published and guidance issued	Compliance requirements are detailed in the Australian Community Manual. The approval documentations specify the conditions with which compliance is checked.		The Australian Community Manual compliance section will be updated to become more process focused. Checklists will be introduced.
		3.1.3: Authorised officers formally trained and qualified in compliance	In-late 2015, the Treaty moved from Strategic Policy Division to DEC Branch, Industry Policy Division. Resulting staff changes means that DEC is rebuilding its Authorised Officer capability.		<p>Review the current compliance regime and develop a holistic compliance framework. This framework will include the US Trade Treaty.</p> <p>New Authorised Officers will be identified and trained.</p>
		3.1.4: Resolution by negotiation at the lowest possible level	<p>In FY 2015-16, there were no minor violations and no major violations reported. Minor violations of the Treaty, with no mal-intent can be rectified with DEC advice and increased monitoring in the first instance.</p> <p>In FY2015-16, there were no Membership Denials.</p>		
KPI 4 - Compliance and monitoring approaches are streamlined and co-ordinated	4.1: Utilise existing information and shares information with other regulators	4.1.1: Compliance management plan published and guidance issued	<p>DEC's operations, including those of the Treaty Team, are managed through an IT system – the Defence Export Control System (DECS). This system retains all information from applications, correspondence, and compliance. This system allows simple and complex reports and research to be created with little to no impact on key stakeholders.</p> <p>Parts of the application and compliance checks are self assessed. The Australian Community Manual and Defense Trade Control Treaty (DTCT) Compliance Policy Manual explain these checks and are available on the Treaty website.</p> <p>The restrictions on the use of Treaty are presented on the website in detailed lists. These allow users of the Treaty to self-manage and investigate any limitations.</p>		<p>Audit current compliance regime to develop a new holistic compliance framework. This framework will include the Treaty.</p> <p>Qualify a number of Authorised Officers and compliance assessors to provide advice to customers.</p>
		4.1.2: Annual member self assessment against published frameworks	<p>The Australian Community Manual details the framework with which a Community Member must comply. The requirements are also detailed in the application form and the approval notice.</p> <p>In FY2015-16, the restrictions on the use of Treaty are presented on the website in detailed lists. These allow users of the Treaty to self-manage and investigate any limitations.</p>		<p>Audit all documents, policies, procedures and customer interfaces.</p> <p>Review the current compliance regime and develop a holistic compliance framework. This framework will include the US Trade Treaty.</p>

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
	4.2: Regulators base monitoring and inspection approaches on risk	4.2.1: Authorised officers formally trained and qualified in compliance	In-late 2015, the Treaty moved from Strategic Policy Division to DEC Branch, Industry Policy Division. Resulting staff changes means that DEC is rebuilding its Authorised Officer capability.		New Authorised Officers will be identified and trained.
		4.2.2: Compliance monitoring visits by negotiation	A comprehensive compliance program for the DTC Act, including Treaty compliance, is currently being developed and implemented. As a result, there was no Defence initiated compliance undertaken during the reporting period. DEC is rebuilding its Authorised Officer capability.		New Authorised Officers will be identified and trained.
		4.2.3: Exception reports for non-compliant occurrences	In FY 2015-16, there were no minor violations and no major violations reported. Minor violations of the Treaty, with no mal-intent can be rectified with DEC advice and increased monitoring in the first instance.		
KPI 5 - Regulators are open and transparent in their dealings with regulated entities	5.1: Extensive information on website including approval time periods published	5.1.1: Accessible, plain language guidance (online, by email or telephone hotline)	<p>In FY2015-16, DEC received over 4000 phone calls.</p> <p>The Treaty website provides detailed information on the Treaty including all key documents, legislation, regulations and policy. There is also an extensive frequently asked questions information available on the website.</p> <p>Telephone, email and mail contact options are provided on the website and on all documents issued by the DEC Treaty Team. DEC operates a 1800 number (freecall) service during business hours to enable applicants to contact the DEC Treaty Team directly. The Treaty Team uses these mechanisms to provide timely assessment feedback to applicants, quickly respond to request for information and provide regular updates on the Treaty.</p> <p>In late 2015, Treaty enquiries became backlogged due to resource constraints. In January 2016, following an organisational review, responsibilities for Defence's Treaty management and the associated staff functions were transferred from Arms Control Branch in Strategic Policy Division to the Defence Export Controls (DEC) Branch in the newly-formed Defence Industry Policy Division. All outstanding enquiries were address by the end of March 2016.</p> <p>The guidance currently in place is easily accessible. The language is not always consistent amongst all documents and platforms.</p>		Rewrite key user guides and manuals to ensure consistent language and process driven presentation of information.
		5.1.2: Regulatory decisions clearly communicated and explained	<p>All decisions involving customer outcomes are communicated in writing with avenues of review and obligations specified.</p> <p>DEC has a specific website with all key documents, legislation, regulations and policy. There is also a hotline to enable industry to contact the Treaty Team directly.</p>		DEC will continue to update and review correspondence throughout the reporting period as processes, documents and/or policies change.
	5.2: Advice and guidance is widely available to stakeholders, with feedback mechanisms in place to support continuous improvement	5.2.1: Feedback mechanisms and timely responses	<p>Comprehensive presentations were conducted at Export Control events in all major cities.</p> <p>DEC has a specific website with all key documents, legislation, regulations and policy. There is also a hotline to enable industry to contact the Treaty Team directly. Key documents include user guides.</p>		Create more process driven guidance (e.g. flow charts, checklists).
KPI 6 - Regulators actively contribute to the continuous improvement of regulatory frameworks	6.1: Conduct regular engagement with regulated entities and representative bodies to identify areas for improvement	6.1.1: Post implementation review of the regulation	<p>A Post Implementation Review was completed in August 2015 in accordance with Office of Best Practice Regulation directions. The review found that the legislative and regulatory framework has the potential to bring benefits to Australian Community Members by providing opportunities for the supply and sustainment of eligible US export controlled technology to the Australian Government.</p> <p>The review also found that since the legislation and regulation came into effect in mid-2013, there has been a steady uptake in Australian Community Membership although the number of transactions has been modest. This remains the case throughout the reporting period.</p>		See 1.1.1

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
		6.1.2: Annual stakeholder forums or surveys regarding regulation, application and compliance policies and processes	<p>A Post Implementation Review was completed in August 2015 in accordance with Office of Best Practice Regulation directions. The review process involved surveys of Treaty users. The Review found that the regulatory framework meets the intent of both Governments and produces a cost benefit to those that opt into it. However, as the Treaty was relatively new in existence and the scope of its application is diverse, nominating benefits in specific terms was limited.</p> <p>Annual reports were sourced from all Australian Community members, identifying use of the Treaty.</p> <p>Comprehensive presentations were conducted at Export Control events in all major cities. See 1.1.1</p>		See 1.1.1

Table 3: Woomera Prohibited Area Coordination Office – Regulator Performance Framework Self Assessment 2015-16

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17	
KPI 1 – Regulators do not unnecessarily impede the efficient operation of regulated entities	1.1: Implement continuous improvement strategies to reduce the costs of compliance for those they regulate	1.1.1: Source regulated entities, representative bodies and industry feedback on policies and procedures via Woomera Prohibited Area (WPA) Coordination Office service support hotline and inbox	<p>Information is available on the WPA Coordination Office website. A Telephone hotline and email enquiry service is also in operation.</p> <p>Other feedback channels have included (1) stakeholder consultation for the WPA Advisory Board Annual Report, and (2) public and targeted stakeholder consultations for reviews that have been undertaken in 2016 in respect of the Post Implementation Review of the WPA Rule 2014 and an Interim Review of the WPA Rule 2014.</p> <p>The WPA Advisory Board met twice in 2016. Members of the Board may advocate on behalf of stakeholders.</p>		Proactively seek feedback from key user groups through designated stakeholder engagement activities.	
	1.2: Take actions to minimise the potential for unintended negative impacts of regulatory activities on regulated entities	1.2.1: Extant WPA Coordination Office databases track the time taken to process applications against mandated legislative requirements	1.2.1: Extant WPA Coordination Office databases track the time taken to process applications against mandated legislative requirements	<p>Database provides this metric.</p> <ul style="list-style-type: none"> Approximately 98% of Approved Personnel applications processed within mandated timeframes since introduction of the Rule. Approximately 95% of Exploration Permits issued within mandated timeframes since introduction of the Rule. 		
		1.2.2: WPA Coordination Office performance metrics are published via the WPA Quarterly Report	1.2.2: WPA Coordination Office performance metrics are published via the WPA Quarterly Report	Metrics are published in the WPA Quarterly Reports, WPA Advisory Board Annual Report and the 2016 Post Implementation Review of the WPA Rule 2014.		Examine annual performance against mandated requirements and identify remediation strategies to address any shortcomings identified.
KPI 2 - Communication with regulated entities is clear, targeted and effective	2.1: Close stakeholder engagement and open channels of communication	2.1.1: Regulated entities, representative bodies and industry consultation on policies and procedures via WPA Coordination Office service support hotline and inbox	Information is available on the WPA Coordination Office website. Telephone hotline and email enquiry service in operation.		<p>Undertake assessment of website currency and accessibility.</p> <p>Remain responsive to telephone hotline and email enquiry services.</p>	
		2.1.2: Direct engagement with regulated entities and representative bodies to source feedback about communication mechanisms	<p>Feedback channels include stakeholder consultation for the WPA Advisory Board Annual Report and through WPA Coordination Office staff attendance at industry and stakeholder forums.</p> <p>Public and targeted stakeholder consultations for reviews have been undertaken in 2016 in respect of the Post Implementation Review of the Defence Act Amendments and an Interim Review of the WPA Rule 2014. Feedback validated the current communication channels and methodology.</p>		<p>Continue direct engagement with stakeholders to seek feedback about the preferred and most effective communication mechanisms.</p> <p>Foreshadow targeted stakeholder communications in the lead up to 2018 Review.</p>	
KPI 3 - Actions undertaken by regulators are proportionate to the regulatory risk being managed	3.1: Risk-based approach is regularly re-assessed and amended to reflect changing priorities, without diminishing regulatory impact	3.1.1: Annual review of identified risks and mitigation strategies put in place by WPA Coordination Office	Risk assessment framework is subject to review.		Commence Risk assessment framework review.	

Key Performance Indicator	Measures	Evidence	Self-Assessment	Materiality	Actions for 2016-17
		3.1.2: Undertake consultation with regulated entities, representative bodies and industry to discuss the current regulatory requirements managed by WPA Coordination Office	Stakeholders were given the opportunity to comment on the operation of the WPA Rule 2014 during consultations for the Post Implementation Review of the WPA Rule 2014 and an Interim Review of the WPA Rule 2014.		Foreshadow targeted stakeholder communications in the lead up to 2018 Review.
		3.1.3: Subsequent amendment of regulatory activities based on this advice	No change.		Consider as relevant to 2018 Review.
KPI 4 - Compliance and monitoring approaches are streamlined and co-ordinated	4.1: Utilise existing information and shares information with other regulators	4.1.1: Regularly engage with the Air Force Compliance Management Team (CMT) assigned to conduct Woomera specific monitoring activities	The CMT is engaged and provides quarterly reports of compliance monitoring activities.		Ongoing program.
		4.1.2: Use of the Defence Policing and Security Management System (DPSMS) to record and action compliance breaches	Undertaken by CMT staff.		Ongoing program.
		4.1.3: Authorised officers formally trained and qualified in compliance management	Yes. Ongoing program.		Ongoing program.
KPI 5 - Regulators are open and transparent in their dealings with regulated entities	5.1: Extensive information on website including approval time periods published	5.1.1: Providing clear guidance material on the website, service hotline and inbox	Information available on the WPA Coordination Office website. Telephone hotline and email enquiry service in operation.		Undertake assessment of website currency and accessibility. Remain responsive to telephone hotline and email enquiry services.
		5.1.2: Regulatory decisions clearly communicated and explained in all correspondence	Yes. Regulatory provisions cited in permits and correspondence.		Ongoing program.
	5.2: Advice and guidance is widely available to stakeholders, with feedback mechanisms in place to support continuous improvement	5.2.1: Conduct of workshops with regulated entities and representative bodies when regulations are amended	Public and targeted stakeholder consultations for reviews have been undertaken in 2016 in respect of the Post Implementation Review of the Defence Act Amendments and an Interim Review of the WPA Rule 2014.		Foreshadow targeted stakeholder communications in the lead up to 2018 Review.
KPI 6 - Regulators actively contribute to the continuous improvement of regulatory frameworks	6.1: Conduct regular engagement with regulated entities and representative bodies to identify areas for improvement	6.1.1: Formal 2018 WPA post implementation review of the new regulatory scheme	Scheduled for 2018.		Commence preparations for 2018 Review.
		6.1.2: Annual regulated entities and representative body forums which include discussion of regulation policies and processes	Feedback channels include stakeholder consultation for the WPA Advisory Board Annual Report and through WPA Coordination Office staff attendance at industry and stakeholder forums. The WPA Advisory Board met twice in 2016. Members of the Board may advocate on behalf of stakeholders. Public and targeted stakeholder consultations for reviews have been undertaken in 2016 in respect of the Post Implementation Review of Defence Act Amendments and an Interim Review of the WPA Rule 2014.		Continue direct engagement with stakeholders to facilitate improvement and inform the 2018 Review.