



Environment Compliance Reform Program

The Department of Agriculture, Water and the Environment (DAWE) has commenced a program to strengthen and reform its environmental compliance function.

The reform program responds to recommendations from the Auditor-General Report No. 47 of 2019-20, *Referrals, Assessments and Approvals of Controlled Actions under the Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), recommendations from the independent review of the EPBC Act conducted by Professor Graeme Samuel AC, and the results of an internal review of the environment compliance function.

The department's environmental compliance function has dedicated and professional staff who have achieved a range of important enforcement and compliance outcomes. For example, industry representatives have increased voluntary engagement with the department after infringement notices were issued for breaches of approval conditions. Other recent examples include seizing goods and disrupting illegal wildlife trafficking through multiple criminal prosecutions leading to substantial custodial sentences. Nevertheless, the reviews have identified key areas for improvement, including governance, information technology and information management, resourcing, compliance risk prioritisation, and prioritisation of compliance effort across environment regulatory programs.

Already, the department has:

- Increased resourcing for the environment compliance function, including increased staffing by 20% since May 2021.
- Procured a modern investigations case management IT system, the Compliance Intelligence and Investigations Management System (CIIMS)
- Established new governance arrangements, including an Environment Compliance Executive Board chaired by a deputy secretary

During financial year 2021/22, the department will:

- Implement a new Case Categorisation and Prioritisation Framework for assessing and responding to non-compliance risk across regulatory programs. This will provide a formal framework for identifying non-compliance risk and focusing resourcing on priority areas. Our compliance and enforcement activities will become even more targeted to ensure our laws achieve the outcomes they were designed to deliver.
- Publish our Compliance Policy which outlines our approach to recognising regulated entities that comply and how we respond to those that do not comply. Where the risk of non-compliance is low, we seek to educate and maintain awareness. When risk increases, we apply penalties and revoke permissions. Where risk is highest, we apply the full force of the law.
- Finalise and implement a regulatory information management strategy which will include completing the roll out of the new CIIMS IT system. CIIMS will improve how we



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manage information from the initial report of an allegation to its resolution and facilitate data sharing with program areas.

- Strengthen our operational intelligence collection, including strengthening our engagement with the Australian Border Force, Australian Federal Police, and other relevant Commonwealth and State/Territory agencies.
- Establish an independent Environment Assurance Commissioner.

During financial year 2022/23, the department will:

- Fully incorporate CIIMS into our operational model including integration with other key systems to:
 - identify potential compliance risks and
 - inform our regulatory decisions and environmental approvals processes.
- Implement enhanced compliance training for authorised officers as part of the broader divisional capability uplift framework.
- Increase the use of innovative technologies (such as unmanned aerial vehicles and high-resolution satellite imagery) to detect and respond to non-compliance.
- Improve the efficiency in which we engage subject matter experts to assist with monitoring and enforcement activities.
- Deliver a National Environmental Standard for compliance and enforcement.

Background

The department's Compliance and Enforcement Division has a dedicated Environment Compliance Branch. The Branch is responsible for managing compliance with the rules for a wide range of environmental regulatory areas and legislation. The Branch includes criminal investigators, civil compliance and audit functions, supported by compliance strategy and intelligence functions. During 2021/22 and 2022/23 the department will continue to implement compliance reform improvements as outlined in the figure below.

Environment Compliance Reform Program

2021/22

Governance

- Initiated comprehensive environment compliance reform program
- Established Environment Compliance Executive Board (ECEB)
- Increased executive-level reporting
- Establish an independent Environment Assurance Commissioner

Resources

- Environment compliance branch staff increased
- Contractors to clear backlog of EPBC management reports

Capability

- Compliance Intelligence & Investigations Management System (CIIMS)
- Case Categorisation & Prioritisation Model (CCPM) Framework
- Implemented Compliance and Regulatory Information Strategy
- Improved strategic and operational intelligence capabilities

Partnerships/Communication

- Compliance risk and prioritisation workshops
- Published Compliance Policy
- Commonwealth agency partnerships strengthened
- Consult with stakeholders on recommendations of the EPBC Act review relating to compliance and enforcement, including developing a National Environmental Standard for compliance and enforcement

2022/23

Governance

- Risk-based compliance plans for all regulatory program areas
- Automated compliance reporting
- Deliver a National Environmental Standard for compliance and enforcement

Resources

- Expanded network of specialist to assist with compliance delivery
- Updated workforce training

Capability

- CIIMS integrated into other departmental systems
- Compliance activities prioritised using CCPM

Partnerships/Communication

- Targeted engagement and education with regulated industries
- Increased community engagement
- State & Territory agency partnerships strengthened