



Australian Government
Department of Foreign Affairs and Trade

Jan Adams AO PSM
Secretary

Ref: EC25-000669

Senator the Hon Penny Wong
Minister for Foreign Affairs
Parliament House
CANBERRA ACT 2600

Dear Minister

Thank you for your letter of 7 March 2025, attaching your Statement of Expectations for the Department of Foreign Affairs and Trade in performing regulatory functions in relation to Australian sanctions and the Foreign Arrangements Scheme.

I attach the Statement of Intent which sets out my intentions as Secretary regarding how the department proposes to meet the expectations set out in your Statement of Expectations and the priorities the department will observe in conducting its operations. This includes contributing to the Government's regulatory reform agenda, displaying and progressing the principles of regulator best practice and demonstrating innovation and regulatory change.

The Statement of Expectations and Statement of Intent will be published on the department's website.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Jan Adams'.

26 March 2025

Encl: Statement of Intent

DEPARTMENT OF FOREIGN AFFAIRS AND TRADE

STATEMENT OF INTENT

This Statement of Intent sets out my intentions as the Secretary of the Department of Foreign Affairs and Trade regarding how the department will meet the expectations in the Ministerial Statement of Expectations set by the Minister for Foreign Affairs.

I will ensure that the department fulfils its operational responsibilities as set out in the Statement of Expectations and the legislation underpinning each of the following regulatory functions:

- Australian sanctions under the:
 - *Autonomous Sanctions Act 2011* and subordinate legislation, and
 - *Charter of the United Nations Act 1945* and subordinate legislation.
- The Foreign Arrangements Scheme, established by the *Australia's Foreign Relations (State and Territory Arrangements) Act 2020* (Foreign Relations Act).

The Government's policies and objectives

Regulatory reform agenda

The department is committed to contributing to the regulatory reform agenda by reducing unnecessary or duplicative regulatory costs and working with international partners to identify opportunities that improve the quality of regulation. The department will maintain focus on ways to boost productivity through improving regulator performance, capability and culture through regulatory stewardship.

To support the Government's regulatory reform agenda, the department will:

- seek opportunities to reduce duplication and streamline processes to improve efficiency, both internally and with other regulators;
- act in accordance with regulator best practice in decision-making, policies, processes and communication practices, including publishing the Ministerial Statement of Expectations and this Statement of Intent on the department's website for greater transparency and accountability, and
- embed the Statement of Expectations, and the Department of Finance's *Regulator Performance Resource Management Guide* (RMG128) (July 2023) and its three best practice principles into the corporate documents including Corporate Plans and annual reporting required under the *Public Governance, Performance and Accountability Act 2013* and Public Governance, Performance and Accountability Rule 2014.

Principles of regulator best practice

The department will display and progress the three principles of regulator best practice set out in the Minister's Statement of Expectations.

To embed the three principles of regulator best practice from RMG 128 into its work, the department will progress the following:

1. Continuous improvement and building trust

- Undertake work to introduce the Regulatory Policy Practice and Performance Framework (August 2024) into regulatory management.
- Deliver training to ensure staff have relevant knowledge of the regulatory craft and the industry they regulate and are empowered to identify and implement improved practices.
- Establish a set of organisational values for each regulatory function that articulates the expected regulatory culture and posture.
- Negotiate memoranda of understanding between the Australian Sanctions Office and other regulators to govern and facilitate information-sharing and other operational collaboration.
- Increase collaboration between the Foreign Arrangements Branch and other agencies involved in resilience and transparency measures to achieve better regulatory outcomes.

2. Risk-based and data-driven

- Observe the Australian Sanctions Office Compliance Policy which articulates the department's approach to risk and proportionate enforcement of sanctions law.
- Adopt a compliance strategy for Foreign Arrangement Branch that articulates the department's approach to risk and compliance with the Foreign Arrangements Scheme.
- Actively utilise intelligence and data to inform a risk-based approach to compliance and enforcement, including sharing and publishing data where appropriate and permitted.
- Actively monitor and plan for risks that may have flow-on effects for operations in accordance with the department's enterprise risk management policy.
- Develop and maintain infrastructure to support effective and safe data use and solutions to minimise regulatory burden.

3. Collaboration and engagement

- Undertake programs of regulatory outreach that provide stakeholders a range of consultation mechanisms that ensure stakeholders can easily engage, seek assistance and provide feedback.
- Publish up-to-date, clear, concise and accessible guidance, information and early notification of operational changes on the department's website and via mailing subscription lists to assist regulated entities with compliance.

Innovation and regulatory change

In an increasingly complex and challenging international environment, the department will continuously monitor the regulatory environment to keep pace with changes in foreign policy and international regulation. I will ensure the department continues to improve its capability for sanctions monitoring and enforcement and provide advice to government on reforming

Australia's sanctions laws to ensure they are fit for purpose and easier to understand. The department will also consider any recommendations from the independent review of the Foreign Relations Act as announced by the Minister in June 2024.

Relationship with Minister and portfolio

The department acknowledges its role in supporting the Minister and the Government in performing their regulatory functions. The department will continue to engage in a productive and transparent relationship with the Minister and to provide timely advice on any issues as they arise, including any major changes to regulatory policy.