



DFAT ARTIFICIAL INTELLIGENCE POLICY

Purpose	This policy establishes the framework for the responsible, ethical, and effective use of artificial intelligence (AI) in the Department of Foreign Affairs and Trade (DFAT).
Legislation	AI usage must be consistent with Australian law, regulations, and policies. Of particular relevance: • <i>Public Governance, Performance and Accountability Act 2013</i>, and the Protective Security Policy Framework (PSPF) • <i>Privacy Act 1988</i>, including the Australian Privacy Principles (APPs) • <i>Archives Act 1983</i> • <i>Freedom of Information Act 1982</i> • AI Plan for the Australian Public Service • Policy for the Responsible Use of AI in Government
Audience	This policy applies to all DFAT staff, contractors, labour-hire workers, third-party providers, and any other individuals who access DFAT information, systems, or devices. It applies regardless of location, employment status, or whether AI is used on DFAT-managed or personal devices when DFAT information or business activities are involved. Anyone using AI in connection with DFAT work must comply with this policy and all other relevant DFAT policies, procedures, and lawful directions.
Scope	This policy covers the use of AI tools, systems, services, and features used to generate, analyse, classify, summarise, translate, predict, recommend, or automate content or decisions. It includes public AI tools, enterprise-approved AI capabilities, internally hosted AI systems, and AI embedded in other software or services. It applies to both structured and unstructured data, including text, documents, email, audio, image, and other digital content.
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Last Reviewed	Nil
Revision Point	Within the first 3 months of operation, and at least every six months thereafter
Owner	Office of Data, Analytics, and AI (ODAAI) Issued by: Chief Data and AI Officer (CDAIO), AI Accountable Officer (AIAO), and Chief Information Security Officer (CISO)

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Vision

1. DFAT will harness AI as a strategic enabler to advance Australia's interests, while maintaining the highest standards of ethics, security, and accountability.
2. AI will be adopted where it demonstrably improves the quality, speed, or efficiency of outcomes for Australians and for DFAT's mission.
3. It will not be adopted where it introduces unacceptable risk to staff, Australia's national interests, individual privacy rights, or the integrity of decision-making.

Governance

4. Use of AI in DFAT is overseen by the:
 - a. Chief Data and AI Officer
 - b. AI Accountable Officer
 - c. Data and Artificial Intelligence Steering Committee.
5. Responsibilities for key officers are set out below.

Staff responsibilities

6. All staff are required to ensure they read, understand, and follow all relevant policies and procedures, including:
 - a. Australian Government Policy for the Responsible Use of AI
 - b. DFAT ICT Acceptable Use Policy
 - c. DFAT Information Management Policy
 - d. DFAT AI Policy (this policy)
 - i. Non-compliance with this policy may result in an investigation under the DFAT Security Framework or Ethics, Integrity and Professional Standards Policy Manual.
7. All staff are also required to complete the '[AI in Government Fundamentals](#)' training module, available on Lumi.
8. Staff are responsible for the use of AI outputs, and must:
 - a. review AI outputs carefully
 - b. verify accuracy, relevance, completeness and currency
 - c. take responsibility for any decision or document that relies on AI-generated content
 - d. check whether inputs or outputs contain sensitive information – including considering privacy, secrecy, and legal professional privilege obligations
 - e. follow guidance on prompts and use of outputs below (paragraphs 21 through 27 refer)
 - f. include the following disclaimer on any substantive product produced using AI
 - i. 'AI was used in the [production] of this [product], including [detail how AI was used]'
9. There should always be a human in the loop for any product developed using AI
 - a. AI must not be used for automated decision making.
10. Personal information should be protected, and only be used where it is necessary, lawful, fair and connected to DFAT functions or activities

- a. further information about the use of personal information is below (paragraphs 12 through 14 refer).
- 11. Manage all content consistent with the *Archives Act 1983*, *Freedom of Information Act 1982*, and DFAT Information Management Policy
 - a. AI generated content it is subject to the same requirements and obligations under the Archives Act as other information assets created for similar business purposes with similar content and value
 - b. there may be circumstances in which inputs or prompts also need to be retained as evidence of how AI outputs were created
 - c. AI prompt and outputs may be subject to the FOI Act
 - i. relevant AI prompts and outputs must be included when undertaking documents searches in relation to an FOI request.

Personal information

- 12. Be careful when generating or inferring personal information and sensitive information.
- 13. You must:
 - a. verify that all personal information is accurate, up-to-date, complete and relevant before relying on it
 - b. protect personal information from misuse, interference, loss, or unauthorised access, modification, or disclosure
 - c. only generate or infer personal information where it is reasonably necessary for, or directly related to, one or more of DFAT's functions or activities
 - i. sensitive information must only be generated or inferred with the consent of the individual, or where an exception to the Privacy Act applies
 - d. obtain consent for the collection, use and disclosure of personal information, including sensitive information, where required
 - i. avoid using personal information for a secondary purpose (i.e. a purpose other than the one it was originally collected for) unless the individual has consented, or an exception to the Privacy Act applies.
- 14. Please seek advice from privacy@dfat.gov.au if you have any questions regarding compliance with the Privacy Act.

Legal proceedings

- 15. Where AI outputs are used in legal proceedings, ensure that the outputs comply with all relevant court rules and practice notes.
- 16. Remember that AI outputs (and prompts, including prompt logs) may be subject to discovery in litigation.

Manager responsibilities

- 17. Managers are responsible for:
 - a. ensuring their staff understand and act according to their responsibilities in this and other DFAT policies, including reporting requirements
 - b. seeking approval from artificial.intelligence@dfat.gov.au before supporting any higher risk AI use case
 - i. for example, the use of AI with sensitive information.

Reporting requirements

18. Any incidents, including use of AI that contravenes this or other DFAT policies, and or inappropriate content, hallucinations, inaccurate responses, or biased outputs, must be immediately reported to artificial.intelligence@dfat.gov.au and cyber.operations@dfat.gov.au.
19. Any incidents that may affect legal rights and obligations, whether DFAT's or a third party's, must be reported to privacy@dfat.gov.au (for privacy-related incidents) or to cml@dfat.gov.au (for all other legal incidents).
20. Data breaches and spills must be reported through established incident management protocols, including lodging a DSF Category C Security Incident Report immediately after an incident is detected
 - a. where an AI incident involves personal information, follow the procedures in the DFAT Privacy Breach Response Plan.

Prompt guidance

Copilot

21. Special consideration should be given for Prompts that retrieve, generate, or consider the following types of information, and must be consistent with relevant legislation and policy controls
 - a. confidential information
 - b. sensitive information as defined in the Privacy Act
 - c. information or datasets that are likely to be subject to legislative secrecy obligations
 - d. any Tax File Numbers (TFNs), or information associated with TFNs
 - e. legal advice or other information that is subject to legal professional privilege
 - f. information or documents related to a matter that involves, or could potentially involve, a dispute or litigation
 - g. information in which a third party owns the intellectual property rights in the materials used in the prompt, including any music, videos or documents.
22. Prompts must not direct Copilot to take any actions that would involve automated sharing of any information outside of DFAT.
23. If unsure, seek further guidance from artificial.intelligence@dfat.gov.au.

Public web-based AI tools

24. In addition to the Copilot guidance above, prompts in public AI tools must not include information
 - a. above the Official classification
 - b. that references or might reasonably identify specific departmental teams, suppliers, grantees, partner government entities, other organisations or fact scenarios
 - c. from which it would be reasonably possible to infer that the information is provided by, or in relation to the department or to a particular matter, policy, project or program
 - d. that is subject to orders or directions made by, or undertakings given to, an Australian state or territory court or tribunal restricting publication, use, or access, or material that is covered by a secrecy provision in legislation.

Use of outputs guidance

25. Always consider if the output produced by AI contains personal information, confidential information, material that is likely to infringe a third party's intellectual property rights, or information that is subject to legal professional privilege
 - a. this includes:
 - i. checking for any direct identifiers such as names or contact details
 - ii. looking at the underpinning sources to see if they contain any personal information
 - iii. considering if the information in the output may indirectly identify an individual, for example, because it contains specific details about that individual that are likely to make that person reasonably identifiable
 - i. whether a person is 'reasonably identifiable' is an objective test that has practical regard to the context in which the issue arises
 - ii. even though it may be technically possible to identify an individual from information, if doing so is so impractical that there is almost no likelihood of it occurring, the information would not generally be regarded as 'personal information'.
26. If the output contains personal information, consider if the intended use of that personal information is consistent with the purpose for which the personal information was originally collected by DFAT
 - a. if it is an inconsistent use of the information, remove the information before using the output
 - iv. this could be achieved by deidentifying the information so there is no reasonable likelihood the relevant individual could be identified.
27. If a new document is created from the output, ensure that it is appropriately classified, considering the source information underpinning it.

Enterprise tools

Enterprise M365 Copilot

28. There are two versions of Copilot available to DFAT staff on ICN Low
 - a. Copilot Basic – Copilot chatbot with limited features
 - b. Copilot Premium – advanced Copilot integrated into the Microsoft M365 suite of products, including Outlook, SharePoint, Teams, Word, Excel, PowerPoint, OneNote, and Notebook, as well as a more advanced chatbot.
29. Both versions of Copilot are rated to handle information up to Protected.
30. To meet security requirements, web grounding for Copilot Chat is turned off
 - a. this means that as at 6 July 2026, Copilot web content is accurate only up to August 2025.
31. Copilot Premium is available to all DFAT APS staff
 - a. access will be removed if the capability is not used regularly, or for noncompliance with this and related policies
 - b. once removed, access may be regained following completion of a MyIT request.
32. Copilot Premium access for other DFAT staff, including Locally Engaged Staff (LES), contractors, and secondees, will be provided based on business need.

33. Copilot Studio (advanced agent development tool) and Dataverse is currently restricted to technically qualified staff in the Information Management and Technology Division (IMD) and Office of Data, Analytics, and AI (ODAAI).

34. Copilot Cowork is not available to DFAT staff.

Public web-based AI tools

35. DFAT has approved access to specific public web-based AI tools

- a. currently this includes ChatGPT, Claude, DeepL, NotebookLM, Gemini, Perplexity, and Grok.

36. Access requires submission of a MyIT request, including:

- a. setting out the proposed use case(s) and completing a risk assessment
- b. acceptance of the Conditions of Use
- c. manager approval.

37. Any change to the use case must be notified to artificial.intelligence@dfat.gov.au.

DFAT developed tools

38. Use of DFAT developed AI tools may have additional use requirements, set out within the tool.

Other AI capabilities

39. Procurement or use of any other AI tool must first be approved by the Data and AI Steering Committee (DAISC)

- a. staff should email odaai@dfat.gov.au for guidance.

Key AI roles and responsibilities

Role	AI Policy Responsibilities
Chief Data and AI Officer (CDAIO)	Drives AI adoption across DFAT, including identifying new opportunities, and championing change. Leads implementation of DFAT's AI Strategy, and whole-of-government and international engagement on DFAT AI adoption.
AI Accountable Officer (AIAO)	Manages DFAT AI risk and compliance.
Chief Information Security Officer (CISO)	Ensures AI systems comply with the PSPF and DFAT cybersecurity standards.
Chief Information Officer (CIO)	Ensures AI tools are integrated into DFAT ICT architecture in accordance with approved design patterns.
Chief People Officer (CPO)	Oversees workforce capability uplift for AI literacy.
SES Officers	Accountable for appropriate AI use within their area, including championing its use and ethical AI behaviours.
All DFAT staff	Responsible for using AI tools in accordance with DFAT policies.