



**Australian Government**

**Department of Foreign Affairs and Trade**

# INCOMING SECRETARY BRIEF – OPERATIONS

**JULY 2021**

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# YOUR DEPARTMENT

## OVERVIEW

The DFAT you are inheriting is a very different organisation to that which your predecessor took up in 2016. Our response to the **COVID-19 pandemic** has reshaped the department's operations, both in Australia and across the overseas network. We have refocused our development and strategic policy priorities and dramatically expanded the scale of consular service delivery to Australians.

The COVID-19 pandemic is the latest in a series of events that have changed the organisation over the past decade. It builds on changes brought about by the integration of AusAID in 2013, the sharper focus on the Indo-Pacific region since the Foreign Policy White Paper in 2017 and the Pacific Step-up in 2018, which led to the creation of the Office of the Pacific.

So, today, **DFAT is a complex organisation** which:

- develops foreign, strategic, development and trade policy advice to government;
- manages the majority (92 per cent) of Australia's \$4 billion official development assistance program – with our investments concentrated in 27 Indo-Pacific countries;
- prosecutes Australian interests overseas, including conducting multilateral and trade negotiations;
- delivers passports and consular services to Australians; and
- manages a whole-of-government global presence comprising 113 diplomatic missions (embassies, high commissions and consulates) in 85 countries.

Effective enabling services and systems are

essential to the department's capacity to carry out these functions. We are continuing to progress **corporate and governance reforms**. The HR Modernisation program and recent reforms to the department's governance bodies are two such key initiatives.

There is a significant need to modernise DFAT's systems, which were formed to service a more narrowly focused organisation and agenda. As DFAT's functions have become more complex, we need to broaden the capability base of our staff to match. **s47E(d)**

Reform efforts are mainly aimed at ensuring the organisation can meet government expectations for policy, program and service delivery; that we can sustain our effort over time; and to manage our risks and accountabilities. **s47C & s47E(c)**

Our highest priority is to **sustain our global operations and support staff welfare** in the pandemic. We have supported posts through supplementing staff, rolling out vaccines for overseas staff and streamlining official travel to Australia. Intensive recruitment efforts are underway to close the gap between our actual ASL and our cap. **s47E(c)**



## YOUR DEPARTMENT

s47E(c)

Nevertheless, we have sustained high levels of staff engagement and commitment, which is borne out in the results of the APSC's State of the Service survey. We continue to make strong progress on staff diversity, meeting and exceeding our 2020 Women in Leadership targets of 40 per cent women at the SES Band 2 level and 43 per cent at the Band 1 level.

Our efforts at **remedying DFAT's operating budget issues** over the past two years have borne fruit. But there is still work to do. Facing cumulative deficits of \$485 million between 2019-20 and 2022-23, we implemented an efficiencies and savings program to reduce those deficits by \$323 million. In parallel, DFAT successfully secured more than \$2 billion in new funding over the past two Budgets. Our focus is now on implementation and delivery.

s47E(d)

# YOUR DEPARTMENT



Minister for Foreign Affairs and Minister for Women  
Senator The Hon Marise Payne

Minister for Trade, Tourism and Investment  
The Hon Dan Tehan MP

Minister for International Development and the Pacific  
Senator The Hon Zed Seselja

Minister for Regional Health and Minister Assisting the Minister for Trade and Investment  
The Hon Dr David Gillespie MP

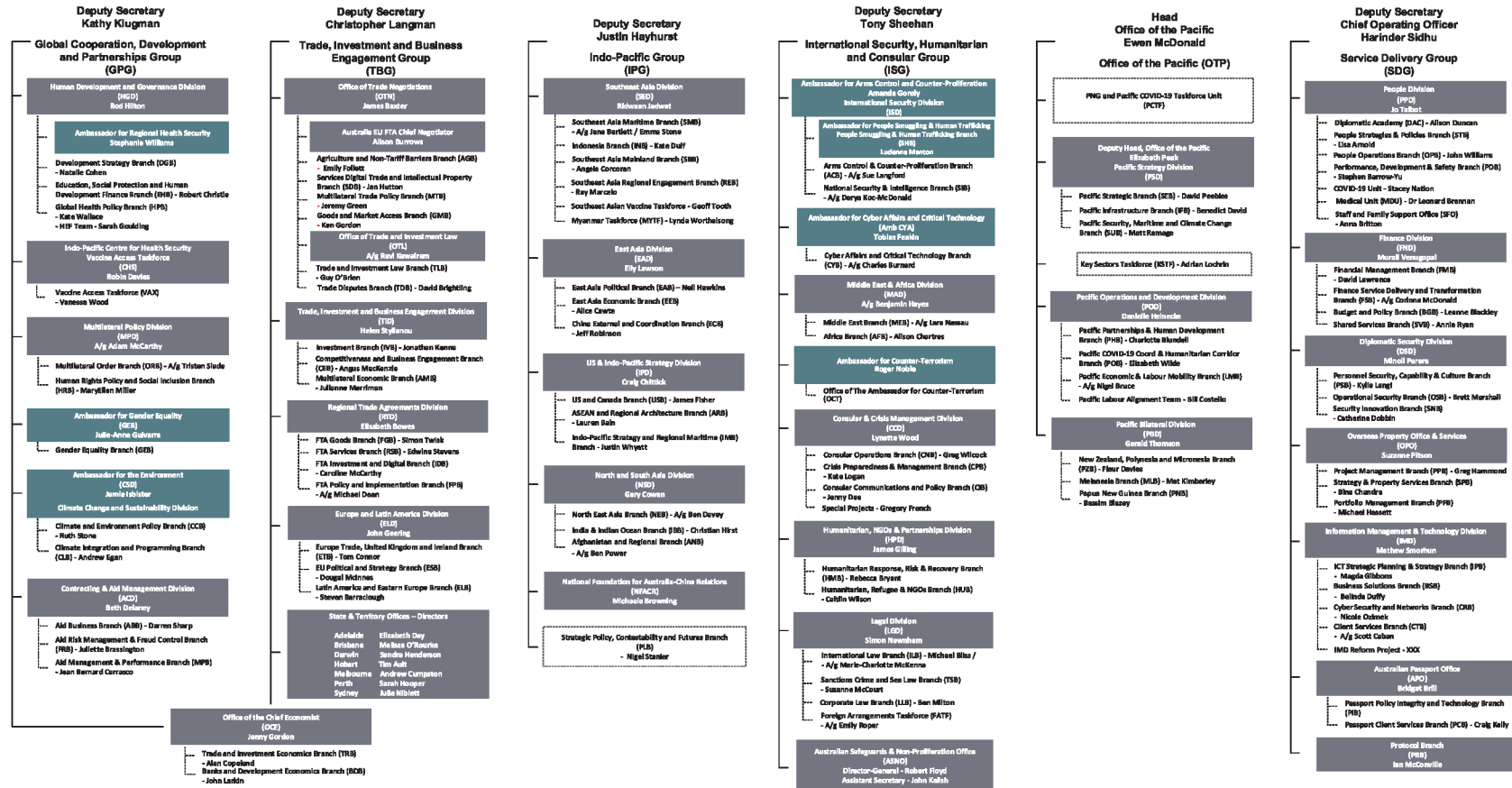
Minister for Regional Tourism and Assistant Minister for Children and Families  
The Hon Michelle Landry MP

## Secretary

Internal Audit Branch (IAB)  
Samantha Montenegro

\*COVID-19 Coordination Unit (CCU)  
Head - Frances Lamm  
David Neethy  
Joanne Lounides

Executive Division (ED)  
A/g Chris Cattan  
Cabinet Strategy, Ministerial and Parliamentary Branch (CSB) - Robert Ferguson  
Organisational Strategy Branch (OSB) - Jo Stevens  
Communications Branch (CB) - A/g Tonya Bennett  
Public Diplomacy Branch (PUB) - Lisa Wright  
Dubai Expo 2020 Taskforce (DET) - Justin McDowen



\* Reports to Departmental Executive | \*\* Office of the Pacific is also responsible for enhancing whole of Government coordination in the Pacific

Effective as at 9 July 2021

Figure 1. Organisational structure

## YOUR DEPARTMENT

## OUR GLOBAL NETWORK

In the midst of heightened strategic competition in the Indo-Pacific and an international order under intense stress, a strong diplomatic network is essential for protecting and advancing Australia's national interest.

DFAT is the lead agency managing Australia's international presence. Against the FY2021-22 approved Average Staffing Level (ASL) cap of 5,985, we have 5,658 ASL (3,600 APS and 2,058 Locally Engaged Staff [LES]) located in Canberra, in each state and territory, and across our overseas network (as at 30 June 2021).

We manage a network of 113 overseas posts across five continents (see Figure 2), with an additional nine posts managed by Austrade providing consular services. We closed the Embassy in Kabul on 28 May 2021 due to security concerns. Our global property portfolio is worth \$3.27 billion and includes 124 owned properties.

Of DFAT's APS staff, 840 work in frontline positions overseas and are supported by LES. This represents about half of DFAT's overall

s47E(c)

staffing. LES provide a vital complement for the capacities of APS staff. They bring essential technical expertise, in-country knowledge, networks and continuity. In some cases (e.g. ACIAR), LES lead their agency's representation in the host country.

Leading our posts are our Heads of Mission and Heads of Post (HOM/HOPs). These officers are the senior representatives of the Australian Government in the host or accredited country, nominated by the Foreign Minister, in consultation with the Prime Minister, and appointed by the Governor-General in Federal Executive Council. As Secretary, you play an important role in putting forward candidates to government. s47E(c) & s47E(d)

People Division administers two bulk HOM/HOP posting rounds per year, supplemented by smaller, ad hoc processes as needed. The next round is expected to be in October. HOM/HOP incumbents are generally at the SES level, although some positions can be filled by high-performing EL2 candidates.

s47E(c)

DFAT's role in the global network has changed in the last 20 years. From being the dominant agency, we now share the space with 1312 A-Based and 1850 LES from 28 Australian Government partner agencies (see Table 1). As per the Prime Minister's directive, DFAT is responsible for providing whole-of-government leadership and coordination

at post, in addition to advancing trade and foreign policy priorities for which we have direct responsibility.

DFAT is also responsible for supporting partner agencies at post through the Service Level Arrangement for Management Services, which offers over 200 services to these agencies to

## YOUR DEPARTMENT

support their staff and operations, including financial management, human resources, and property and fleet management. DFAT is the legal employer of partner agency LES at DFAT-managed posts on behalf of these agencies and is responsible for engaging staff, setting terms and conditions of employment and managing any terminations of employment.

Operating a global network of this scale carries significant overheads for DFAT's corporate services. s47E(c) & s47E(d)

Our global network is smaller than those of comparable economies and, on current numbers of posts, we are second last in the G20 (Saudi Arabia ranks last) and 20th in the OECD (behind countries such as Belgium, Hungary, Greece and Chile).

	30 June 2017			30 June 2018			30 June 2019			30 June 2020		
	A-based	LES	Total	A-based	LES	Total	A-based	LES	Total	A-based	LES	Total
<b>DFAT</b>	897	2419	<b>3316</b>	869	2298	<b>3167</b>	858	2276	<b>3134</b>	<b>833</b>	<b>2106</b>	<b>2939</b>
<b>PA</b>	1262	1902	<b>3164</b>	1270	1873	<b>3143</b>	1305	1901	<b>3206</b>	<b>1312</b>	<b>1850</b>	<b>3162</b>
Total	2158	4322	<b>6480</b>	2139	4171	<b>6310</b>	2165	4177	<b>6340</b>	<b>2145</b>	<b>3956</b>	<b>6101</b>

Table 1. DFAT and partner agency positions at post 2017–2020

Despite having fewer DFAT A-based positions overseas, our international footprint continues to grow. We have continued to expand our engagement with the Pacific, in line with the Pacific Step-up, by opening new posts in the region – most recently Majuro (Republic of the Marshall Islands) in May 2021, Papeete (French Polynesia) in May 2021, and Alofi (Niue) in August 2020.

s47E(d)

DFAT also has a broad reach domestically through its State and Territory Offices (STOs). They play an important role across all policy responsibilities as the primary interface between key domestic stakeholders, including state and territory governments, business and industry and education institutions, as well as engaging with the consular corps in each jurisdiction. Engaging with Australian businesses to help them navigate market disruptions, including via market intelligence sourced from both the STO and global networks, has been a key element of the department's contribution to Australia's economic recovery.

# DFAT WORKFORCE BREAKDOWN

TOTAL  
HEADCOUNT  
**6183**



Note – Contractors are excluded  
Headcount numbers as at 31 May 2021

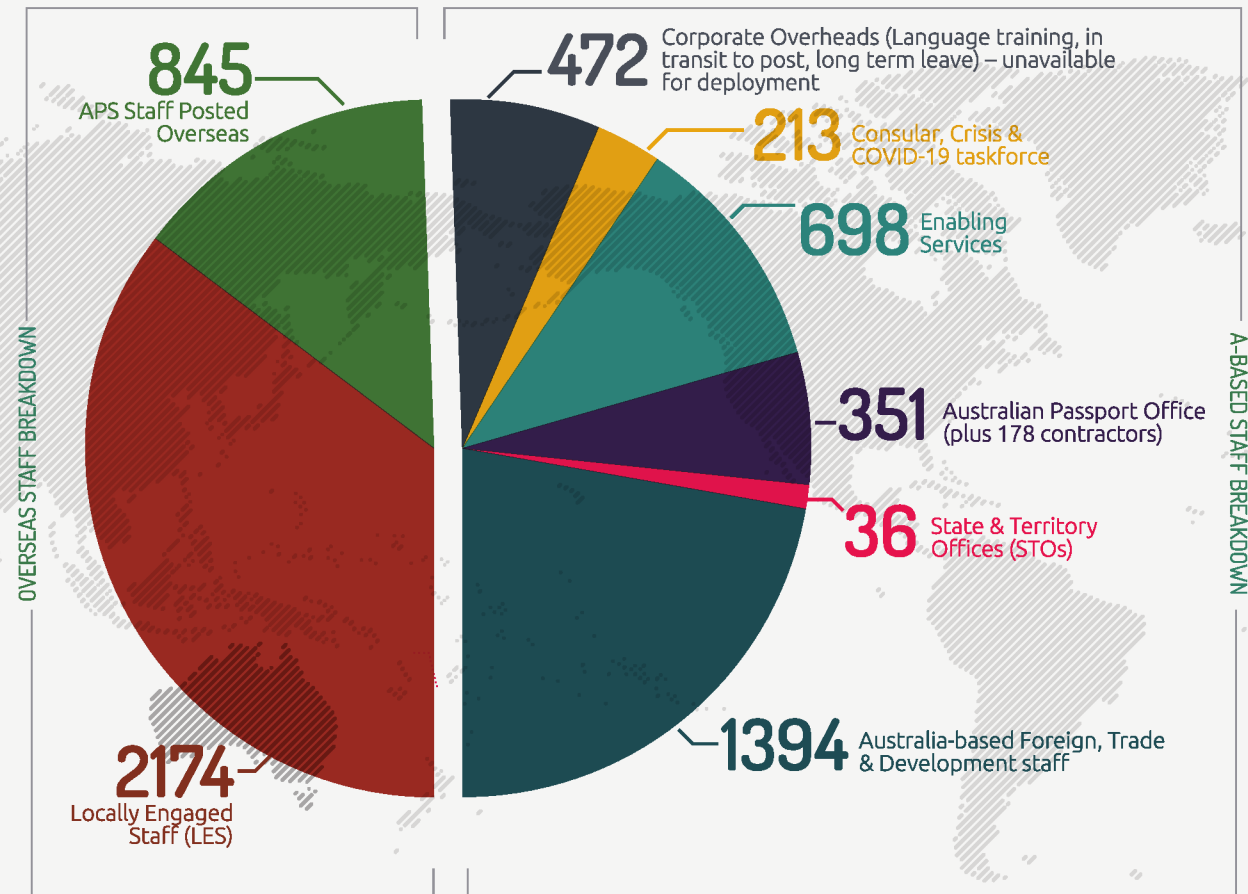


Figure 3. DFAT workforce breakdown



## YOUR DEPARTMENT

# AUSTRALIAN GOVERNMENT FOOTPRINT

## AT DFAT-MANAGED POSTS\*

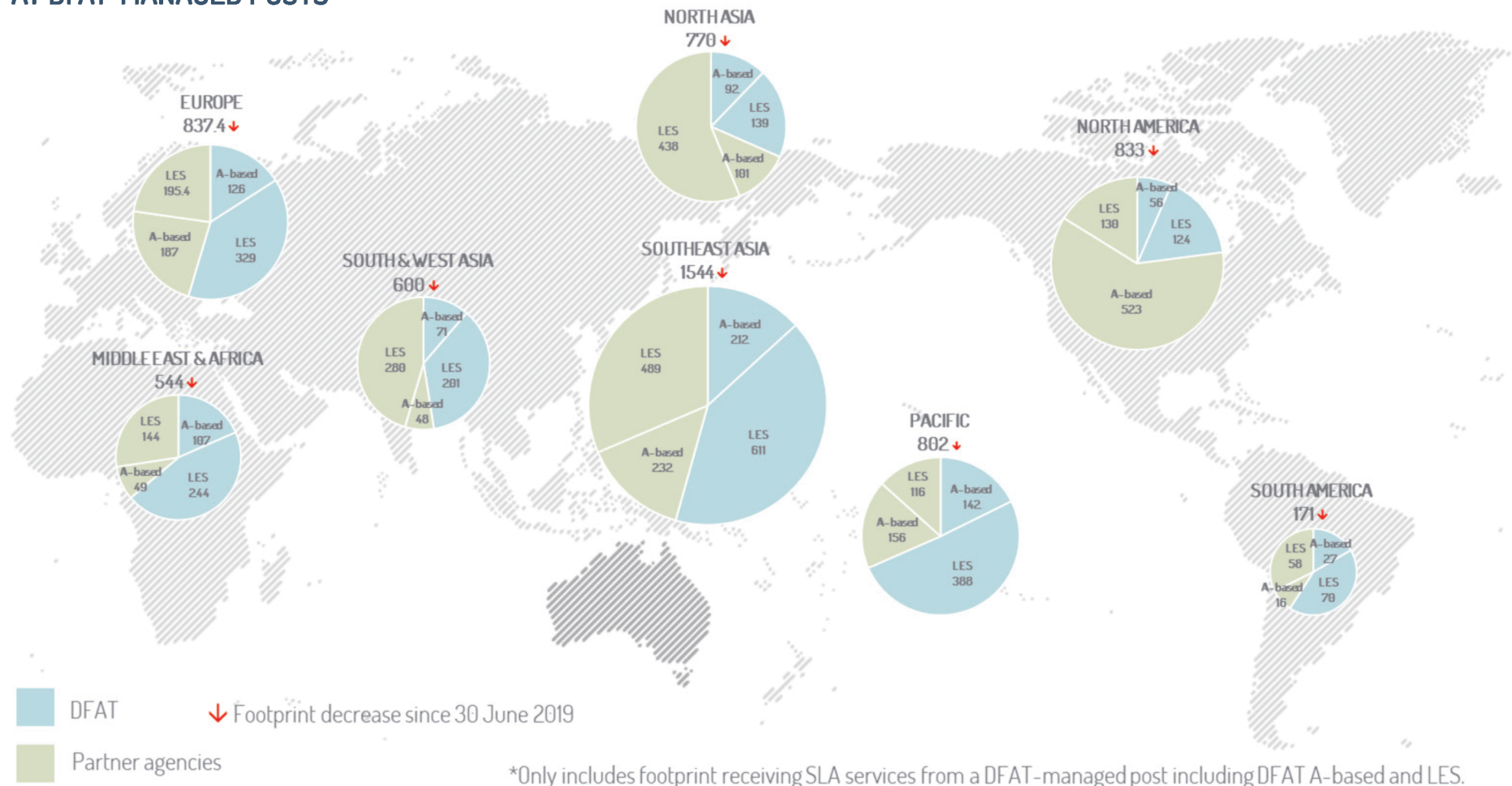


Figure 4. Australian Government international footprint at DFAT-managed posts

# OUR PEOPLE

## WORKFORCE CHALLENGES

s47E(d)

The department's APS FTE allocation for FY2021-22 is 3867.9, up 126.6 FTE from FY2020-21. As of 30 June 2021, the department's actual FTE was 3666.1, which is -201.8 FTE against our FY2021-22 allocation. Currently 42 per cent of staff are at the APS level and the largest cohort of staff is at the EL1 level (see Figure 3 for the department's APS workforce profile).

To help address our FTE shortfall, we are implementing several initiatives, including accelerated external recruitment rounds, increasing the number of s.26 transfers to address immediate skills gaps, and increasing our 2022 Graduate Trainee intake by around 20 (to a total of 60). s47E(c) & s47E(d)

Based on our 2021 recruitment plan, we have so far run SES Band 1 and Band 2 rounds to fill critical gaps and deliver diverse merit lists to support upcoming senior vacancies, as well as APS6 and EL1 foreign, trade and development policy bulk rounds, and a number of specialist corporate rounds. s47E(c)

Efforts to accelerate our recruitment processes are paying dividends. The success of the APS6 and EL1 bulk round in May-June 2021 has provided a valuable pilot of fast-tracked recruitment that will be used to inform recruitment activity over the next year.

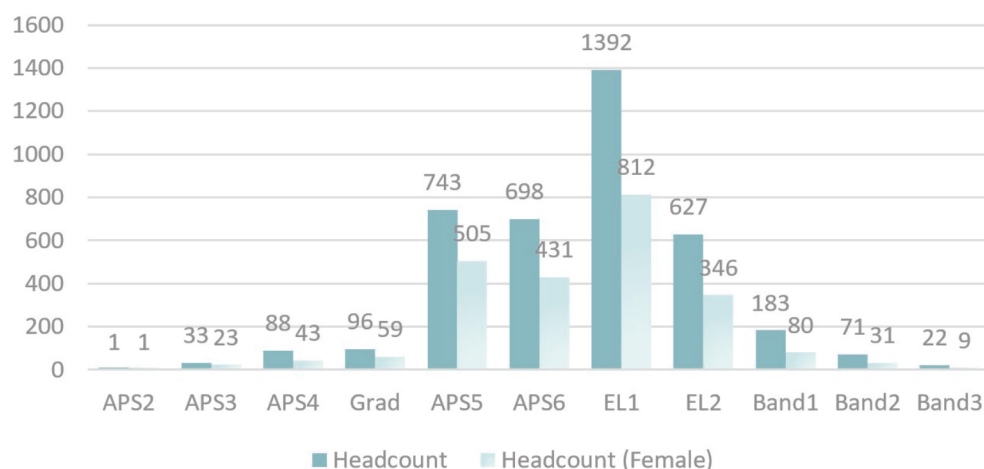


Figure 5. DFAT's APS workforce profile

## OUR PEOPLE

### COVID-19 IMPACT

Our workforce has been at much higher risk of exposure to COVID-19 because of the locations in which we work. As at 8 July 2021, we have 40 active COVID-19 cases and 554 recovered cases across all Australian Government A-based staff, accompanying dependants, LES and contractors in the overseas network. Posts have operated using COVID-safe protocols, with many working remotely or in split teams, since the start of the pandemic. These arrangements have helped us continue operations and reduce the COVID risk to staff.

s47E(c) & s47E(d)

Restrictions on international movements of staff due to WHS risks and Australian and global travel constraints continue to impact on our ability to operate internationally and create uncertainty for our staff.

s47C & s47E(d)

We are working to offer vaccines to all Australian Government A-based staff, accompanying dependants and LES in the overseas network. The overseas vaccine rollout is proceeding ahead of schedule and within budget. At 8 July 2021, more than 70 per cent of the target population of 7000 had received one or more doses.

s47E(c)

### OVERSEAS STAFFING

The overseas network is under pressure following an unprecedented number of posting withdrawals and declining interest in postings in the COVID-19 environment. As at 8 July 2021, 148 staff had terminated their posting early, or withdrawn before deployment, due to COVID-19 related concerns. s47E(c) & s47E(d)

s47E(c) & s47E(d)

s47E(c)



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## OUR PEOPLE

Since the onset of COVID-19, the Staff and Family Support Office (SFO) has seen an increase in staff requesting its services for psychological advice and support. s47E(c)

Extended lockdowns, sustained workload pressures, and limited or no opportunities for respite or travel to Australia, are a feature of many COVID-era postings. Some teams have not seen each other in person for more than 15 months. Due to workload pressures and a lack of travel options, use of Annual Leave is down across the overseas network, and in Australia (see Figure 8). This is adding to fatigue and risk of burnout.

The rollout of COVID-19 vaccines to the overseas network is proving an effective treatment for some mental health concerns. Posts are reporting that the relief of receiving

a vaccine and the increased freedom to socialise has had positive effects on staff wellbeing.

The department has increased SFO resourcing, with a focus on LES and A-based families. The SFO has launched bespoke training and resources for staff and managers tailored to COVID-19 challenges, including Mental Health First Aid, and Mental Health First Aid for Managers.

The SFO has also reached out to every post leadership team over April-May 2021 to offer support. In-person post visits resumed in late June 2021, beginning with Port Moresby and Jakarta. People Division runs regular regional Webex meetings covering all posts, providing staff with the opportunity to ask questions anonymously or in-person, and receive updates from People Division leaders on work in Canberra to support the overseas network.

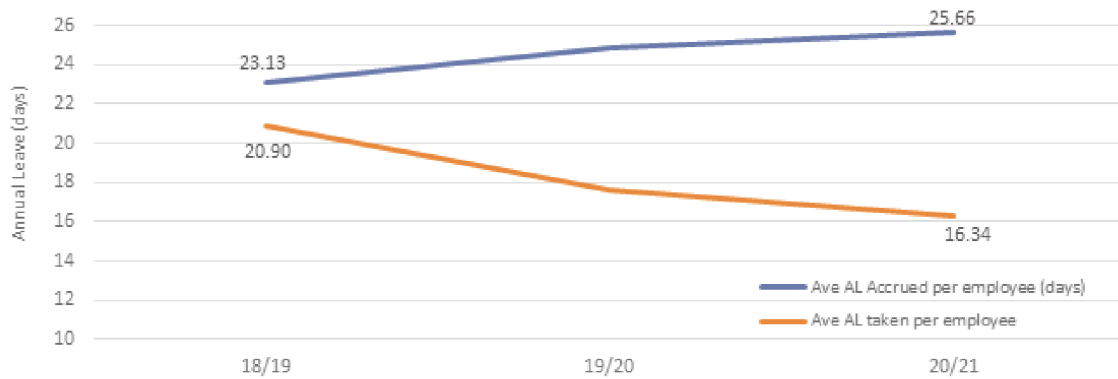


Figure 8. Annual Leave (accrued and taken) 2018-19 to 2020-21

s47E(c) & s47E(d)

## OUR PEOPLE

### HR MODERNISATION

DFAT has long needed a modern flexible HR system which matches the right people to the right positions and reduces friction when roles change. As the department's role has become more complex, HR Modernisation aims to deliver DFAT a modern, fit-for-purpose HR function that will support greater autonomy in line areas for recruitment, internal movements and postings. It will also support more accurate and timely reporting and advice from HR teams.

The HR Modernisation Program consists of 54 reform recommendations aimed at modernising DFAT's HR model over three years to June 2023. Key deliverables already in place include the introduction of a decentralised internal movements process (JobConnect), the introduction of an HR Business Partner model and the establishment of an online centralised HR helpdesk (PeopleAssist).

Another focus of HR modernisation is to shift DFAT from a workforce defined in terms of

generalists and specialists, to a workforce defined by capability requirements. This is intended to help DFAT to be more proactive and strategic in how we manage our workforce and develop our people towards priority capabilities. The DFAT Capability Framework, to be launched in July 2021, lays the foundation for how DFAT identifies, attracts, builds and deploys people capability. It underpins workforce planning and talent management and enables clear career pathways aligned to business objectives.

The stressors of COVID-19 have significantly slowed the appetite for reform efforts within the department and, combined with the ASL shortage, have impacted the rollout of reforms such as JobConnect. People Division is currently reviewing HR Modernisation to consider which recommendations could be reprioritised, rescoped or have their timeframes adjusted, while simultaneously planning how to champion the necessary cultural change.

### DIPLOMATIC ACADEMY

The Diplomatic Academy strengthens the professional and diplomatic skills of DFAT officers, and the broader APS, to advance Australia's interests internationally. The Academy's Faculty structure encompasses trade, investment and economic issues; international policy and strategy; international development; understanding Australia; diplomatic tradecraft; corporate services;

consular and passports; legal; languages; mandatory compliance training; and provision of a library service. In FY2020-21 its budget was \$12.61 million, with the Language Faculty accounting for approximately 60 per cent of this allocation. An estimated further \$13 million is spent on learning and development by other areas of the department.

## DIVERSITY AND INCLUSION

As the department responsible for representing Australia to the world, we should reflect the community we represent and the global environment in which we operate. The department's Diversity and Inclusion (D&I) agenda is underpinned by three initiatives: Leadership@DFAT, Women in Leadership, and the D&I Framework. We are also implementing a Stretch Reconciliation Action Plan, and recently released an Indigenous Diplomacy Agenda to elevate Indigenous issues across the work of the portfolio.

The department is a leader across the APS on gender equality, and is also leading the development of the 'One Government, One Approach, Zero Tolerance' statement of commitment. Our first Women in Leadership (WIL) Strategy (2015-20) strengthened leadership, supported diversity and removed cultural barriers to women's career progression. DFAT exceeded our 2020 WIL targets for 40 per cent women's representation at SES Band 1 and 2 levels and as HOMs/HOPs. The department also maintains strong representation by women on our 24 portfolio Boards (women held 51.3 per cent of the filled positions in December 2020). The WIL Refresh (2020-25) (see Figure 10) integrates WIL into our broader D&I agenda and extends WIL to all levels and all posts, adapting it to local contexts.

Senior leaders fill a range of Diversity Champion roles, to amplify the voice and perspectives of staff across the department. Trend analysis over a five-year period suggests we will need to continue to pay attention to the expanding story of diversity, as these trends reveal (a) the number of staff who identify as LGBTI or as Indigenous has increased (although these increases are starting to flatline); (b) the number of staff who identify as having a disability has stagnated at around 3.5 per cent for the five-year period; and (c) we have seen a reduction of employees who identify as being from a Non-English-Speaking Background (NESB).

In response to the Respect@Work: National Inquiry into Sexual Harassment in Australian Workplaces, DFAT commissioned an independent review to test the effectiveness of our sexual exploitation, abuse and harassment policies. [s47E\(d\)](#)

## OUR PEOPLE

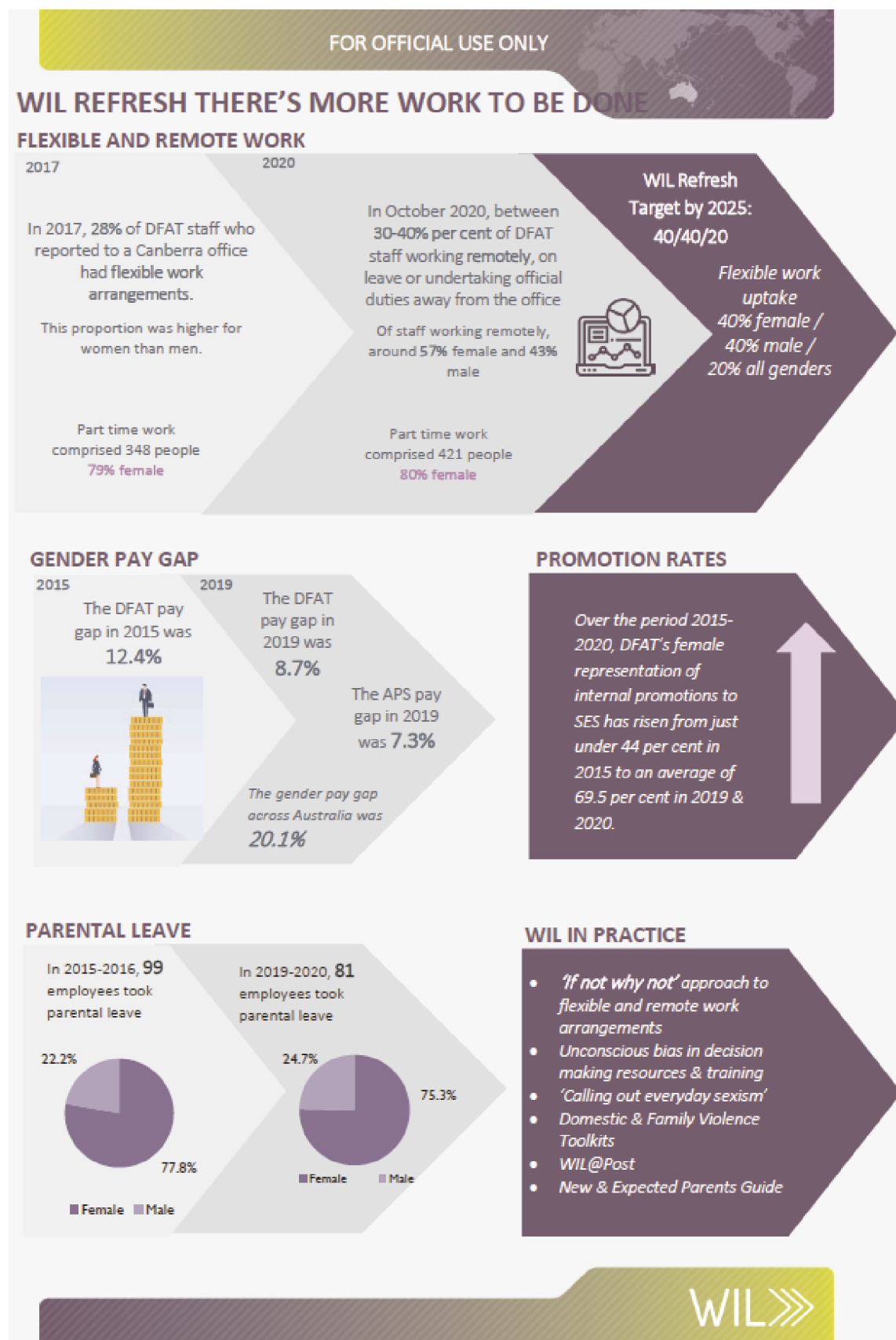


Figure 10. Women in Leadership (WIL) Refresh

# BUDGET AND FINANCIAL MANAGEMENT

s47E(d)

Since the October 2020 Budget, DFAT has secured additional funding for new or intensified government priorities and structural funding repair. The 2021-22 Budget (see Table 5) built on the outcomes of 2020-21 MYEFO and the 2020-21 Budget. The injection of funding reflects our central role in the delivery of the government's ambitious international agenda. In part, it also recognises the department's unrelenting focus on fiscal discipline to achieve budget sustainability and

resilience, and to best align resources so the department is better placed to deliver for government.

- 2021-22 Budget - the government made a significant investment totalling \$652.1 million over the forward estimates to 2024-25.
- 2020-21 Mid-Year Economic and Fiscal Outlook (MYEFO) - DFAT secured over \$660.3 million in new funding for new policy proposals.
- 2020-21 Budget - DFAT secured \$405.3 million of funding, without offsets, over four years for new policy proposals.

## BUDGET AND FISCAL SUSTAINABILITY

DFAT has been able to secure more than \$2 billion in new funding for specific budget measures and one-off cash injections since the 2020-21 Budget. s47E(d)

s47E(d)

## INTERNAL BUDGET – A WAY FORWARD

DFAT's budget is a complex mix of departmental, administered and Special Accounts. DFAT funding is heavily weighted to relatively fixed elements.

s47E(d)

s47E(d)

## BUDGET AND FINANCIAL MANAGEMENT

s47E(d)

s47E(d)

### THE OPSA

The Overseas Property Office and Services' (OPO's) activities are funded from the OPSA. The OPSA's revenue source is primarily rental income (i.e. income received from DFAT and other agencies which is paid to OPO as 'landlord' for the Commonwealth's overseas owned estate). In addition, the OPSA receives funding from strategic divestments and equity injections.

s47E(d)

s47E(d)

## SHARED SERVICES AND FINANCIAL SERVICES – ALIGNMENT WITH A FUTURE OPERATING MODEL

Under the Whole of Government (WoG) Shared Services Program (GovERP) led by the Department of Finance, DFAT is one of six shared service provider hubs. The initial tranche of GovERP mandates that hubs host

a SAP-based technology platform that client agencies would access. In the case of DFAT, our portfolio agencies would be the client agencies. s47C

## BUDGET AND FINANCIAL MANAGEMENT

s47C

The Shared Services Branch within the Finance Division, guided by a Shared Services Program

Board chaired by the Chief Operating Officer (COO), has been established to manage decision-making and risks associated with the department's engagement with the WoG Shared Services Program.

## OFFICIAL DEVELOPMENT ASSISTANCE

The government has set Australia's ODA budget at \$4 billion annually (see Figure 14), with indexation to resume in 2022-23. The ODA budget since the October Budget focuses investments on our immediate neighbourhood in line with Partnerships for Recovery and prioritising health security, stability and economic recovery. Australia's development assistance for 2021-22 includes:

- maintaining \$1.44 billion to the Pacific;
- maintaining \$1.01 billion for Southeast Asia; and

- increased funding for humanitarian, refugee and COVID-19 to \$485.3 million.

In addition to the \$4 billion annual commitment, the government has allocated another \$1.07 billion in temporary and targeted ODA measures over the forward estimates.

In 2021-22, this equates to another \$335.0 million in ODA funding. s47E(d)

s47C & s47E(d)



## BUDGET AND FINANCIAL MANAGEMENT

Measure Title and Summary	Announcements
<p><b>1. Enhanced Trade and Strategic Capability</b> The government will provide <u>\$198.2 million over four years</u> from 2021-22 (and \$33 million per year ongoing) to support Australian exporters and businesses, and advance Australia's international interests.</p>	Announced in Budget (11 May 2021)
<p><b>2. COVID-19 Response Package — extension</b> The government will continue the facilitated commercial flights program with an additional <u>\$56.4 million over two years</u> from 2020-21</p>	Announced in Budget (11 May 2021)
<p><b>3. COVID-19 Response Package — supporting Australians overseas</b> The government will invest <u>\$119.9 million over four years</u> from 2021-22 to:</p> <ul style="list-style-type: none"> <li>increase Australia's consular capability (\$66.9 million over four years to 2024-25) and</li> <li>provide additional support to vulnerable Australian citizens overseas whose return to Australia has been impacted by COVID-19 travel restrictions (\$53 million in 2021-22).</li> </ul>	Announced in Budget (11 May 2021)
<p><b>4. COVID-19 Response Package — Australian support for India</b> The government will provide <u>\$37.1 million over two years</u> from 2020-21 to support the Indian Government's response to the COVID-19 crisis in India.  This funding is classified as ODA and as is on top of the government's previously announced temporary and targeted measures in response to COVID-19 that supplement the \$4 billion ODA budget in 2021-22.</p>	Announced on 27 April 2021 and 5 May 2021, by the Prime Minister and Foreign Minister
<p><b>5. Malaysia Airlines Flight MH17 — ongoing efforts</b> The Australian Government will provide <u>\$10.9 million over five years</u> from 2020-21 to support ongoing efforts to achieve truth, justice and accountability for the downing of Flight MH17, including for the 38 people who called Australia home and their loved ones.</p>	Announced in Budget (11 May 2021)
<p><b>6. COVID-19 Response Package — vaccine purchases and rollout</b> The decision to accord priority access to vaccines for Australian Government staff and Defence personnel deployed or about to deploy overseas, will meet our work health and safety obligations, and preserve business continuity overseas.  The initial 2021 vaccination program for Australian Government staff is being <u>funded from within existing resources</u> of DFAT.</p>	Announced in Budget (11 May 2021)

Table 4. 2021-22 Budget outcomes

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# INTEGRITY AND FRAUD CONTROL

The department has a well-established integrity culture, but faces changing and increasing risks. s47E(d)

Our priority is to improve fraud prevention and detection capabilities and to maintain engagement with external delivery partners on expectations. s47E(d)

More than 90 per cent of fraud cases are reported from the development program, reflecting the level of expenditure. s47E(d)

## PROPERTY

The Overseas Property Office and Services (OPO) oversees the significant Commonwealth non-Defence overseas property portfolio, comprising owned and leased offices, chanceries and residential premises. This includes 124 owned properties worth \$3.27 billion and 898 leased properties. Jones Lange LaSalle (JLL) supplies our global property management service, costing around \$20.31 million annually. A portfolio snapshot and high-level budget information is provided at Figure 12.

OPO has a significant (funded) capital works program underway worth \$378 million. The

s47E(d)

Washington Embassy is s47E(d) 11,890 sqm Net Lettable Area (NLA) over six levels (and three basement levels) s47E(c) & s47E(d)

The works are proceeding well, but it carries risk. s47E(d) post relocation in Q2 2023.

Some OPO projects have been affected by the global pandemic more than others. The Washington Embassy project has continued with minimal delays. In contrast, activity in the Pacific has all but ground to a halt.

## OFFICE OF THE FUTURE

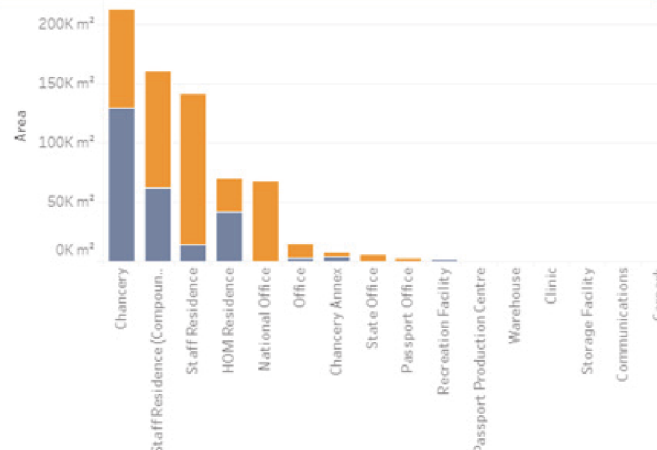
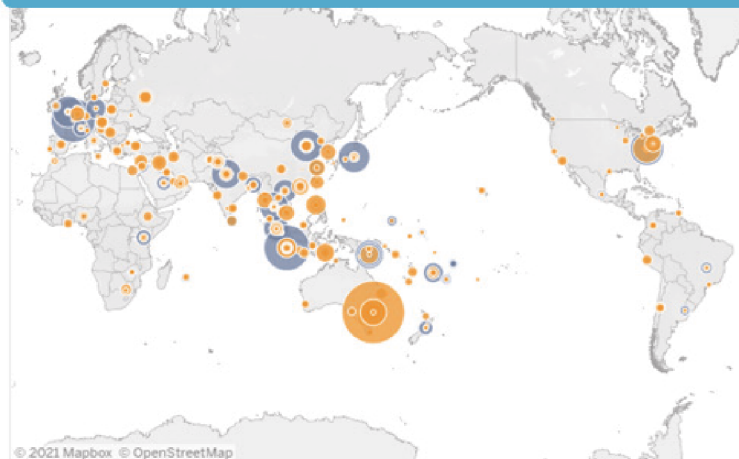
The Office of the Future pilot seeks to consolidate the Canberra footprint into one Barton campus. The pilot will test accommodation standards which are consistent with whole-of-government guidelines, with fewer offices, more work-

points and a less than 1:1 desk allocation ratio. Construction on Level 5 South of RG Casey Building is underway, with delivery in Q3 2021. The pilot will inform a business case for a full refurbishment of the RG Casey Building.

# PROPERTY

## OVERSEAS PROPERTY OFFICE & SERVICES PORTFOLIO SNAPSHOT

### Global footprint – Owned and Leased



### Portfolio highlights

**\$3.27b\*** (124 owned properties)  
Property Portfolio Value

**\$98m**  
Major Capital Works

**\$29.9m**  
Property Operating Expense

**\$19.6m**  
Minor Capital Works

**\$121.5m**  
Rental Revenue

**17,000**  
Reactive Maintenance Work Orders

**15,000**  
Preventative Maintenance Work Orders

\*Valuation at 30 Jun 2020

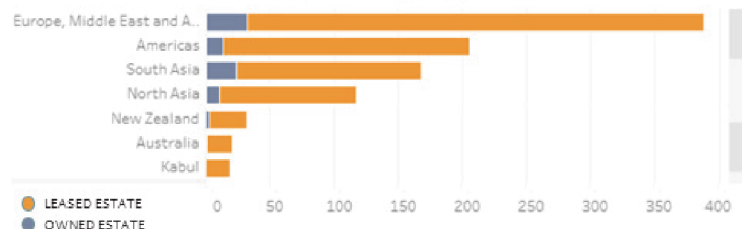


Washington Embassy Construction

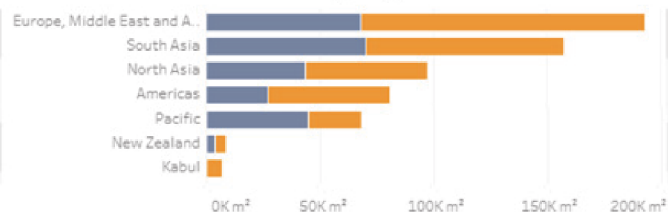


Rabat New Chancery

### Properties by Region



### Area by Region



### OPO SERVICES TO LEASED ESTATE:

- Real property transaction management – Chanceries.
- Property assurance through inspections.
- Strategy and management – Chancery fit-out upgrades and relocations.

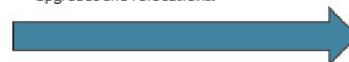


Figure 12. Overseas Property Office & Services portfolio snapshot

# DEVELOPMENT POLICY, OPERATIONS AND BUDGET

The development program is a national asset.  
s33(a)(iii) & s47E(d)

Partnerships for Recovery is the public articulation of Australia's development response to COVID-19 (see Figure 13). s47E(d)

The government sees an important role for the program in a more contested, complex world.  
s47E(d)

Our resources, attention and energy are concentrated in the Indo-Pacific. In 2021-22, our five largest allocations are PNG (\$588 million), Pacific Regional (\$372 million), Indonesia (\$299 million), Solomon Islands (\$156 million) and Timor-Leste (\$105 million). We configure the program differently for the Pacific and Southeast Asia, based on their unique development and strategic profiles. s47E(d)

## PARTNERSHIPS FOR RECOVERY

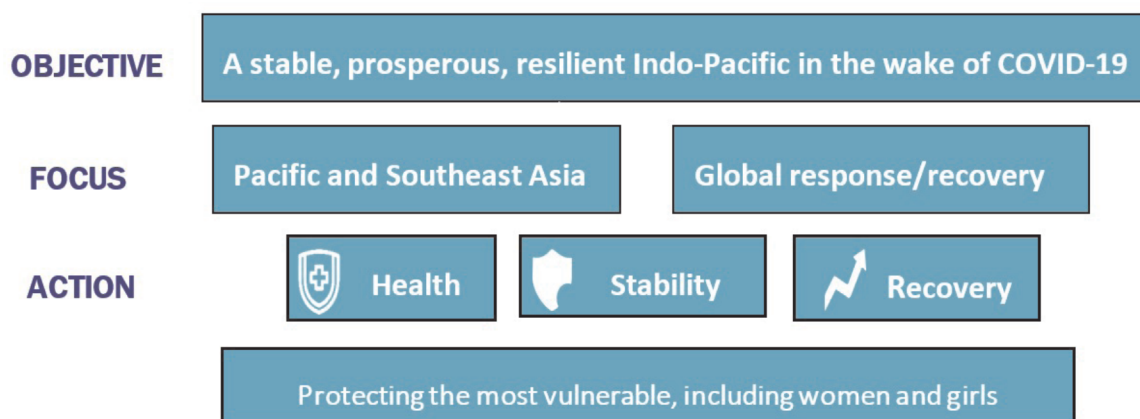


Figure 13. Partnerships for Recovery

## DEVELOPMENT POLICY, OPERATIONS AND BUDGET

### SNAPSHOT OF AUSTRALIA'S ODA BUDGET IN 2021-22

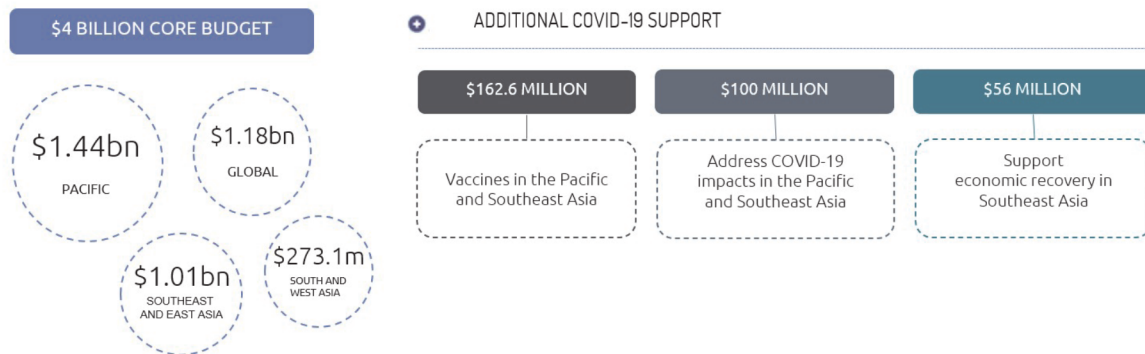


Figure 14. Snapshot of Australia's ODA budget in 2021-22

## OPERATIONAL MODEL

DFAT manages the bulk of the development program – around 1000 ODA investments worth \$28 billion, involving roughly 900 officials (A-based and locally-engaged) across 21 divisions and 34 posts. But it is whole-of-government – nine other agencies will spend an estimated \$260 million in ODA in 2021-22.

Interlocking mechanisms govern the program. The Foreign Minister decides the overarching priorities, ODA budget, country plans and some flagship investments. You will shape strategy, policy and budget at a high level. The Aid Governance Board (AGB), chaired by Deputy Secretary - Global Cooperation, Development and Partnerships Group, helps oversee policy, implementation and key risks.

s47E(d)

s47E(d)

s47E(d)

s33(a)(iii)

We are recognised as a leader on preventing the sexual abuse, harassment and exploitation of women/children.

We also work with a range of implementation partners – contractors, multilateral organisations and NGOs – to get the most from our spend (see Figure 15). Our direct funding to Pacific governments is small (six per cent of total ODA budget in 2019-20) but growing.

s33(a)(iii)

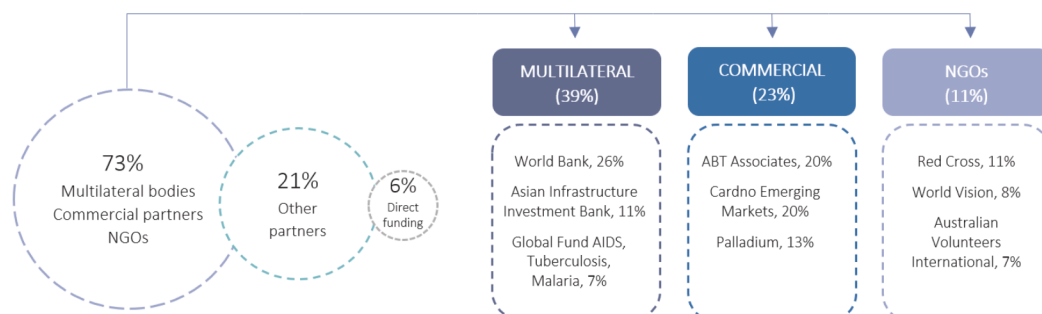


Figure 15. Implementing partners



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# DEVELOPMENT POLICY, OPERATIONS AND BUDGET

## OVERVIEW OF AUSTRALIA'S ODA BUDGET IN 2021-22

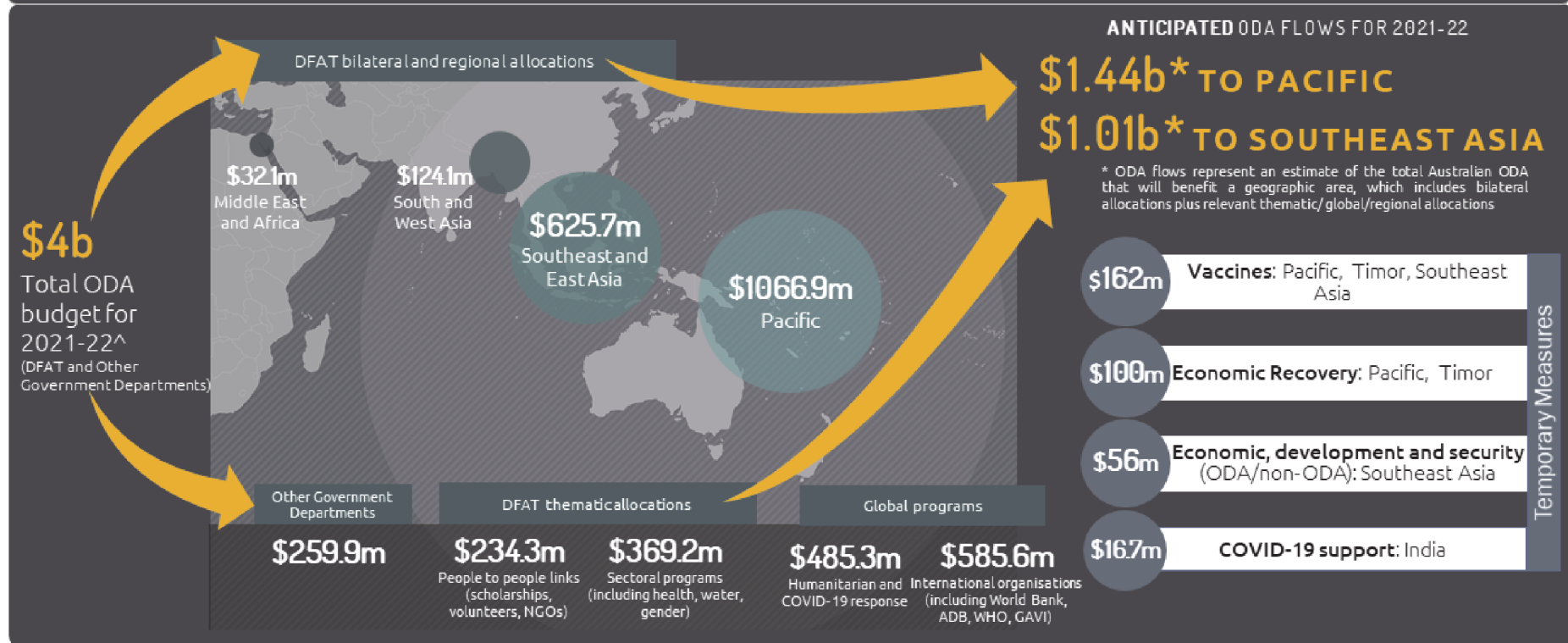


Figure 16. Overview of Australia's ODA budget in 2021-22

# CORPORATE GOVERNANCE

In 2019 DFAT introduced a revised governance framework to ensure efficient, robust and transparent decision-making on strategy and resourcing. The new framework separated the previous Departmental Executive Committee into two committees: the Strategic Policy Committee (SPC) and the Performance, Risk and Resourcing Committee (PRRC) (see Figure 17). An Operations Committee (OPC) was also created to oversee operational performance and risk and provide assurance on these areas to the PRRC. The Aid Governance Board focuses on aid program-related issues.

While the new governance arrangements have improved strategic and organisational decision-making, they are still maturing. Ongoing challenges include improving staff understanding of the Committees' work, and stronger cross-departmental ownership of the SPC and PRRC agendas.

There are 24 Boards within the DFAT Portfolio (comprising advisory bodies, foundations, councils and institutes). Eight of these have a

bilateral or regional focus, and are an important tool for promoting people-to-people and institutional links, including through small grants programs. <sup>s47E(d)</sup>

The department seeks to optimise the opportunities Boards provide to inform policy formulation, while managing risks associated with governance (e.g. conflicts of interest) and administration of grants.

You are an ex officio member of three DFAT Portfolio Boards (you may wish to delegate attendance at Board meetings to a Deputy Secretary, where required):

1. Australian Centre for International Agricultural Research (ACIAR) Policy Advisory Council
2. Export Finance Australia Board
3. National Foundation for Australia-China Relations

## PERFORMANCE

Over the last two years DFAT has been reforming its performance framework to implement changes recommended by the Australian National Audit Office (ANAO), the Chief Auditor, the Audit and Risk Committee and the Annual Performance Statement Sub-Committee. These entities recommend clarifying our purpose, reducing our priority functions, and strengthening our performance measures and data sources. In addition to enhancing our legislative compliance, these changes will help DFAT tell a more compelling story about its value in delivering government priorities.

We have a clear plan over the next 18 months to

update our corporate documents, build a robust performance culture and better demonstrate DFAT's value. This work builds on initial changes in the 2020-21 Corporate Plan and the 2021-22 Portfolio Budget Statements to reflect the ongoing impacts of the COVID-19 pandemic. DFAT's 2021-2022 Corporate Plan will have a revised structure, clearer performance measures and more verifiable data sources, in line with Department of Finance guidelines. Subsequent work will clarify the purpose statement and priority functions for the 2022-23 Corporate Plan, strengthen guidance to divisions and better align business review processes.

## CORPORATE GOVERNANCE

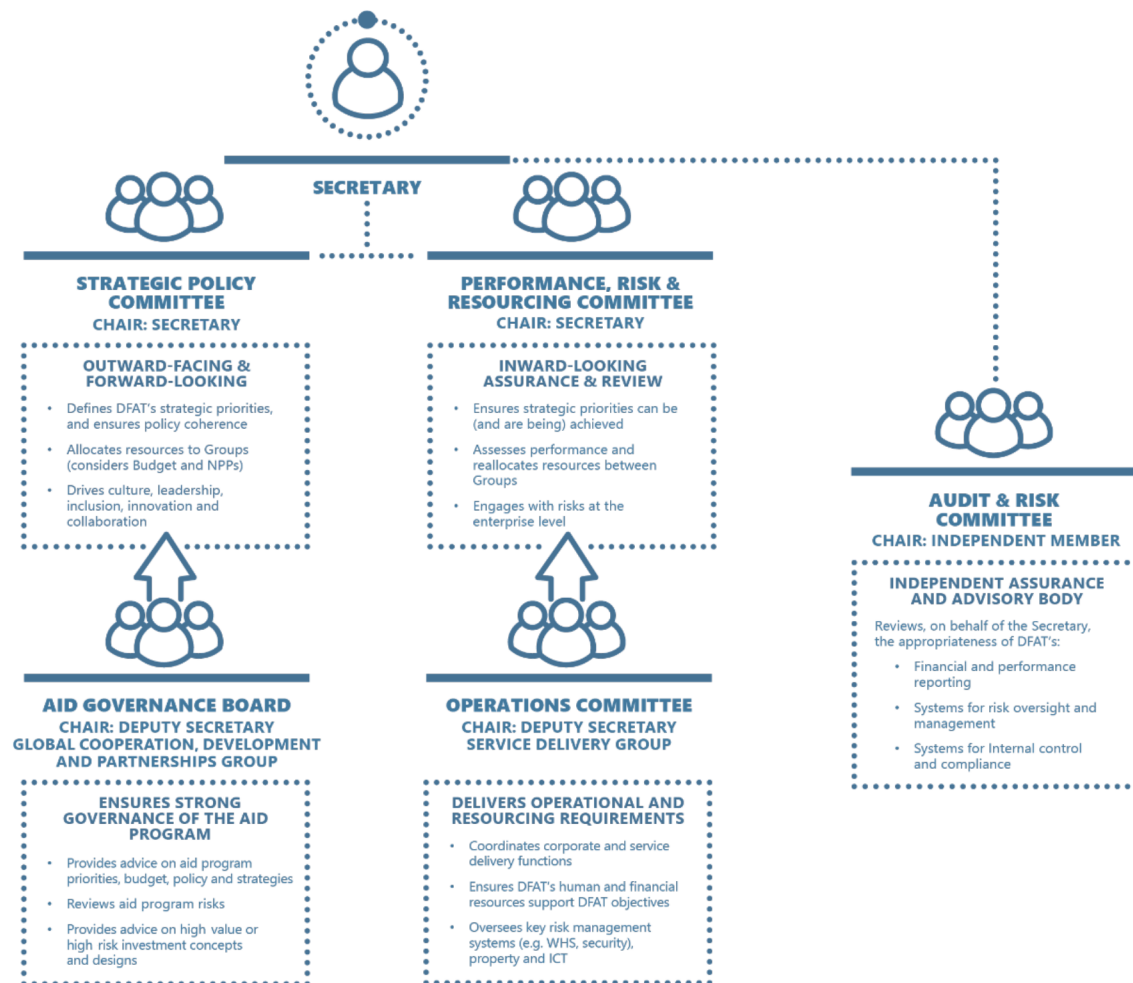


Figure 17. Governance framework

## RISK

Risk management is integrated in the department's decision-making processes. An established risk management framework supports the Secretary's obligations under s. 16 of the PGPA Act. [s47E\(d\)](#)

The Chief Performance and Risk Officer (CPRO), currently FAS EXD, oversees the risk management framework and advises the governance committees.

The department's Risk Management Guide is updated annually to allow you as Secretary to set risk appetite and tolerances and confirm accountabilities for managing risk. The 2022 edition will be provided to the PRRC in November 2021.

The department's key enterprise-level risks are set out in the Enterprise Risk Register (ERR). Currently, the ERR sets out 10 'operational' risks – risks to our overall capacity to meet stated objectives. These cover the management of our resources and assets, meeting our key legal obligations, and delivering key services. In addition, five strategic risks have been identified for future inclusion. These are risks to Australia's foreign policy, trade, investment and/or international development priorities. The identified risks for inclusion cover global and regional dynamics, and the integration of international and domestic policy. The ERR is updated and presented to the PRRC three times a year, with the next update due in July. The summary of the February update of the Operational Risks is attached at Figure 18.

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## CORPORATE GOVERNANCE

### PARLIAMENTARY ENGAGEMENT

In the past 12 months, DFAT has participated in 44 Parliamentary inquiries and briefings including on China, India, Myanmar, and child marriage. Our refreshed Parliamentary

strategy will enhance and deepen our engagement with Parliamentary committees and friendship groups.

### STRATEGIC COMMUNICATIONS

The COVID-19 pandemic has prompted a step change in the department's strategic communications. Communications is now a core part of our foreign and trade policy work, and posts' communications and public diplomacy activities are better integrated and support post business objectives.

We provide a daily morning media briefing to the department's Executive and run an effective and tightly managed media liaison function <sup>s47E(d)</sup>

<sup>s47E(d)</sup>

The department manages 280 active social media accounts globally, with about 4.6 million followers. In response to COVID-19 we have significantly scaled up the provision of regular high-quality social media content for use by posts. <sup>s47E(d)</sup>

### INTERNAL COMMUNICATIONS

The department has a small internal communication section in the Organisational Strategy Branch of EXD, delivering executive communications support to the Secretary and deputies. They work with line areas across Service Delivery Group to support messaging on core management and organisational priorities.

A fortnightly staff bulletin has been a useful channel of communication for the last 14 months. Other channels, products and activities include:

- interpersonal – staff forums (virtual), seminars, panel discussions and cascading messaging from weekly Division Heads' meetings
- online – intranet announcements, news items and video messaging
- direct written – administrative circulars, all-staff emails
- marketing – branding and targeted material for specific campaigns

### CABLE REPORTING

Providing high-quality reporting and analysis from the global network remains key core business for DFAT. Our cables inform and shape government policy and there is growing demand for access to cable reporting across government. <sup>s47E(d)</sup>

<sup>s47E(d)</sup>





## SERVICE DELIVERY

### CONSULAR AND CRISIS MANAGEMENT

Consular and crisis response services are a key, high-profile interface the department has with the Australian public. As the delivery of these services has become more complex and critical in the COVID-19 global environment, our dedicated staffing profile has grown to around 210 staff (at 30 June). Bringing Australians home is a top government priority and expectations of effective and well-functioning consular service delivery have never been higher – even in the pre-COVID environment demands were increasing.

Fewer Australians travelling has not led to a reduction in consular cases around the world. Individual consular cases remain at the pre-pandemic level of about 1200 cases active (or open) on any given day: comprising approximately 350 welfare cases, 170 deaths, 240 arrests and 240 prisoners. The most sensitive of these cases require careful, daily management. DFAT provides 24/7 assistance to Australians seeking urgent consular and passport assistance through the Consular Emergency Centre (CEC), responding to around 7000 calls, 4000 emails and hundreds of SMS messages each month.

Over the past year DFAT has led the crisis response to the explosion in Beirut, the Myanmar coup, the cyclone in Fiji and the COVID-19 health crisis in PNG. Through its 24/7 global watch function, the Global Watch Office (GWO) is a critical interface linking overseas events with the DFAT Executive, Ministers, and relevant Australian Government agencies. The GWO produces a daily 6am bulletin with an update on overnight developments. If a crisis occurs overnight, the GWO initiates the

response. In the most serious of cases, FAS CCD contacts the Secretary to activate the Crisis Centre and inform the Minister.

Smarttraveller is the key means for communicating travel-related risks and requirements to Australians travelling overseas. The discipline of the Travel Advice (currently still at 'Level 4 Do Not Travel' for every country in the world except New Zealand) is a trusted and consistent way for government to advise citizens. We are already planning what our travel advice framework and revamped Smarttraveller media campaign could look like once travel begins to resume.

COVID-19 has expanded consular work into new areas to respond to the unique nature of the pandemic response. In September 2020, the Overseas Financial Assistance Program was established to support to the most vulnerable Australians to secure flights and return home. The support included loans and grants to help cover emergency living costs and part of the cost of a flight back to Australia. Sound debt recovery processes and robust defence of expenditure will be critical.

In October 2020 a new program of facilitated commercial flights was established. The forward program has 26 flights scheduled through to 1 September into Howard Springs. This does not include two Qantas flights into Howard Springs for returning Australian Olympians managed by the Department of Health. A further government-enabled (non-contracted) commercial flight from Santiago to Brisbane is scheduled to arrive on 13 July utilising LATAM Airlines.



## SERVICE DELIVERY

Our continuing response to the COVID-19 pandemic is the subject of a current ANAO performance audit. The audit on the Management of the return of overseas Australians in response to the COVID-19 pandemic is examining the department's preparedness to manage the return of overseas Australians, our effectiveness in delivering on the Government's objectives for managing the return of overseas Australians and our capacity to learn from our response. s47E(d)

The government has provided funding in MYEFO 2020 and in the 2021-22 Budget to plan and implement ambitious IT modernisation and capability-building which will reshape consular crisis and consular service. In budget terms, DFAT has secured:

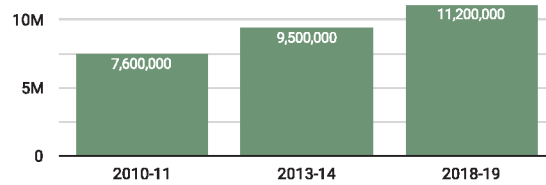
- initial interim funding (\$33.2 million over for years from MYEFO 2020-21) for an immediate upgrade of existing consular systems and addressing some key technological gaps: the introduction of cloud-based telephony and flexible updated remote systems for consular officers responding to crises overseas;
- \$66.8 million (Budget 2021-22) to plan and build strengthened consular and crisis response capabilities that are integrated into whole-of-government digital services. s47E(d)

## SERVICE DELIVERY

### Pre-COVID, consular demands were already increasing

s47E(c) & s47E(d)

No. of Australians travelling overseas (per year)



### Since COVID, DFAT's consular work has pivoted & expanded



**39,000+**

Australians directly assisted to safely return



**500+**

Flights we have helped Australians access, returning from over 90 countries



**100+**

Flights we have directly facilitated



**3,000+**

travel advice updates for 177 destinations



**+4.3 MILLION**

Followers across DFAT's global social media network receiving the latest COVID-19 information and advice



**47,000+**

Consular assistance cases



**20,000+**

Emails to Australians needing assistance from Smartraveller



**115,000+**

COVID-related calls to the Consular Emergency Centre



**DFAT-LED WoG TASKFORCE**

Whole-of-government effort focused on bringing Australians home

### COVID will complicate consular work for years to come

Health checks and vaccinations will continue to change, and will vary from country to country. COVID may mutate further. New viruses may emerge. We won't return to a pre-COVID travelling environment.

### Whatever happens, consular work will remain complex

Cases can happen in 192 countries, in dozens of languages, time zones and currencies. They include:

- Medical emergencies
- Repatriation of remains
- Death penalties
- Forced marriages
- Unexpected deaths
- Missing persons
- Child abductions
- Kidnappings
- Imprisonment
- Emergency funding
- Split families
- Victims of crime
- Political unrest
- Natural disasters
- Terrorist attack

Figure 20. Expanding consular workload

## SERVICE DELIVERY

## Timeline of consular events

Below is a non-exhaustive list, from the past 15 years, where DFAT has mobilised staff and led the response - to deal either with a large-scale event affecting a significant number of Australians or a protracted, complex case involving an Australian overseas:



Figure 21. Timeline of consular events

## SERVICE DELIVERY

## PASSPORTS

The Australian Passports Office (APO) is a large-scale service provider. Outside of COVID-19, APO processes volumes similar to Centrelink new claims (i.e. around 45,000 a week). APO's business operations are significant, with 130 separate contractual relationships – the largest with Australia Post – valued at nearly \$1 billion.

A key challenge for APO is lower passport demand, which will likely continue for the remainder of 2021. Due to border closures, over two million Australians have either put off renewing their passport or are applying for one for the first time. APO has a well-developed plan in place aimed at bringing forward some of this pent-up demand and managing a future spike in applications when travel restrictions ease.

A large part of APO's budget – determined via a specific funding arrangement with the Department of Finance (DoF) <sup>s47E(d)</sup>

- We have a key role in the government's Digital Identity agenda, including through direct and regular engagement with Minister Robert (in his capacity as minister responsible for whole-of-government data and digital policy), Home Affairs and the Digital Transformation Agency. APO holds the largest and highest quality biometric database of Australian citizens, comprising 28 million passport photos. APO uses this database and world-leading face recognition technology to verify identities through the government's Face Verification Service (FVS). The FVS will be critical to the next stage of myGovID, which will enable Australians to make high-level myGov transactions that would otherwise require face-to-face identity checks.
- Work is continuing on designing the next generation Australian passport – the 'R' series – building on the current series' world-leading security features to prevent forgeries and detect any alterations. COVID-19's impact on international travel, passport issuance rates and manufacturers' lead times for key components mean its launch date (originally scheduled for 2020-21) will likely be in 2022-23.

<sup>s47E(d)</sup>

A major part of APO's work is involved in securitising identity.

<sup>s47C</sup>

## SERVICE DELIVERY



Australian Government  
Department of Foreign Affairs and Trade

AUSTRALIAN  
PASSPORT OFFICE

### Passports: Fast Facts



**13.6 million**

Current Australian passports  
= **53%**  
of the population



**APO is the largest  
Division in DFAT**

Over **500 staff** geographically  
spread across the country



**APO is a big operation**

Outside of COVID it handles similar processing  
volumes to Centrelink new claims, around

**50,000 per week**

including the operation of  
a manufacturing arm.



**\$1 billion**

Total value of APO's 130  
separate contractual  
relationships



**\$500 million**

APO generated net revenue  
to Government  
per year



**Highly specialised  
APO expertise**

in the **securitisation of identity**, including  
world leading biometrics technology

Figure 22. Passports fast facts

## SECURITY

DFAT's protective security capability is positioned to protect our people, information and assets in an increasingly complex threat environment, both domestically and overseas. Our high-threat posts are a particular focus.

The risk of instability has increased globally due to major power competition and the global pandemic. s47E(d)

(RSOs) in 24 locations globally, and specialists in Canberra, provide advice to government and support our posts, State and Territory Offices (STOs) in managing day-to-day protective security risks.

We manage security services contracts worth \$165 million. s47E(d)

Our network of 32 Regional Security Officers

## PERSONNEL SECURITY

s47E(c) & s47E(d)

s47E(d)

s47E(d)

## SECURITY ENHANCEMENTS PROGRAM

A 2017 ANAO Performance Audit highlighted weaknesses in DFAT's management of overseas security. The government committed \$340 million in 2018-19 and a further \$55 million in 2020-21 to address critical life-safety issues, enhance the security of our diplomatic missions and invest in new

technologies and capabilities.

The Security Enhancements Program (SEP) is changing DFAT's security capabilities and will fundamentally reshape the way we deliver security globally for government (see Figure 23).

## GOVERNANCE AND RISK DELEGATIONS

The security delegations, underpinned by the DFAT Security Framework (DSF), align the level of managerial accountability with the level of risk. Where matters are assessed to have a very

high level of risk, you are the relevant decision-maker, in line with your responsibilities as Accountable Authority under the PGPA Act.

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# INFORMATION MANAGEMENT AND TECHNOLOGY



Information Management and Technology Division (IMD) supports 16,000 users from DFAT and partner agencies with classified and secure ICT services s47E(d) in Australia and overseas. s47E(d)

The new ICT Strategy will guide the department's technology priorities, decisions, and investments to 2024 s47E(d)

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# PROTOCOL

There are 111 foreign diplomatic missions and more than 360 consular posts in Australia. The department provides services including diplomatic visas and accreditation, managing immunities and privileges, and liaising with security agencies on the protection of foreign official premises. COVID-19 border restrictions have significantly increased the complexity of these services.

The possibility of a COVID-19 outbreak being traced to a member of the corps quarantining in private accommodation is an ongoing health and reputational risk. Consistent with Australia's obligations under the Vienna Conventions, a diplomatic visa has a built-in

entry exemption, allows the holder to travel outside passenger caps, and enables them to seek permission to complete mandatory 14-day quarantine at home or in private accommodation. Quarantine arrangements are facilitated case-by-case with state and territory health authorities. [s33\(a\)\(iii\)](#) & [s47E\(d\)](#)



s47E(d)

s47E(d)

## WORK HEALTH AND SAFETY

As Secretary, you have a proactive duty to exercise due diligence to ensure the department strictly complies with its work health and safety (WHS) obligations. The WHS Act provides criminal and civil penalties should a person with a WHS duty fail to effectively discharge it, including where someone is exposed to risk of serious injury or death.

s47E(d)

## LEGAL RISK

s47E(d)

## PRIVACY

The department's handling of personal information has come under increased scrutiny following several high-profile privacy breaches over the past year.

The department's privacy governance and culture are strong overall, but in recent months

we have implemented additional measures to improve privacy compliance. This has included strengthened governance and IT controls, new policy guidance and mandatory training. The adjustments have, to date, been effective at averting further mass privacy breaches.

## FREEDOM OF INFORMATION

s47E(d)

s47E(d)

During 2020-21, the department finalised in the order of 250 FOI requests – an increase of 18 per cent on the previous year. The department is defending a further 42 decisions before the Information Commissioner, and two complex matters before the courts.

# ABBREVIATIONS

AAT	Administrative Appeals Tribunal
A-based	Australian-based staff
ACIAR	Australian Centre for International Agricultural Research
AGB	Aid Governance Board
ANAO	Australian National Audit Office
APO	Australian Passport Office, DFAT
APS	Australian Public Service
APSC	Australian Public Service Commission
ASL	Average Staffing Level
CALD	Culturally and linguistically diverse
CCD	Consular and Crisis Management Division, DFAT
CEC	Consular Emergency Centre, DFAT
CFO	Chief Finance Officer
COO	Chief Operating Officer
CPO	Chief People Officer
CPRO	Chief Performance and Risk Officer
CTAP	Centralised Travel to Australia Policy
CXB	Cabinet Strategy, Ministerial and Parliamentary Branch, DFAT
DFAT	Department of Foreign Affairs and Trade
D&I	Diversity and inclusion
DoF	Department of Finance
DSD	Diplomatic Security Division, DFAT
EES	Employee Conduct and Ethics Section, DFAT
ERR	Enterprise Risk Register
EXD	Executive Division, DFAT
FOI	Freedom of Information
FTE	Full time equivalent
FVS	Face Verification Service
GWO	Global Watch Office, DFAT

## ABBREVIATIONS

HOM	Head of Mission
HOP	Head of Post
ICT	Information and communications technology
IMD	Information Management and Technology Division, DFAT
JLL	Jones Lange LaSalle
L&D	Learning and development
LES	Locally Engaged Staff
LGBTI	Lesbian, Gay, Bisexual, Transgender and/or Gender Diverse and/or Intersex
LLB	Corporate Law Branch, DFAT
MIDPO	Office of the Minister for International Development and the Pacific
MTBS	Medium-term budget strategy
MYEFO	Mid-Year Economic and Fiscal Outlook
NPP	New Policy Proposal
NSC	National Security Committee
OAIC	Office of the Australian Information Commissioner
ODA	Official Development Assistance
OPC	Operations Committee
OPO	Overseas Property Office and Services, DFAT
OPSA	Overseas Property Special Account
PDW	Private domestic worker
PFS	Passport Fraud and Compliance Section, DFAT
PGPA Act	Public Governance, Performance and Accountability Act 2013
PPD	People Division, DFAT
PRB	Protocol Branch, DFAT
PRRC	Performance, Risk and Resourcing Committee
PV	Positive Vetting
RSO	Regional Security Officer
SCNS	Secretaries Committee on National Security
SDG	Service Delivery Group, DFAT
SEP	Security Enhancements Program
SFO	Staff and Family Support Office, DFAT
SPC	Strategic Policy Committee
STA	Short-term assignment
STM	Short-term mission
STO	State and Territory Offices
TTIMO	Office of the Minister for Trade, Tourism and Investment
s47E(d)	
WHS	Work health and safety
WIL	Women in Leadership
WoG	Whole of government



