

20- 21

ANNUAL REPORT



NOPSEMA
Australia's offshore energy regulator

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About this report

This report outlines the operations and performance of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) for the financial year ending 30 June 2021.

It has been prepared in accordance with section 46 of the *Public Governance Performance and Accountability Act 2013* (PGPA Act), the Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) and the Department of Finance Resource Management Guide Number 136.

The List of requirements in this report lists the information required by the PGPA Act and PGPA Rule and the corresponding section within this report where specific information can be found. This annual report can be found on NOPSEMA's website at nopsma.gov.au.

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Letter of transmittal

The Hon Keith Pitt, MP
Minister for Resources and Water
Parliament House
Canberra ACT 2600

Dear Minister,

I am pleased to present the Annual Report of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) for the year ending 30 June 2021.

This report has been prepared for the purposes of section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), which requires that I prepare and provide an annual report to you for presentation to the Parliament.

The annual performance statements in part four of this report is prepared in accordance with paragraph 39(1) of the PGPA Act and accurately presents NOPSEMA's performance for the 2020–21 financial year in accordance with subsection 39(2) of the PGPA Act.

The report includes NOPSEMA's audited financial statements prepared in accordance with the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015.

I certify that I am satisfied that NOPSEMA has in place appropriate fraud control mechanisms that meet our needs and comply with the PGPA Act, PGPA Rule and associated framework applying in 2020–21.

Yours sincerely,



Stuart Smith
Chief Executive Officer

17 September 2021

PART 1: Year in review

Chief executive review

I am pleased to release the National Offshore Petroleum Safety and Environmental Management Authority's (NOPSEMA) 2020–21 Annual Report.

Responding to the COVID-19 pandemic

The ongoing effects of the pandemic such as border closures, travel restrictions and quarantine requirements continue to put pressure on the Australian oil and gas industry leading to the implementation of unprecedented measures to reduce the risk of COVID-19 transmission. In particular, many offshore workers are spending extended periods of time separated from their loved ones working longer swing patterns and spending time in quarantine.

I have highlighted to industry CEOs how important it is to manage the psychosocial effects of this type of work environment to address immediate concerns and mitigate long term impacts on mental health in the offshore workforce. NOPSEMA has already undertaken a series of inspections in response to proposed roster modifications and will continue to monitor facility operators to ensure there is appropriate workforce consultation, risk assessment, and management of change processes.

Restrictions placed on the movement of specialist personnel and equipment internationally and domestically have also led to concerns about access to adequate resources in the event of an oil spill emergency. NOPSEMA's Spill Risk Team has been working closely with industry and government to ensure the necessary arrangements are in place to respond to an oil spill emergency in a timely manner.

The impacts of restrictions on workforce competencies in fields such as the assessment and maintenance of structural integrity are also of concern. Timely and appropriate maintenance is a key control in the prevention of harm and protection of the environment, and so NOPSEMA has increased its focus on maintenance, with particular attention paid to the maintenance of late life assets.

Increasing our focus on maintenance and decommissioning

The decommissioning of offshore assets has been a legal obligation in Australia since the late 1960s, but only a handful have been decommissioned in that time. Now, more than half of the facilities regulated by NOPSEMA are more than 20 years old, some more than 50 years, and many will need to be decommissioned over the next ten years.

In 2019, the Minister for Resources and Northern Australia highlighted in his Statement of Expectations the need for NOPSEMA to increase oversight of late life assets and apply the full range of our compliance powers to ensure appropriate decommissioning when facilities reach their end of life.

In 2020, the liquidation of Northern Oil and Gas Australia Ltd (NOGA) confirmed the need for heightened oversight and prompted the Australian Government to introduce amendments to the legislation so that it can call back previous owners of an asset to pay for decommissioning if the current owner cannot. NOPSEMA is expecting additional powers including a broader application of financial assurance provisions to ensure titleholders have sufficient funds to cover the cost of decommissioning.

To help industry comply with their maintenance and decommissioning obligations, NOPSEMA has released several guidance documents. This has included Section 572 Maintenance and removal of property policy, an Ageing assets guidance note, a Decommissioning compliance plan and a Decommissioning compliance strategy. As part of the compliance strategy NOPSEMA has made it clear to industry when enforcement actions might reasonably be expected.

To date four general directions have been issued in respect of nonproducing facilities requiring titleholders to plan for and undertake decommissioning activities. The directions set clear timeframes for plugging and abandoning wells, maintaining, and removing property and equipment, protecting natural resources, and making good any damage to the seabed.

Embracing opportunities for self-reflection and external review

It has been a particularly busy year for NOPSEMA, following the conclusion of an Independent audit of NOPSEMA's consideration of exploration in the Great Australian Bight, we participated in four separate reviews and have appeared before multiple Senate Inquiries in addition to our regular appearances at Senate estimates hearings.

An independent operational review required under legislation was completed for the period 2015–20. It examined NOPSEMA's effectiveness at bringing about improvements in occupational health and safety, environmental management and well integrity. The operational review provided important opportunities for government, industry, other interested parties to provide input on the regulatory regime and NOPSEMA's administration of it. The operational review report is expected to be published in 2021–22.

NOPSEMA welcomes independent scrutiny and each review of NOPSEMA has found us to be a highly effective and efficient regulator. As an organisation we continue to seek opportunities for improvement to the regulatory regime and how it is administered to ensure offshore worker safety and sound environmental management.

Supporting diversification of the offshore energy industry

NOPSEMA recognises a transition is occurring in Australia and globally with a growing focus on alternative energy sources while reimagining a continuing role for fossil fuels. NOPSEMA is contributing to this transition by providing specialist technical and regulatory advice to the Australian Government to support the development of a regulatory framework for offshore electricity infrastructure projects.

The regulatory framework provides for a licencing scheme to enable the construction, operation and decommissioning of offshore electricity infrastructure projects in Commonwealth waters covering offshore fixed and floating wind, wave and tidal power and other emerging technologies.

In recognition of our substantial experience and expertise in managing risk in Australia's unique offshore environment, NOPSEMA has been identified by the Government as the regulator for offshore electricity infrastructure projects. Under the framework NOPSEMA will have regulatory responsibility for the workforce health and safety, structural integrity and environmental management associated with these projects.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stuart Smith', with a stylized flourish at the end.

Stuart Smith

Chief Executive Officer

Financial performance

In 2020–21, NOPSEMA's financial result was a surplus of \$2.4 million. NOPSEMA's total revenue for the year was \$39.5 million, comprising \$38.3 million in revenue from levies and fees, \$0.7 million in appropriations from the Australian Government, and \$0.5 million in other revenue.

Revenue from levies and fees included the recognition of revenue associated with a major five-year environment plan revision that was submitted in 2019–20 and accepted in 2020–21. The appropriation received from the Australian Government was to support the establishment of regulatory functions for offshore electricity infrastructure independent to NOPSEMA's existing cost-recovered functions.

NOPSEMA's total expenses for the year were \$37.0 million with 76% of total expenses related to employees including associated recruitment and training. The major expense categories were employee benefits \$28.3 million, suppliers \$4.5 million and depreciation and amortisation \$4.2 million.

NOPSEMA continues to carefully manage staffing levels to ensure it can effectively perform its regulatory functions. Notwithstanding the increase in employee costs, NOPSEMA remains financially viable with sufficient cash balances to meet future commitments.

NOPSEMA is forecasting a budget deficit of \$3.4 million for 2021–22 as a result of increased costs required to fulfil regulatory functions.

Strategic compliance focus areas

Preventing major accident events

Programs targeting this focus area included:

- identification and management of the human factors influencing the workforce, such as mental health and fatigue
- key safety management systems, the use of management of change, operational risk assessment, performance standards and other tools
- management of maintenance with a particular focus on the corrosion of ageing assets, ensuring facilities are maintained appropriately until decommissioning.

Preventing loss of well control

Programs targeting this focus area included:

- titleholder and drilling contractor interfaces, including management system interfaces and management of change
- consistent standards for well-barrier diagrams, well failure models and terminology in the industry to promote a common language for communicating well integrity risks and controls
- standardisation of methods for calculating pore pressure and fracture gradients to improve industry's ability to predict possible failure pathways and conditions.

Responsible asset stewardship

Programs targeting this focus area included:

- ensuring duty holders have appropriate plans for decommissioning and are executing those plans in a timely manner
- providing certainty to industry regarding decommissioning obligations, including issuing guidance in relation to relevant legislative provisions and developing and publishing the decommissioning compliance plan
- supporting capacity building for decommissioning in industry, including supporting research, supporting collaboration, and sharing of resources and establishing a property register.

Effective oil pollution emergency preparedness

Programs targeting this focus area included:

- maintaining a compliance focus on operational matters including incident management team capability, source control capability, selection and use of dispersants, availability and capability of oil spill response providers and international response arrangements
- promoting cooperative solutions with titleholders through collaboration with industry representative bodies, the Oil Spill Risk Forum, and major oil spill response organisations
- participate in the National Plan Review and collaborate with the Department of Industry, Science, Energy and Resources to review the strengths and limitations of the offshore petroleum spill response framework, aiming to clarify and simplify arrangements and inform potential policy and legislative change.

Regulatory activities

During 2020–21, NOPSEMA:

- completed the assessment of 143 key permissioning documents, with 99% percent notified within the legislated time frame
- completed 199 assessments of other regulatory submissions
- undertook 121 inspections from which it made 326 recommendations for improvement
- investigated 541 reports of notifiable incidents, 10 complaints and 37 instances of non-reportable incidents and information provided by third parties
- issued six improvement notices, 15 directions and six written advice/warnings
- participated in 989 stakeholder engagement activities.

For more information on NOPSEMA's regulatory activities see PART 4: Annual performance statements.

PART 2: NOPSEMA overview

Enabling legislation and principal functions

NOPSEMA is an independent statutory authority established under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGs Act). NOPSEMA's principal functions are detailed in section 646 of the OPGGS Act and are summarised as follows:

- to promote the occupational health and safety (OHS) of persons engaged in offshore petroleum operations or offshore greenhouse gas storage operations
- to develop and implement effective monitoring and enforcement strategies to secure compliance by persons with their occupational health and safety obligations under the OPGGS Act and regulations
- to investigate accidents, occurrences and circumstances relating to health and safety, structural integrity of facilities, wells and well-related equipment, and environmental management
- to advise on matters relating to health and safety, structural integrity and environmental management
- to make reports, including recommendations, to the responsible Commonwealth minister and each responsible state and Northern Territory minister
- to cooperate with other Commonwealth and state or Northern Territory agencies or authorities having functions relating to regulated operations.

Jurisdiction

NOPSEMA regulates all petroleum and greenhouse gas storage activities in Commonwealth waters as defined under the OPGGS Act. Commonwealth waters start three nautical miles from the territorial sea baseline and extend seaward to the outer limits of the continental shelf. NOPSEMA also regulates the health and safety and structural integrity of petroleum and greenhouse gas storage activities in the coastal waters of Victoria following conferral of state powers and functions to NOPSEMA. Discussions regarding the conferral of powers and functions continues with other jurisdictions.

Vision, purpose, approach & values

Our vision

A protected offshore workforce and environment.

Our purpose

To assure the protection of lives and the environment.

Our approach

Influence | Oversee | Enforce

Our values

- Professionalism | We will be accountable, consistent, reasonable and act in accordance with the law.
- Ethics | We will demonstrate respect and integrity in all we do.
- Independence | We will make our decisions impartially on the merits of the circumstances, and without undue influence.
- Leadership | We will be proactive, inclusive and decisive in our conduct as a pre-eminent regulator.
- Collegiality | We will make and act on informed decisions through open and respectful dialogue.

Our outcome

NOPSEMA has a single outcome set by the Australian Government and outlined in the 2020–21 Portfolio Budget Statements. Our outcome is to promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse storage industries through regulatory oversight. Our Corporate Plan 2020–25 articulates how we seek to achieve this outcome and how achievement and success is measured.

Our ministers

As at the 30 June 2021, NOPSEMA's ministers were:

- The Hon. Keith Pitt MP, Minister for Resources and Water
- The Hon. Sussan Ley MP, Minister for the Environment
- The Hon. Jaclyn Symes, Minister for Resources, Victoria.

Executive

Stuart Smith, Chief Executive Officer

Stuart Smith was appointed NOPSEMA's CEO in September 2014, following six years as Director General of the Department of Fisheries in Western Australia.

At the Department of Fisheries, Stuart managed the sustainable use of aquatic resources in Western Australia and in adjacent Commonwealth waters. Stuart also worked as a Deputy Director General (DDG) and Acting Director General for the Department of Industry and Resources (DOIR) in Western Australia. As the DDG for State Development, he was responsible for facilitating major mining and petroleum projects, attracting investment and promoting trade and economic expansion opportunities in Western Australia. As the DDG for Resources he was responsible for promoting resources exploration in the state, regulating mining activity, managing resources sector royalties and regulating petroleum activity including onshore and offshore safety and environmental management.

Prior to DOIR, Stuart spent 14 years with the Australian Public Service in Canberra, Melbourne and Perth. During this period, he held various industry development and regulatory roles including positions with the industry portfolio and the Australian Competition and Consumer Commission, together with a secondment to Parliament House as an Inquiry Secretary and adviser. Stuart holds a Bachelor of Economics from the University of Western Australia and a Graduate Diploma in Economics from the Australian National University. He is also a Churchill Fellow and a graduate of the Australian Institute of Company Directors.

Nicholas Page, Director for the Office of the Chief Executive

Nicholas Page was appointed as Director, Office of the Chief Executive in May 2021 after five years as NOPSEMA's Legislative Change, Communications and Stakeholder Relations Manager, where he was responsible for engagement activity driving regulatory reform and strengthening external relationships.

Leading the Office of the Chief Executive, Nicholas oversees NOPSEMA's communications, legislative, and regulatory improvement functions, and is principal advisor to NOPSEMA's CEO and executive leadership team.

With over 15 years' experience in the public sector, Nicholas has a strong record for government relations and ministerial liaison, including roles representing the Australian Government overseas. Prior to joining NOPSEMA, Nicholas held communications leadership roles with the Australian Federal Police and the CrimTrac Agency (now the Australian Criminal Intelligence Commission).

Nicholas holds Certified Practising Marketer and Chartered Manager accreditations and is a Fellow of the Australian Marketing Institute. Nicholas' qualifications include a Bachelor of Communication from Griffith University, a Postgraduate Diploma in Professional Marketing from the Chartered Institute of Marketing (UK), and a Master of Business from the Queensland University of Technology.

Derrick O'Keeffe, Head of Safety and Integrity

Derrick O'Keeffe was appointed NOPSEMA's Head of Safety and Integrity in December 2016, following a successful 34-year career in the oil and gas industry.

Derrick possesses a comprehensive understanding of the objective-based regulatory regime having worked in Australia as a Country Manager for Murphy Oil, Chief Operating Officer for Strike Energy, and Business Manager for Woodside Energy. He also has significant international experience, including working in the United Kingdom, US, Asia, North Africa and the Middle East with companies such as British Gas, Cairn Energy, Schlumberger, and Marathon Oil.

Derrick's career has involved building multi-cultural cross-exploration-and production teams to develop and deliver growth opportunities. His expertise includes strategy, business development, commercialisation, operations and regulatory management, governance and control, executive crisis management, and stakeholder and media relations. His goal is to assist teams to achieve outcomes they had not thought possible.

Derrick holds a Bachelor of Science in Chemical Engineering from Loughborough University of Technology and a Master of Business Administration from Cranfield University and is a Graduate of the Australian Institute of Company Directors.

Cameron Grebe, Head of Environment and Decommissioning

Cameron Grebe was appointed NOPSEMA's Head of Environment in August 2011, and in May 2021 the division was expanded to include decommissioning as part of the Australian Government's agenda to increase focus on aging offshore infrastructure.

Prior to NOPSEMA, Cameron spent 12 years as an environmental engineer, adviser and manager at Woodside Energy and Shell Global Solutions International. In these roles, he was responsible for the environmental and social impact assessment and management of largescale upstream exploration, production and liquefied natural gas projects.

As Head of Environment and Decommissioning, Cameron is responsible for leading NOPSEMA's regulatory oversight of environmental management across all offshore petroleum activities in Commonwealth waters including oil pollution, risk management and emergency planning. Cameron led the inception and implementation of NOPSEMA's regulation of environmental management, which involved a comprehensive stakeholder engagement and streamlining program. He continues to lead teams of environment specialists to improve environmental management outcomes and NOPSEMA's regulatory activities, this has included substantial stakeholder engagement. Cameron represents NOPSEMA (and Australia) as a member of the International Offshore Petroleum Environment Regulators group.

Cameron holds a Bachelor of Engineering (Environmental Engineering) from RMIT University and a Post Graduate Diploma in Energy Studies from Murdoch University.

Suzanne Hillier, General Counsel and Director of Legal and Risk

Suzanne Hillier was appointed NOPSEMA's General Counsel in March 2010, following seven years at the Western Australian Department of Health (DoH). At DoH, she was responsible for managing the Legal and Legislative Services Directorate which included managing the legislative program for the Minister for Health, providing specialist advice on matters associated with the state's health system and providing extensive support during a coronial inquiry process.

Suzanne is responsible for managing NOPSEMA's legal and risk functions. This includes providing legal advice on contract and commercial issues, statutory interpretation, employment law and investigation and prosecution proceedings. She also manages the risk, internal audit and assurance functions for the agency. Suzanne regularly presents on best practice legal management at forums for government and in-house company lawyers.

Suzanne is a graduate of the Australian Institute of Company Directors, holds a Bachelor of Science and Bachelor of Laws from the University of Tasmania and a Master of Environmental Law from the University of Sydney.

Karl Heiden, Head of Corporate and Financial Assurance

Karl Heiden was appointed NOPSEMA's Head of Corporate and Financial Assurance in May 2021, following six years as Head of Regulatory Support. Prior to these senior leadership roles, Karl spent four years as an Environment Manager assisting the inception and implementation of NOPSEMA's regulation of environmental management.

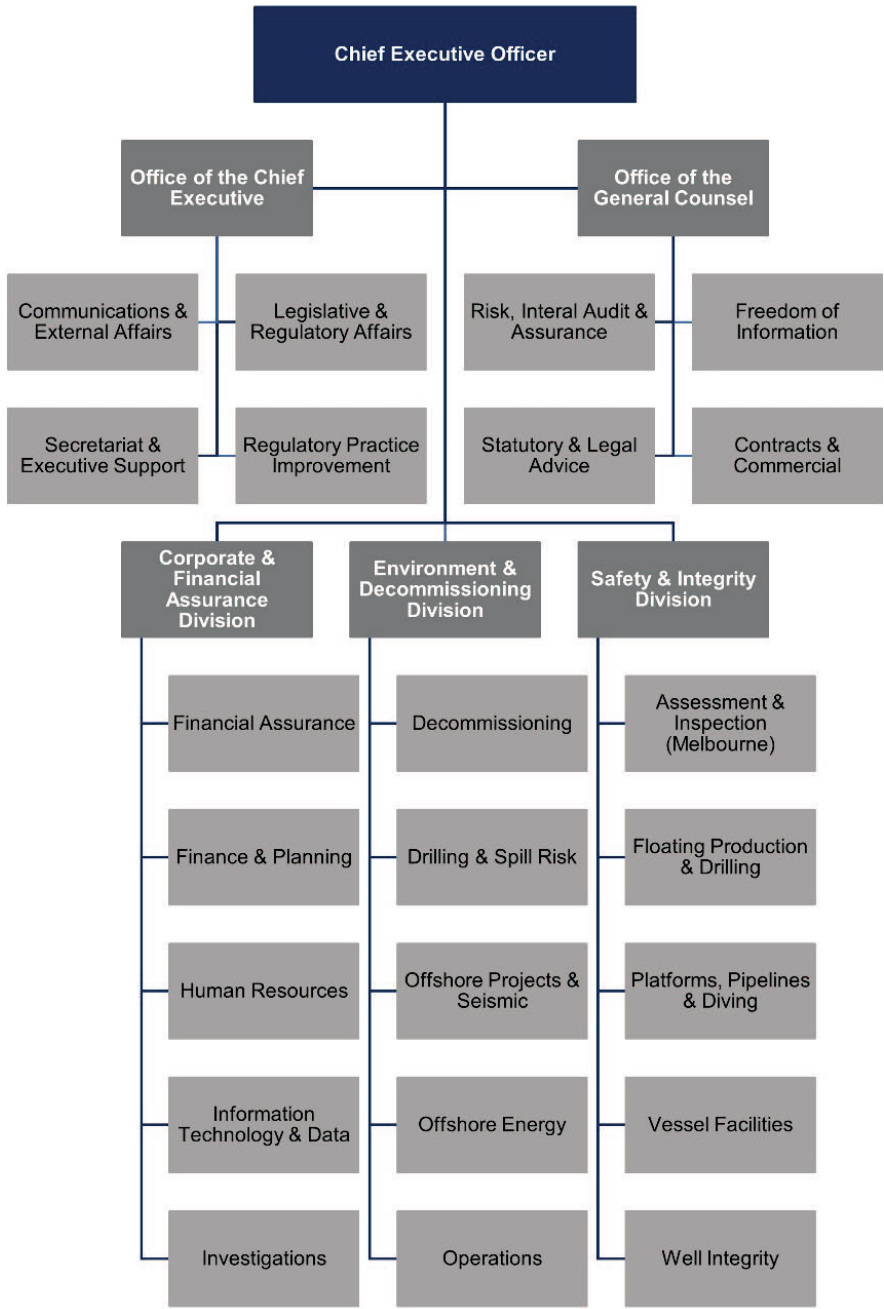
Karl has extensive experience working in Canberra, having spent 12 years in a number of senior advisory roles for various federal government departments and ministers. At the Department of Fisheries and Forestry, Karl was responsible for the administration of the \$250 million Tasmanian Community Forest Agreement to enhance the protection of Tasmania's forest environment and assist the Tasmanian forest industry to adjust to changes in forest resources. In the Office of the Minister for the Environment, he provided advice on the implementation of the EPBC Act and other EPBC-related matters. Karl also held roles in a number of environmental consultancy firms primarily providing advice on large-scale oil and gas projects.

As the Head of Division, Karl is responsible for overseeing NOPSEMA's corporate functions including human resources, finance and budget management, and information technology. He is also responsible for delivering regulatory functions including independent investigations, financial assurance, and statutory reporting.

Karl holds a Bachelor of Economics from the University of Tasmania and a Master of Environmental Science from Monash University. He is also a graduate of the Australian Institute of Company Directors.

Organisational structure

NOPSEMA comprises of the Office of the Chief Executive, Office of the General Counsel, a Corporate and Financial Assurance Division, Environment and Decommissioning Division and Safety and Integrity Division, each reporting to the CEO. This structure provides NOPSEMA with clear lines of responsibility that support sound corporate governance, stakeholder engagement and compliance efforts.



PART 3: Management & accountability

Accountable authority

The Chief Executive Officer (CEO) is the accountable authority of NOPSEMA.

		Period as the accountable authority within the reporting period	
Name	Position/title	Date of commencement	Date of cessation
Stuart Smith	CEO	01/07/2020	28/08/2020
		07/09/2020	08/10/2020
		19/10/2020	24/12/2021
		05/01/2021	14/02/2021
		18/02/2021	05/03/2021
		15/03/2021	14/05/2021
		20/05/2021	09/06/2021
		15/06/2021	30/06/2021
Derrick O'Keeffe	Acting CEO	29/08/2020	06/09/2020
		25/12/2020	04/01/2021
Suzanne Hillier	Acting CEO	09/10/2020	18/10/2020
Karl Heiden	Acting CEO	15/02/2021	17/02/2021
		06/03/2021	14/03/2021
Cameron Grebe	Acting CEO	15/05/2021	19/05/2021
		10/06/2021	14/06/2021

Corporate governance

Overall responsibility for the management of NOPSEMA is vested in its CEO. The OPGGS Act vests the CEO with all the legal powers and functions assigned to NOPSEMA. The CEO may delegate his/her authority for the day-to-day operations of NOPSEMA to the Head of Safety and Integrity, Head of Environment and Decommissioning, Head of Corporate and Financial Assurance, or General Counsel.

The OPGGS Act requires NOPSEMA to report on its investigations, as appropriate, to the responsible Commonwealth, state, and Northern Territory ministers. Under streamlined environmental authorisation arrangements, endorsed under the EPBC Act, NOPSEMA is also required to report to the Minister for the Environment and Energy on its compliance with streamlining commitments.

The responsible Commonwealth minister may, after consulting with the relevant state or the Northern Territory minister, issue policy principles to NOPSEMA to direct the way it fulfils its responsibilities. These policy principles do not extend to NOPSEMA's regulatory decision-making.

As a Commonwealth statutory authority and corporate entity, NOPSEMA has statutory obligations under the *Public Service Act 1999* and the PGPA Act. NOPSEMA ensures compliance with these obligations through its corporate governance arrangements.

Risk and fraud control

NOPSEMA is strongly committed to governance that involves effective and robust internal controls and a highly ethical culture. It is a key responsibility of all NOPSEMA officials to safeguard NOPSEMA's property against loss through fraud, corruption, or negligence and to support fraud and corruption control efforts. NOPSEMA's risk management framework conforms to AS/NZS ISO 31 000:200 Risk management - Principles and Guidelines and aligns with the Commonwealth Risk Management Policy. The framework facilitates the management of all reasonably foreseeable organisational risks. NOPSEMA's also implements a Fraud and corruption control plan that seeks to protect public money, information and property, and the integrity and good reputation of NOPSEMA.

Risk committee

The primary purpose of the risk committee is to provide assurance and advice to the CEO and advise the Independent Audit Committee on NOPSEMA's internal control mechanisms, fraud, financial and business risks, and compliance with its statutory obligations under the PGPA Act and PGPA Rule. The committee has four members including the Director of Legal and Risk (Chair), and representatives from the Environment and Decommissioning, Safety and Integrity, and Corporate and Financial Assurance divisions. The committee has two observers including the Assistant Director of Risk and Internal Audit and the Senior Legal Counsel.

Audit committee

The audit committee is established by the Accountable Authority in compliance with section 45 of the PGPA Act and section 17 of the PGPA Rule. The audit committee charter, published on NOPSEMA's website, outlines the purpose, membership, key functions, and responsibilities of the committee, as part of the overall financial governance structure of NOPSEMA.

Member name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Term	Number of meetings attended	Total annual remuneration (GST inc.)	Additional information
Ann Hughes (Chair)	Ann is presently Director of Strategy and Governance for the WA Department of Fire and Emergency Services and previously had significant career experience in the resource and oil and gas industries. Ann's key areas of expertise are governance, strategy, performance, risk, internal control and compliance. Ann has held previous roles on Audit and Risk Committees.	Commenced 18/01/2020	1	Nil	NA
Tony Walsh	Tony Walsh has over 30 years' experience in dealing with listed companies, ASX, ASIC and corporate transactions including 14 years with the ASX in Perth where he acted as ASX liaison with the JORC committee, four years as Chairman of an ASX listed mining explorer and as a director of a London AIM listed Minerals Limited, Great Western Exploration Limited, Magmatic Resources Limited and Legend Mining Limited. Tony is a member of the Australian Institute of Company Directors, a Fellow of the Governance Institute of Australia, the Institute of Chartered Secretaries and the Institute of Chartered Accountants in Australia.	Commenced 01/07/2020	3	\$1800	NA
Jason Beeley	Jason holds a BA Hons (Oxon), Dip Strategic Studies. Jason joined the WA Office of the Auditor General in 2006, following 5 years as a commercial and general manager in the defence and technology sectors. Jason previously worked with the UK National Audit Office conducting and managing value for money studies, mainly of the Ministry of Defence. He was appointed Assistant Auditor General in 2009.	Commenced 05/11/2020	1	Nil	NA
James Komnino (Former Chair)	James is a Partner in the Audit and Assurance division for RSM in Perth. He is responsible for a broad range of clients, including the audits of listed companies and large private entities. James has extensive experience in auditing and providing general accounting assistance to audit clientele. James is a member of the RSM International Board of Directors, responsible for the global oversight of RSM in over 130 countries around the world. In Australia, James is also a	01/07/2020 to 16/11/2020	2	\$3300	NA

member of RSM Australia's five-person national executive, guiding the strategic direction of the firm. James is a fellow of the Australian Institute of Company Directors and Member of the Institute of Chartered Accountants in Australia-

People management

As at 30 June 2021, NOPSEMA had a headcount of 129 staff, and a full-time equivalent of 123.61 comprising ongoing and non-ongoing (including casual) staff.

Human resources strategy

NOPSEMA's Human Resources Strategy 2018 to 2022 was developed to support, engage, and develop NOPSEMA's workforce, recognising that NOPSEMA is built on the knowledge, skills, experience and values of our workforce. The strategy comprises the following five principal elements:

- Shaping the workforce through the integration of workforce planning into business planning. A Strategic Workforce Plan 2021 to 2026 and a programme of specific actions were developed to be undertaken over the 2021–22 timeframe.
- Building workforce capacity with the delivery of appropriate workplace behaviour, and fraud and corruption training sessions. Nine staff members participated in the 2020 Certificate IV in Government Investigations course.
- Strengthening management and leadership capability through manager participation in a NOPSEMA Leadership and Management Forum and staff participation in an Emerging Leaders course
- Contributing to the preferred organisational culture through the initiatives of the NOPSEMA Organisational Culture Group to build a collegiate and transparent organisational culture.
- Improving human resources service delivery through the review of a suite of human resource policies and procedures to ensure people management practices remained aligned to relevant legislation, practices, and business operations. A business partnership model in the delivery of human resources services was implemented.

Employee benefits

NOPSEMA offers its staff highly competitive remuneration packages and favourable working conditions. These include:

- competitive employer superannuation contributions at 15.4%
- 25 days of annual leave and 15 days of personal leave per annum
- ability to purchase additional leave subject to operational requirements
- learning and development opportunities
- flexible working arrangements
- employee assistance programme available to staff and immediate family members
- annual flu vaccinations
- \$300 subsidy for employees requiring prescription glasses to perform their duties
- \$500 per calendar year for appropriate professional memberships/subscriptions.

Diversity and inclusion

NOPSEMA is committed to a fair, flexible, safe, and rewarding workplace which celebrates diversity among its employees. Our policies and practices seek to ensure a workplace free from discrimination and harassment. NOPSEMA actively promotes a work environment that recognises and values individual differences and fosters the contributions of people from different backgrounds, experience, and perspectives.

Australian Public Service (APS) Employee Census

NOPSEMA participated in the annual APS Employee Census. The Census collects information on the attitudes and opinions of NOPSEMA employees on a voluntary basis. The results of the survey were presented to staff, who were provided with opportunity to make suggestions or address any areas of concern. The survey results for 2020 are available at [Australian Public Service census report | NOPSEMA](#).

Standards of behaviour

Code of conduct

In 2020–21, NOPSEMA continued to actively support and uphold the APS Values and Code of Conduct. NOPSEMA informs and educates staff through a combination of online and face to face training and ongoing access to APS policy and guidance materials. Any potential breaches of the Code of Conduct are considered and investigated where appropriate.

Conflicts of interest

In order to fulfil our mission as an independent and professional regulator NOPSEMA has robust policies and procedures in place to manage any real and apparent conflicts of interest. As a condition of employment, all staff are required to complete a conflicts of interest declaration. Staff must take reasonable steps to avoid any conflict of interest or other threats to the integrity of NOPSEMA. Key management personnel must declare in writing, at least annually, their own and their immediate family members' financial and other interests that could involve a real or apparent conflict of interest.

Performance management

NOPSEMA is committed to managing the performance of its staff to ensure effective contribution to the achievement of NOPSEMA's vision and purpose. Staff participate in an annual performance management process that monitors and measures their progress against agreed objectives and goals.

Work, health, and safety

NOPSEMA promotes a culture that empowers our people to be accountable for their work health and safety (WHS). NOPSEMA's objective is to achieve or exceed the standard of WHS performance we expect from the industry we regulate. NOPSEMA has the required resources in place to comply with the *Work Health and Safety Act 2011* (Cth) (WHS Act).

Programs and initiatives

In 2020–21, NOPSEMA continued to implement its WHS management system, reviewed and managed hazards and risks, and monitored and reported on our WHS performance. This includes a strong commitment to internal consultation on WHS matters, ongoing development and implementation of relevant policies and procedures, and management of hazards and incident reports.

In response to the COVID-19 pandemic, NOPSEMA took a range of actions in line with public health advice. This included the establishment of a COVID-19 Vaccine Working Group to ensure NOPSEMA is aware of the latest developments and government policies.

A range of WHS programs and initiatives were provided to staff to achieve targets specified in the Australian Work Health and Safety Strategy 2012–22 including:

- access to free counselling services through an employee assistance program for all staff and their family members
- regular workplace hazard inspections
- ergonomic or medical assessments for all new staff any staff reporting injury or discomfort
- regular mental health and wellbeing information sessions and information on resources to support mental health wellbeing
- regular medical assessments are undertaken for all inspectorate staff.
- a free vaccination program against influenza is offered to staff at the beginning of each winter.

Health, Safety, and Environment Committee

The Health, Safety and Environment Committee provides an avenue for effective communication between senior management and staff on matters relating to WHS and environmental management. The committee has 12 members and met three times in 2020–21. Meeting minutes are published and accessible internally.

Incidents, investigations, and other matters

In 2020–21, there were no notifiable or dangerous incidents, no investigations were conducted, and no notices were issued to NOPSEMA.

Governance

Comcare is the national regulator of WHS. It conducts a program of management system audits (on all federal employers) to assess policies and practices to ensure employers are meeting and maintaining their responsibilities under the WHS Act. NOPSEMA was last audited in March 2017.

Environmental performance

Section 516A of the EPBC Act requires NOPSEMA to report annually on how its activities accord with, and contribute to, the principles of ecologically sustainable development (ESD) and the environmental performance of its internal operations.

The principles of ESD, as defined by section 3A of the EPBC Act, are enshrined in the Environment Regulations that are administered by NOPSEMA. NOPSEMA seeks to ensure offshore petroleum and greenhouse gas activities are carried out in a manner that is consistent with the principles of ESD through its regulatory activities (assessment, compliance monitoring, enforcement, promotion, and advice).

As an Australian Government agency responsible for implementing federal environment policy, NOPSEMA supports the work of the federal government to meet Australia's global greenhouse gas and climate change commitments and associated legal frameworks. This includes legislative and other requirements in place to implement Australia's commitment to the Kyoto Protocol of 1997 and the Paris Agreement of 2016 to reduce greenhouse gas emissions by 26–28 per cent below 2005 levels by 2030.

Reducing the environmental impact of our own operations is an important part of NOPSEMA's corporate responsibility. NOPSEMA's day-to-day operations are largely office-based, our environmental footprint is limited to our offices in Perth and Melbourne and associated activities such as travel. NOPSEMA has an internal Environment and Sustainability Policy which drives measures to reduce the environmental impact of our operations. These measures include:

- travel policies that promote the use of phone and video conferencing in preference to air travel
- selecting office locations in close proximity to industry stakeholders to minimise travel requirements
- encouraging staff to walk, cycle or use public transport to and from work by providing suitable end-of journey facilities such as showers, lockers, and secure cycle storage
- discouraging car use by excluding car parking facilities in our office leasing agreements
- leasing office premises with a five-star energy rating using the National Australian Built Environment Rating System
- encouraging the reduction of office energy and resource consumption through less printing, procurement waste, and energy use
- maintaining waste segregation facilities and recycling contracts for paper, cardboard, plastics, batteries and toner ink cartridges.

External scrutiny

Inquiries and reviews

Independent operational review

In 2020, an independent operational review of NOPSEMA's effectiveness at bringing about improvements in occupational health and safety, environmental management and well integrity was undertaken. The operational review provided important opportunities for government, industry, and other

interested parties to provide input on the regulatory regime and NOPSEMA's administration of it. The operational review report is expected to be published in 2021–22.

Senate Inquiry into the Impact of seismic testing on fisheries and the marine environment

In June 2021, the Senate Inquiry into the Impacts of Seismic Testing on Fisheries and the Marine Environment released its final report. NOPSEMA welcomed the inquiry, actively taking part by preparing a submission and attending a hearing via video conference to provide evidence. NOPSEMA's submission was described as 'excellent and very comprehensive'.

Independent review into the circumstances leading to the administration and liquidation of Northern Oil and Gas Australia

In April 2020, the Minister for Resources, Water and Northern Australia appointed Steve Walker to conduct an independent review of the circumstances that led to the liquidation of the Northern Oil and Gas Australia (NOGA) group of companies. NOPSEMA was interviewed by Steve Walker and provided information on request. The final report was provided to Minister Pitt in June 2020 and published in August 2020. The review found NOPSEMA to be a robust and professional regulator and its decision-making was found to be both appropriate and well informed.

Senate Inquiry into the Offshore Petroleum and Greenhouse Gas Storage Amendment (Benefit to Australia) Bill 2020

In March 2021, the Senate Inquiry into the Offshore Petroleum and Greenhouse Gas Storage Amendment (Benefit to Australia) Bill 2020 released its final report. NOPSEMA welcomed the inquiry, taking part by attending a hearing.

Productivity Commission review into resources sector regulation

In December 2020, the Productivity Commission review into resources sector regulation released its final report. The review did not involve a hearing, only an interview for the purpose of collating information to examine regulation affecting the resources sector. NOPSEMA made two submissions in October 2019 and July 2020.

Senate estimates

Estimates of government expenditure are referred to Senate committees as part of the annual budget cycle. This opportunity to examine the operations of government plays a key role in the parliamentary scrutiny of the executive. NOPSEMA attended three Supplementary Budget Estimates and Additional Budget Estimates hearings held by the Economic Legislation Committee on 29 October, 25 March, and 4 June.

Freedom of information

NOPSEMA is subject to the *Freedom of Information Act 1982* (FOI Act). NOPSEMA promotes the objectives of the FOI Act through proactive disclosure and transparency of its regulatory decisions and by promoting public participation and scrutiny of its operations. NOPSEMA publishes information on its website as required under the FOI Act's Information Publication Scheme.

PART 4: Annual performance statements

Introduction

These annual performance statements incorporate performance results for the NOPSEMA corporate plan and the existing Regulator Performance Framework (RPF)¹.

NOPSEMA has aligned the reporting requirements of its corporate plan and RPF into these statements in accordance with Resource Management Guide No. 134 Annual performance statements for Commonwealth entities, as published by the Department of Finance, to streamline reporting processes and requirements.

The appropriateness of NOPSEMA's performance reporting is reviewed each year by its Audit Committee as per section 17(2)(b) of the Public Governance, Performance and Accountability Rule 2014.

The annual performance statements also serve as NOPSEMA's self-assessment report under the RPF.

[1] The Regulator Performance Framework (RPF) has been modified to be the Regulator Performance Guide (RPG) and will be transitioned into effect from 1 July 2021.

Introductory statement

I, Mr Stuart Smith, CEO, as the accountable authority of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA), present NOPSEMA's annual performance statements for 2020–21, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGs Act), and the Regulator Performance Framework (RPF).

In my opinion, these annual performance statements are based on properly maintained records, accurately reflect the performance of the entity, and comply with subsection 39(2) of the PGPA Act.



Stuart Smith

7 September 2021

Entity purpose

To assure the protection of lives and the environment.

Portfolio Budget Statements (PBS) performance

These inform parliament of the resource allocation to government outcomes and programmes and are linked to an entity's planning and performance. NOPSEMA has a single outcome and programme as listed below:

Outcome 1.1

Promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight.

Programme 1.1

Regulatory oversight of safety cases, well operations management plans and environment plans coupled with effective monitoring, investigation and enforcement.

Results summary and snapshot

NOPSEMA has met all targets for their key performance indicators (KPIs) as stated in the corporate plan for 2020–21.

These results support the fulfilment of NOPSEMA's purpose to assure the protection of lives and the environment.

Key performance indicator (KPI) 2020-21 results snapshot		Results	RPF link
1	Assessments are undertaken in line with risk-based elements as per NOPSEMA policies	++	RPF KPIs 3 & 4
2	Risk-based inspections are conducted to meet policy targets	++	
3	Enforcement actions are undertaken in accordance with NOPSEMA policies	++	
4	Incidents are investigated in accordance with NOPSEMA policies	++	
5	Analyse and publish industry-wide performance data each quarter	++	RPF KPIs 2 & 5
6	Demonstrate that feedback is sought from stakeholders on guidance provided where relevant	++	
7	Reports are provided for all stakeholders, including relevant Ministers and the NOPSEMA Advisory Board each quarter	++	
8	Engagement is undertaken via the established cooperative mechanisms that are in place with identified relevant entities	++	RPF KPIs 1 & 6
9	Internal audits and improvements are undertaken in line with the quality management system	++	
10	Feedback and complaints are processed in compliance with NOPSEMA's Regulatory Service Charter	++	
11	Resourcing levels and skills are maintained within establishment requirements	++	
12	A cost-effectiveness review of operations is undertaken and presented to industry each year	++	

Key

All targets met	++
Targets substantially met	+
Targets not met	-

Data quality

NOPSEMA has made every endeavour to ensure the data included in the annual performance statements is accurate at the time of publication. However, data may subsequently vary as further information becomes available. Any amendments and variations from the published data last year are noted accordingly within this report.

Glossary of acronyms and abbreviations

AELERT	Australian Environmental Law Enforcement and Regulators Network	IFAP	Industrial Foundation for Accident Prevention
AGCC	Australian Government Crisis Committee	IOPER	International Offshore Petroleum Environmental Regulators
AGM	Annual general meeting	IRF	International Regulators' Forum
AMSA	Australian Maritime Safety Authority	KPI	Key performance indicator
ANAO	Australian National Audit Office	MSR	Management system representative
APPEA	Australian Petroleum Production and Exploration Association	NOPSEMA	National Offshore Petroleum Safety and Environmental Management Authority
APSC	Australian Public Service Commission	NOPTA	National Offshore Petroleum Titles Administrator
CCC	Crisis coordination centre	NRCOP	National Regulator's Community of Practice
CEO	Chief Executive Officer	OHS	Occupational Health and Safety
CERG	Community Environment Reference Group	OPP	Offshore project proposal
COVID-19	Coronavirus disease 2019	PBS	Portfolio Budget Statements
DISER	Department of Industry, Science, Energy and Resources	PGPA Act	<i>Public Governance, Performance and Accountability Act</i>
DSMS	Diving safety management system	PL	Policy
EM	Environmental management	QMS	Quality management system
EMM	Enforcement management model	RPF	Regulator Performance Framework
ENGO	Environment non-government organisation	SC	Safety case
EP	Environment plan	SPE	Society of Petroleum Engineers
FLNG	Floating liquefied natural gas	Spillcon	International Oil Spill Conference
FOI	Freedom of Information	UPR	Upstream petroleum resources
FPSO	Floating production, storage and offloading	WHS	Work health and safety
HSR	Health and Safety Representative	WOMP	Well operations management plan

KPI Methodology, results and discussion

The overarching objective of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) is to provide a framework of governance and accountability for the performance and use of public resources by government agencies.

NOPSEMA must report on actual results achieved against the performance measures published in our corporate plan and portfolio budget statements. This must be presented as an Annual Performance Statement in accordance with PGPA Act and Public Governance, Performance and Accountability Rule 2014 (PGPA Rule).

The appropriateness of NOPSEMA’s performance reporting is reviewed annually by our audit committee.

KPI details

Corporate plan KPIs are regularly monitored and reviewed each year as part of the annual corporate planning process. The KPI results are extracted from the regulatory management system database and the electronic document records management system (EDRMS) that contains a range of data and information document types and sources.

The KPI results are extracted from the regulatory management system (RMS) database and EDRMS that contains a range of information sources such as email transcripts, meetings minutes, reports and worksheets.

The specific methods for measuring each KPI are described in each table below along with a discussion of the current results. Results for the previous four years are also included for comparative purposes.

KPI results

NOPSEMA uses the following indicators to denote the level of success in meeting the performance measure targets:

Key	
All targets met	++
Targets substantially met	+
Targets not met	-

Key Performance Indicator 1: Assessments are undertaken in line with risk-based elements as per NOPSEMA policies

Sources: KPI cross-references PBS 1, RPF 3, RPF 4					Target: 92%	
Year		2016–17	2017–18	2018–19	2019–20	2020–21
Results		100%	100%	100%	100%	100%
Methodology						
<p>NOPSEMA's assessment policy states that the detail of assessments will be proportionate to the level of risk. Resources are allocated according to the size and complexity of the facility, project or activity, and permissioning document (submission). NOPSEMA makes this judgement based on its existing knowledge of the environment, facility, well, pipeline, diving operation, project or activity and the content of the permissioning document. NOPSEMA's assessment focuses on areas that contribute the largest proportion of risk and on control measures and aspects of the safety management system or environmental implementation strategy that are most critical to risk control. Within the legislated timeframe, NOPSEMA may not necessarily assess every aspect of a submission but will carry out such evaluations as necessary to gain sufficient assurance to make the first assessment decision. The submission is typically assessed by using a sampling approach which provides NOPSEMA with sufficient assurance that the submission is fit-for-purpose. The scope and assessment brief of a submission may be reset at any time with management approval, for example in response to changing circumstances and/or new information.</p>						
Results						
The target has been met for the last five years.						++
<p>To confirm assessments were undertaken in line with the risk-based elements, all assessment scopes were outlined in an assessment brief that was reviewed and approved by management prior to the assessment completion. Below are the key permissioning documents included in the results for this KPI that required an assessment brief:</p>						
Key document type		2016–17	2017–18	2018–19	2019–20	2020–21
Environment plan	EP	38	37	37	45	27
Offshore project proposal	OPP	1	1	3	5	2
Safety case	SC	90	92	87	69	77
Well operations management plan ²	WOMP	49	36	22	30	35
Diving safety management system ³	DSMS	5	7	9	5	2
Total key document type assessments		183	173	158	154	143
Total other ⁴ assessments		291	246	191	225	199
Grand total assessments		473	419	349	378	342

During 2020–21, NOPSEMA received 143 submissions of the key permissioning documents listed above. Of these, one was recalled prior to scoping, and the remaining all had risk-based assessment scopes (WOMPs and DSMSs had full assessment scopes) and briefs reviewed and approved by management. 11 of the 77 safety cases included COVID-19 management scopes. NOPSEMA also assessed 199 other submissions, compared to 225 last year. NOPSEMA continued to publish assessment data in several formats (e.g., number submitted, per cent notified in time, number rejected etc.) as both quarterly and annual datasets. All relevant assessments and submissions data is available on the NOPSEMA website.

[2] [3] Assessment briefs are not required for the assessment of WOMPs and DSMSs as these are assessed in their entirety.

[4] Includes diving start-up notices and project plans, scopes of validation, well activity applications and final abandonment reports, end of EP notices and EP summaries, safety zone submissions and title-related assessments

Key Performance Indicator 2: Risk-based inspections are conducted to meet policy targets

Sources: KPI cross-references PBS 2, RPF 3, RPF 4					Target: 90%
Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	97%	99%	100%	100%	96%
Methodology					
NOPSEMA plans inspections at the start of the calendar year using a risk-based model and adjusts those plans accordingly as offshore activities vary and risks emerge. Inspections are used primarily to monitor duty holder compliance with the legislation, and ongoing implementation and compliance with accepted permissioning documents. In addition to planned inspections, other risk-based inspection types are also undertaken, e.g., special topic inspections such as COVID-19 related inspections. NOPSEMA scopes, schedules, and conducts inspections using a risk-based methodology that considers the following: relevant risk factors; previous performance and compliance history informed by inspections, investigations, incident history and other environmental and safety performance factors; industry incident trends; and responses to recommendations from previous inspections. The proposed scope of an inspection is prepared by a NOPSEMA inspector and approved by a representative of NOPSEMA. Inspections may be undertaken onshore at regulated business premises, remotely or offshore, and may also be multidisciplinary (combined types) to focus on the most pressing risks for an asset and provide timely technical advice to address a broad range of matters that may arise during an inspection. A single inspection can cover multiple facilities, activities, and wells. NOPSEMA's inspection policies are published on the website. A record of all inspections is entered into RMS, and all related documentation saved in EDRMS.					
Results					
The target has been met for the last five years.					++
Table 1 shows the fixed facility inspections that have set targets in place and is the KPI result.					
Table 1. 2020-21 Fixed facilities	Policy targets	Active facilities	Target inspections	Facilities inspected	Percentage
FPSOs	6 monthly or 2 per year	7	14	14	100%
Platforms - M	Multi-facility operators 1/y Single facility operators 2/y	14	18	16	89%
Platforms - NNM	Minimum once per 2 years	19	9	8	89%

Pipelines	Every 2-4 years	89	34	34	100%
Total			75	72 ⁵	96%

Table 2 below shows total inspections across all disciplines (EM, OHS and WI). All 2020–21 inspections included a COVID-19 related topic scope. The total number of inspections prior to 2020–21 also included some incident investigations undertaken as an inspection; these are now included with KPI 4 from this year onwards.

Table 2. All inspections	2016–17	2017–18	2018–19	2019–20	2020–21
EM inspections	39	59	42	40	33
OHS inspections	83	109	123	110	62
WI inspections	5	10	10	7	23
Special topic COVID inspections				60	
Regulated objects inspected	196	264	291	474	377
Total inspections	127	178	175	217 ⁶	118

[5] Three planned platform inspections scheduled for April/May 2021 were deferred until later in 2021 due to a coronavirus lockdown.

[6] The increased number of inspections in 2019-20 reflects the introduction of COVID-19 specific inspections.

Key Performance Indicator 3: Enforcement actions are undertaken in accordance with NOPSEMA policies

Sources: KPI cross-references PBS 3, RPF 3, RPF4					Target: 100%
Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	100%	100%	100%	100%	100%
Methodology					
<p>When warranted, NOPSEMA takes enforcement action to address breaches of the relevant legislation or accepted permissioning document and eliminate or reduce threats to health and safety, well integrity or the environment. NOPSEMA's enforcement policy is published on its website. NOPSEMA inspectors are guided by this policy when choosing appropriate enforcement action(s) to obtain a responsible party's compliance with the legislation. An OHS improvement notice is issued if, in the opinion of the NOPSEMA inspector, there is a breach of the relevant legislation. An OHS prohibition is issued if, in the opinion of the NOPSEMA inspector, it is warranted to address an immediate threat to health or safety. In all enforcement actions, the ultimate intent is to meet the objectives of the relevant legislation. Where enforcement is necessary to achieve compliance, NOPSEMA uses its powers in a transparent, efficient, and consistent manner and according to the principles of procedural fairness. Enforcement management tools such as the enforcement management model are an intrinsic element of the decision-making process.</p>					
Results					
The target has been met for the last five years.					++
<p>The appropriate type and level of enforcement action pursued during the reporting period was initially recommended by NOPSEMA inspectors using the Enforcement management policy and process tools, and subsequently reviewed and endorsed by managers and the Compliance Committee. In addition, as part of the broader enforcement framework, proposed enforcement actions are often subjected to peer, team and/or</p>					

additional management review. The results of all reviews of proposed enforcement actions were saved in EDRMS and the approved enforcement action types were entered into RMS and align with the management process outcomes and decisions, where applicable. The number and types of enforcement actions issued each year were:

Enforcement actions ⁷	2016–17	2017–18	2018–19	2019–20	2020–21
Improvement notices	23	8	16	13	6
Request for revised SC, EP or WOMP ⁸	4	6	4	1	
Intent to withdraw SC, EP or WOMP	1			1	
Prohibition notices	2	1	1	4	
Directions	1	4	7	3	15
Prosecution briefs	1		1		
Non-statutory compliance actions					
Written advice/warnings	10	9	5	8	6
Total	42	28	34	30	27

The directions issued in the last year included 11 general directions for a wide range of safety and environmental issues and 4 directions for restoration of the environment (for 4 regulated objects) to a single duty holder.

[7] Excludes verbal warnings/advice, investigation notices and do not disturb notices

[8] For WOMPS – this is a notice requiring variation to a well operations management plan

Key Performance Indicator 4: Incidents are investigated in accordance with NOPSEMA policies

Sources: KPI cross-references PBS 4, RPF 3, RPF 4					Target: 95%
Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	100%	99%	98%	98%	100%

Methodology

NOPSEMA conducts investigations into the circumstances surrounding all incident and complaint notifications to varying degrees, to identify and share lessons learned with industry and stakeholders and in certain cases to seek evidence of non-compliance with the law as a basis for potential enforcement.

The level of investigations depends on several factors, including the severity and range of potential or actual harm to persons and the environment, and on the seriousness of any potential breach of the law.

Most of the notifications received are reportable OHS incidents, typically 70–80%. All notifications are given a risk rating and are subject to an initial triage, review and investigation; this may then be escalated to a follow-up or more in-depth investigation.

An investigation may range from an inquiry by a single inspector about a minor incident, such as a fault discovered in a smoke detector, to a large-scale inquiry, involving a comprehensive investigation of a significant incident, such as an oil spill likely to lead to significant environmental damage, or a serious injury or fatality, which would typically involve a team of inspectors and could lead to prosecution.

NOPSEMA investigations may be conducted offshore, at remote or at a regulated business premises, and on occasion NOPSEMA may also choose to follow-up further during a routine planned inspection.

The investigation policy is published on our website and the process is outlined in NOPSEMA's quarterly magazine, The Regulator: Issue 1, 2021. This KPI is measured as investigations completed.

Results

The target has been met for the last five years.

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In 2020–21, 588 notifications were received, and all were triaged, reviewed and investigated at varying levels. A breakdown of the notification types is shown below for the last 5 years:

Notification type	2016–17	2017–18	2018–19	2019–20	2020–21
Reportable incidents ⁹	297	438	474	480	541
OHS incidents	260	382	387	400	474
WI incidents	27	42	73	69	58
EM incidents	10	14	14	11	9
Not reportable notifications ¹⁰	43	44	59	74	37
Complaints	3	15	9	19	10
Total incidents and complaints	343	497	542	573	588

A notification may result in multiple investigation levels and may involve multiple facilities, activities or wells. As such, 655 investigations (86% OHS, 9% WI, 4% EM) were conducted on the 588 notifications received.

The 2020–21 notifications and investigations resulted in a range of enforcement actions and 2 lessons learned articles in The Regulator magazine as follows:

- Enforcing long term planning for decommissioning and removal (Issue 4, 2020)
- Over reliance on administrative controls can build risk (Issue 1, 2021)

[9] Include accidents, dangerous occurrences, environmental & well integrity incidents

[10] Include incidents below reportable thresholds and information

Key Performance Indicator 5: Analyse and publish industry-wide performance data each quarter

Sources: KPI cross-references RPF 2, RPF 5

Target: 100%

Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	100%	100%	100%	100%	100%

Methodology

Datasets are published on NOPSEMA's website each quarter comprising a series of tables and charts on industry performance and NOPSEMA's core regulatory activities. In addition, NOPSEMA regularly publishes the following:

- quarterly magazine, The Regulator, that includes articles of lessons learned
- annual datasets, including annual performance information
- an EPBC Streamlining Performance Report summarising NOPSEMA's performance under the streamlined arrangements

- regulatory alerts and bulletins
- other news and media announcements.

NOPSEMA offers an online subscription service on its website for news, publications and media.

Results

The target has been met for the last five years.

++

In 2020–21, NOPSEMA continued to undertake ongoing research and data analysis to inform regulatory decisions and promote improved industry performance. Datasets of quarterly and annual trends, and the quarterly magazine, *The Regulator*, were published on NOPSEMA's website in July 2020, October 2020 and January 2021 and April 2021. Data analyses were used to inform and support regulatory alerts, bulletins and/or articles of lessons learned published in *The Regulator* and on the website, as well as other liaison and promotional activities. Annual performance information was published in *The Regulator* magazine in July 2021 and contained summary information, statistics for the last year and details of additional online resources. As at 30 June 2021, *The Regulator* magazine was sent to approximately 3000 subscribers with printed copies provided to various organisations representing duty holders, government and non-government stakeholders.

The following types of articles were published over the last 5 years:

Article type	2016–17	2017–18	2018–19	2019–20	2020–21
Alert	7	5	1	3	1
Bulletin			1	5	1
Consultation	8	4	10	10	12
News/information	27	19	21	31	24
Total	42	28	33	49	38

Key Performance Indicator 6: Demonstrate that feedback is sought from stakeholders on guidance where relevant

Sources: KPI cross-references RPF 2, RPF 5

Target: 100%

Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	100%	100%	100%	100%	100%

Methodology

NOPSEMA seeks feedback from stakeholders on guidance¹¹ provided via various methods e.g., direct requests, workshops, forums, information sessions and/or meetings with various stakeholder groups. These groups may include: the NOPSEMA Advisory Board, industry duty holders, CEOs and associations (e.g., APPEA), Health and Safety Representatives (HSRs) on offshore facilities during an inspection or special-interest groups such as unions, ENGOs and fishing peak bodies. NOPSEMA periodically reviews the adequacy of its guidance and communication mechanisms to ensure stakeholders maintain an understanding of the organisation's functions, practices and processes, particularly with respect to risk assessment. As NOPSEMA offers numerous opportunities and mechanisms for stakeholders to provide feedback and/or complaints about NOPSEMA, (including over 980 direct engagement activities for 2020–21 (see KPI 8), NOPSEMA does not typically undertake additional formal stakeholder engagement surveys.

Results

The target has been met for the last five years.

++

In 2020–21, seven guidance documents underwent external consultation that are published on the website:

- Environment plan decision making (GL1721)
- Source control planning and assessment (IP1979)
- Management of Hot Surfaces (IP1973 - DRAFT)
- Consultation with agencies with responsibilities in the Commonwealth marine area (GL1887)
- Health and Safety Representatives refresher training curriculum (GL1898)
- Considerations for five-year revisions (IP1764)
- OPP - Decision making guideline (GL1816)

A number of brochures, fact sheets and bulletins were produced or updated including:

- Safe operation of degraded cranes with reduced capacity
- Offshore petroleum diving assessment process brochure
- Complying with your decommissioning obligations
- Have your say on environmental aspects of offshore energy activities brochure
- Offshore petroleum environmental approvals brochure
- ALARP & Acceptable

Other opportunities for stakeholders to provide feedback at workshops/industry sessions included the below:

Date	Session name/topic	Location
Nov 2020	HSR Forum – Monadelphous Group	Perth
	PCWA November Industry Forum Event	Perth
Nov 2020 – Jun 2021	SPE Distinguished Lecturer Program	Online
Dec 2021	DrillSafe Forum	Perth
Jan 2021	Global Offshore Wind Regulators' Forum	Online
May 2021	National Major Hazard Facilities Forum	Online
Jun 2021	DrillSafe and Drill Well Forums	Perth
	APPEA Conference	Perth
	IADC AGM	Perth

[11] Guidance includes guidelines, guidance notes and information papers

Key Performance Indicator 7: Reports are provided for all stakeholders including relevant ministers and the NOPSEMA Advisory Board each quarter

Sources: KPI cross-references RPF 2, RPF 5					Target: 100%
Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	100%	100%	100%	100%	100%
Methodology					
<p>NOPSEMA has legislative requirements and agreements to keep relevant ministers, the NOPSEMA Advisory Board (the Board) and relevant stakeholders informed of industry and/or agency matters on a regular basis. There are a set of standard reports produced monthly, quarterly and/or annually. These reports generally have set deadlines and their accompanying transmittal records are saved in EDRMS. NOPSEMA team operating plans and the task management systems record the completion of these reporting tasks each quarter.</p> <p>NOPSEMA submits operational and data reports to the Board comprising information on agency activities, data and trends related to industry and NOPSEMA performance. The Board may also request additional ad hoc data and information prior to or during for any of its quarterly meetings. Relevant information is then collated and provided to the Board accordingly. Several reporting channels and ministerial reporting requirements are managed by various teams within NOPSEMA. Managerial oversight of these reporting tasks and relevant performance indicator results occurs regularly.</p>					
Results					
The target has been met for the last five years.					++
<p>Quarterly reports regarding industry health and safety, well integrity and environmental management performance and NOPSEMA's regulatory activity were transmitted to relevant Commonwealth, state and Northern Territory ministers, and the Board in August 2020, November 2020, February 2021 and May 2021.</p> <p>Quarterly and annual datasets of industry and NOPSEMA performance are also provided for all stakeholders on NOPSEMA's website and references included in The Regulator magazine. NOPSEMA also submitted reports to various other relevant ministers and departments as per legislated or administrative requirements.</p> <p>The Board was also provided copies of divisional and team operational reports, and various presentations, information, updates, and reports on topical and emerging issues. Some examples are listed below:</p>					
Other regular reports to ministers		Other reports/presentations to the Board			
EPBC annual and five-year review reports		Latent hazards, deferred maintenance, operator risk assessments			
APSC reports		Remote inspections			
Finance and budget reports		Decommissioning			
IT security reports		Seismic and fisheries			
Legal expenditure reports		Offshore renewable energy			
FOI reports		EPBC Program			
Agency tenders and contracts reports		Process safety indicators			

Key Performance Indicator 8: Engagement is undertaken via the established cooperative mechanisms that are in place with identified relevant entities

Sources: KPI cross-references RPF 2, RPF 5					Target: 100%
Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	100%	100%	100%	100%	100%
Methodology					
<p>NOPSEMA engages with a wide range of stakeholders including duty holders, contractors, consultants, service providers, industry, government representatives (international, federal, state, and local), regulators, academia, offshore workforce, HSRs, industry peak bodies, unions, non-government organisations and the community.</p> <p>NOPSEMA has established cooperative mechanisms to interact with relevant stakeholders and records of all interactions are saved. A register is maintained that contains information about NOPSEMA's advice and promotional activities with external stakeholders – these interactions vary in nature and include in-person and/or written exchanges of information, working groups, forums, meetings, reports, updates, subscription services, web-portal submissions and other email and telephone exchanges. NOPSEMA also maintains a consultation hub on our website for public participation e.g., proposed or updated guidance, environment plans, offshore project proposals etc.</p> <p>NOPSEMA continues to implement plans to improve community confidence in the offshore petroleum regime through the disclosure of more information, focused regulatory effort on areas of poor consultation practice, increased frequency of community input to better understand their views (e.g. via CERG¹², and increased transparency of NOPSEMA's decision-making processes.</p> <p>NOPSEMA is also a member of various groups including:</p>					
<p>International Regulators' Forum (IRF) and International Offshore Petroleum Environmental Regulators (IOPER) - groups of national regulators in the offshore oil and gas industry who provide leadership and drive forward health and safety and environmental management improvements to raise performance standards in the sector through information sharing and collaboration on joint programmes.</p>					
<p>Australian Environmental Law Enforcement and Regulators Network (AELERT) and National Regulator's Community of Practice (NRCoP) - to access the collective wisdom of the regulators and provide staff with opportunities for professional development targeted at regulators.</p>					
<p>Major Hazard Facilities Forum - a group to share industry best practice with the aim of improving safety outcomes and reducing risk at Major Hazard Facilities</p>					
<p>Industry OHS Forum - a tripartite committee of industry, unions and government</p>					
<p>Global Offshore Wind Regulators Forum - a group of national regulators with a shared interest in approvals and oversight of the offshore wind industry: to strengthen co-operation and discuss important issues related to this rapidly growing industry.</p>					
Results					
The target has been met for the last five years.					++
<p>NOPSEMA reports stakeholder engagement information in quarterly reports to ministers and the Board, the Regulator magazine, and on the website. There were 983 stakeholder engagement activities in 2020–21: a 10% decrease from 2019–20 engagements but still more engagements than the previous 3 years.</p>					
Year	2016–17	2017–18	2018–19	2019–20	2020–21
Number of engagements	689	820	902	1093 ¹³	983
<p>NOPSEMA presented at 25 engagements e.g. meetings, briefings, workshops, seminar and conferences; 15 of these are published on the website. Recurring engagements occur with many stakeholders each year, e.g.</p>					

[12] CERG – Community Environment Reference Group

[13] The total was adjusted up slightly from last year (1057). New data was submitted after publication late in 2020.

Stakeholder	2019–20	2020–21	Types
DISER	39	51	Quarterly heads of agency meetings and legislative change meetings
DAWE ¹⁴	41	47	GHG guidance, fisheries/seismic, frameworks, standing deed
State agencies	27	22	Regular liaison meetings, information exchanges, presentations etc.
APPEA	67	41	Regular and topical meetings e.g. seismic, Board presentations
As well as the membership in the groups and forums noted previously, NOPSEMA also maintains a suite of other collaborative networks, including:			
Australian Petroleum Production and Exploration Association (APPEA) working groups		Facilitating high-level feedback and input with petroleum industry representatives on safety and environmental compliance and NOPSEMA regulatory activities.	
National Plan Strategic Coordination Committee (NPSC)		Strategic coordination of the National Plan for Maritime Environmental Emergencies in Australian waters.	
Australian Government National Plan Committee (AGNPC)		Coordinating Australian Government arrangements under the National Plan for Maritime Environmental Emergencies.	
National Plan for Maritime Environmental Emergencies (NPMEM)		Maintaining and discussing existing state and industry arrangements for offshore petroleum environmental emergencies in WA, SA, Vic and adjacent Commonwealth waters.	
Marine Pollution Preparedness and Response Technical Groups		Development of operational policy with respect to the prevention, preparedness, response and recovery for marine pollution incidents, in accordance with NPMEM.	
AMSA Environment and Scientific Coordinators Workshop		Information exchange and knowledge-building on environmental aspects of oil spill response planning and decision making.	
North West Cape Cooperative Forum (NWCCF)		Improving effectiveness and efficiency of oil spill preparedness and response in the northwest region of Western Australia.	
National Environmental Science Program (NESP)		Providing end-user perspectives on research priorities and proposals made under the National Science Program.	
WA Marine Science Institution (WAMSI)		Effects of Decommissioning Offshore Infrastructure: steering committee and forum to allow engagement between stakeholders relevant to decommissioning and ensure projects meet objectives.	
		Blueprint for Marine Science Initiative Implementation Strategy: a foundation for a long-term collaboration between all sectors operating in the marine environment	
Western Australian Premier's Roundtable for Marine Science		Network developed with relevant sectoral leaders to identify mandate for, and direction of, change in marine science in WA.	
Commonwealth Biosecurity Networks		To facilitate stakeholder input on proposed changes to marine biosecurity arrangements in Australia.	
Western Australian Marine Biosecurity Workshop		Facilitating stakeholders' input on successes, challenges, and developments in marine biosecurity management in WA.	
ACTU Bilateral meetings		Information exchange and discussion of matters of mutual interest.	
Community Environment Reference Group (CERG)		Community perspectives on specific matters of interest to NOPSEMA relevant to offshore petroleum environmental	

management to help guide NOPSEMA's approach to environmental management regulation.

Key Performance Indicator 9: Internal audits and improvements are undertaken in line with the quality management system

Sources: KPI cross-references RPF 1, RPF 6					Target: 100%
Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	100%	100%	100%	100%	100%
Methodology					
<p>NOPSEMA's quality management system (QMS) is comprised of multiple series of policies and procedures, including a series regarding management of the QMS. An annual audit plan is prepared with reference to NOPSEMA's risk register, the audit history, and by obtaining strategic input from the executive. The types of audits undertaken range from focused follow-up audits and surveillance audits to broader compliance audits and internal financial controls audits through to very extensive in-depth core process management reviews.</p> <p>In addition to audits, improvement projects (of varying complexities) are undertaken as opportunities are identified. Some of the improvements identified result from the audits and reviews, and others may be continuous improvements proposed via feedback from staff and/or the series managers.</p> <p>The annual audit and improvement report records the quality assurance details that demonstrate audits and improvements are undertaken in line with the quality management system.</p> <p>Externally initiated reviews such as ANAO audits or legislated operational reviews are not included in this KPI.</p>					
Results					
The target has been met for the last five years.					++
During 2020–21, NOPSEMA undertook eight audits & reviews, and 27 QMS series were improved.					
Audits, reviews, and improvements	2016–17	2017–18	2018–19	2019–20	2020–21
Audits and reviews completed	12	7	9	10	8
QMS series improved	27	26	24	32	27
<p>As noted in the table above, the numbers of audits and reviews vary depending upon the scale and complexity of the activity undertaken. For example, undertaking a larger number of focused audits typically requires less resources than those required to undertake the very extensive reviews.</p> <p>This year some of the improvement opportunities were identified via input from the Comcare COVID-19 Inspection Checklist, and the Comcover Risk Management Benchmarking Survey. Recommendations and opportunities for improvement from this work have resulted in updates to relevant QMS documents and series.</p> <p>Scopes for the next planned management reviews – for assessments and enforcements – are currently under consideration.</p>					

Key Performance Indicator 10: Feedback and complaints are processed in compliance with NOPSEMA's Regulatory Service Charter

Sources: KPI cross-references RPF 1, RPF 6					Target: 100%
Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	75%	100%	100%	100%	100%
Methodology					
<p>NOPSEMA's regulatory services charter is published on NOPSEMA's website. The service standards in the charter state that NOPSEMA will provide a formal process to receive, consider and act on stakeholder feedback and complaints (about NOPSEMA).</p> <p>This KPI considers feedback, requests for review, and complaints provided to NOPSEMA about the agency's regulatory processes or staff. NOPSEMA receives feedback (both positive and negative), requests for review, and complaints about the agency's service and discharging our responsibilities through various channels but also offers a dedicated mailbox: feedback@nopsema.gov.au. NOPSEMA maintains a register that includes references to relevant documents and completion/finalisation dates to ensure the agency acknowledges all feedback, requests for review, and complaints received and responds to the complaints in a timely manner. The target is to acknowledge feedback, requests for review and complaints within 3 workdays.</p> <p>Note: Complaints submitted from, or about, duty holders regarding possible breaches of offshore safety, well integrity, and environmental management requirements under the legislation are managed in accordance with NOPSEMA's notifications policy, as such are not included in this KPI. Please see KPI 4.</p>					
Results					
The target has been met for the last four years.					++
Type	2016–17	2017–18	2018–19	2019–20	2020–21
Feedback		3		1	
Complaints	7	1	1	1	
Requests for review	1			1	
Total	8	4	1	3	0
<p>In 2020–21, NOPSEMA received no complaints (about the agency or its processes), feedback suggestions, or requests for review to help us improve. NOPSEMA is always open to receiving feedback from its stakeholders. All submissions are processed, reviewed, analysed, and actioned accordingly. We primarily use the following tools and mechanisms:</p> <p>Requesting workshop participants to fill out feedback forms.</p> <p>Using interactive online tools at NOPSEMA workshops/forums.</p> <p>Providing stakeholders with opportunities to give feedback during face-to-face meetings and briefings.</p> <p>Publishing guidance on contact methods, submitting feedback or complaints, and requesting a review.</p>					

Key Performance Indicator 11: Resourcing levels and skills are maintained within establishment requirements

Sources: KPI cross-references RPF 1, RPF 6					Target: 90%
Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	100%	100%	100%	100%	94%
Methodology					

NOPSEMA monitors and maintains staff skill levels through its employee performance management process that includes the consideration and review of demonstrated core competencies. Staff are required to participate in the employee management process each quarter.

NOPSEMA has built a critical mass of corporate and regulatory specialists with the necessary skill sets, knowledge, experience and expertise, and endeavours to maintain these valuable resources.

NOPSEMA maintains an establishment register and vacancies are filled according to approved operational requirements and are reviewed on an ongoing basis. Resources are allocated proportionate to risk.

NOPSEMA's human resources team provides regular reports to the relevant minister, the NOPSEMA Advisory Board and the Australian Public Service Commission. These reports include information about staffing levels, vacancies, and recruitment.

This KPI reports the number of positions that are filled as a proportion of the total number of established positions.

Results

The target has been met for the last five years. ++

NOPSEMA continued to action the human resources strategy and implementation plan for 2018–22. The strategy was developed to support, engage, and develop NOPSEMA's workforce, recognising that NOPSEMA is built on the knowledge, skills, experience and values of our workforce. NOPSEMA recruited staff for critical positions indicative of industry activity.

Our staff numbers were as follows:

Position type and status	2016–17	2017–18	2018–19	2019–20	2020–21
Total approved positions ¹⁵	131	135	135	135	135
Total established positions ¹⁶	111	126	125	125	135
Filled positions	111	126	125	125	127
Full time equivalent – FTE ¹⁷	108.08	115.8	129.2	120.9	123.61

As at 30 June 2021, 94% of the established positions were filled, comprising ongoing, non-ongoing and seconded staff. Skill levels were maintained with all staff completing the required training and having met performance management expectations.

[15] Total approved positions refer to the agreed maximum number of positions for NOPSEMA to fulfill its legislative requirements.

[16] Establishment is defined as the total full-time equivalent number of positions in NOPSEMA at a point in time (with or without approved funding for the current year)

[17] Full time equivalent - FTE is defined as the number of full-time equivalent employees employed by NOPSEMA at a point in time.

Key Performance Indicator 12: A cost-effectiveness review of operations is undertaken and presented to industry each year

Sources: KPI cross-references RPF 1, RPF 6					Target: 100%
Year	2016–17	2017–18	2018–19	2019–20	2020–21
Results	100%	100%	100%	100%	100%
Methodology					
<p>The <i>Public Governance, Performance and Accountability Act 2013</i> (PGPA Act) came into effect on 1 July 2014 and provides the legal framework for the governance, performance, accountability, use and management of public resources by the Commonwealth, Commonwealth entities and Commonwealth companies.</p> <p>Under the PGPA Act, NOPSEMA became a Commonwealth corporate entity that is financially separate from the Commonwealth. NOPSEMA is fully funded through cost recovery charges imposed under the <i>Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Act 2003</i> and Offshore Petroleum and Greenhouse Gas Storage (Regulatory Levies) Regulations 2004 (Regulatory Levies Regulations).</p> <p>As a statutory authority, NOPSEMA operates on a cost recovery basis through levies and fees collected from duty holders that are planning and undertaking offshore oil and gas operations. These arrangements ensure that NOPSEMA is sufficiently resourced to effectively regulate safety, well integrity and environmental management. At the end of each financial year, NOPSEMA prepares a report that assesses the cost effectiveness of the authority's operations. NOPSEMA's financial report on cost-effectiveness is provided in accordance with Regulation 62 of the Regulatory Levies Regulations. Results are presented to industry stakeholders and the cost effectiveness report is published annually on NOPSEMA's website.</p> <p>The Australian National Audit Office (ANAO) undertake an audit on financial statements to verify financial systems, records, and results of the agency each financial year. The audit outcome (independent auditor's report) is included in NOPSEMA's annual report each year.</p>					
Results					
The target has been met for the last five years.					++
NOPSEMA's 2019–20 cost-effectiveness review report was published on NOPSEMA's website in May 2021.					
For the period, NOPSEMA reported:					
2019–20	Total expenditure of \$36.1 million		\$0.4 million operating surplus		
<p>The audit report for 2019-20 was completed in September 2020 and stated that the financial statements of NOPSEMA:</p> <p>a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the <i>Public Governance, Performance and Accountability (Financial Reporting) Rule 2015</i>; and</p> <p>(b) present fairly the financial position of the Entity as at 30 June 2020 and its financial performance and cash flows for the year then ended.</p> <p>Reflecting the financial impact of the COVID-19 pandemic on industry, there were no increases in levies during 2019–20 and 2020–21 despite new responsibilities and Ministerial expectations that NOPSEMA take a heightened focus on industry compliance with decommissioning obligations.</p> <p>In July 2020, NOPSEMA delivered a presentation of the 2018–19 report to industry and other stakeholders - this presentation was later than usual due to delays caused by the COVID-19 pandemic. The 2019–20 report presentation was held in May 2021 and included an opportunity for industry and other stakeholders to ask questions about the report which was well received</p>					

Analysis of performance against entity purpose

Changes to:	(a) Purpose	No changes to NOPSEMA's purpose that impacted performance.
	Activities	NOPSEMA continued to increase regulatory activity in response to the increased focus on decommissioning.
	Organisational capabilities	<p>NOPSEMA continued to manage its responses during the coronavirus pandemic in line with federal, Western Australian, and Victorian (our regional office location) health authority advice as relevant over the course of the year.</p> <p>Throughout any lockdown periods:</p> <ul style="list-style-type: none"> assessment and approvals processes continued largely without impact compliance monitoring and offshore incident investigations were either conducted using telecommunication channels or rescheduled where lockdowns were relatively shorter in duration
	(b) Operating environment	<p>The changes in industry activity from 2019–20 to 2020–21 include:</p> <ul style="list-style-type: none"> active operators and facilities = relatively stable total hours worked offshore = 13% decrease incidents notified = 3% increase injuries reported = 33% decrease assessments submitted = 10% decrease <p>The changes in NOPSEMA activity from 2019–20 to 2020–21 include:</p> <ul style="list-style-type: none"> continued monitoring and adjustments to arrangements as the coronavirus pandemic evolved planned inspections overall relatively stable incident investigations increased in response to more notifications

Portfolio Budget Statements (PBS) performance

NOPSEMA has a single programme, and the performance results are listed below.

Programme 1.1

Regulatory oversight of safety cases, well operations management plans and environment plans coupled with effective monitoring, investigation and enforcement.

The core regulatory activity based KPIs (1, 2, 3 and 4) were selected as appropriate performance measures for (ongoing) inclusion in the annual Portfolio Budget Statements. These performance measures are used to indicate NOPSEMA's achievement of the programme

PBS results

Key Performance Indicator	Results discussion	2016–17	2017–18	2018–19	2019–20	2020–21
1. Assessments are undertaken in line with risk-based elements as per NOPSEMA policies	NOPSEMA considered risk to determine the appropriate brief and scope for assessment of all safety cases, well operations management plans and environment plans submitted.	++	++	++	++	++
2. Risk-based inspections are conducted to meet policy targets	NOPSEMA effectively monitored industry via planned inspections utilising a risk-based model.	++	++	++	++	++
3. Enforcement actions are undertaken in accordance with NOPSEMA policies	Effective enforcement activity was maintained through adherence to the enforcement management model and oversight via a compliance committee.	++	++	++	++	++
4. Incidents are investigated in accordance with NOPSEMA policies	Effective investigation practices were maintained through adherence to the investigation policy, which is subject to audit, management oversight and peer review.	++	++	++	++	++

KEY

All targets met	++
Targets substantially met	+
Targets not met	-

Regulatory Performance Framework

Note: this is the final year of the RPF in this current format. The new Regulator Performance Guide (RPG) will be transitioned in, commencing in 2021-22. See Regulator best practice and performance | Deregulation (pmc.gov.au)

NOPSEMA administers, monitors and enforces regulation and, as a Commonwealth regulator, was required to implement the Regulator Performance Framework (RPF). The framework consisted of six outcomes-based KPIs covering reducing regulatory burden, communications, risk-based and proportionate approaches, efficient and coordinated monitoring, transparency, and continuous improvement. All Commonwealth regulators were required to assess their performance under the RPF. NOPSEMA aligned the requirements of the RPF with the PGPA Act and the Enhanced Commonwealth Performance Framework to give the agency the flexibility to streamline performance assessment and reporting while still ensuring accountability and transparency was maintained.

Performance statement

Our results are detailed in the previous section (KPIs 1-12). Additional and notable points specific to the RPF, including identified focus areas for each KPI, are discussed in the following RPF KPI tables.

NOPSEMA met or substantially met all six RPF KPIs in 2020–21. NOPSEMA's self-assessment results indicate that it fulfils its purpose to 'independently and professionally regulate offshore health and safety, integrity and environmental management' and does so within a continuous improvement setting.

RPF details

The 6 RPF measures comprise 4 relevant KPIs each from the corporate plan (CP KPIs). These are the average percentage across the relevant corporate plan KPI results.

RPF results summary

Key Performance Indicator	Relevant CP KPIs	Target	2016–17	2017–18	2018–19	2019–20	2020–21
1. Regulators do not unnecessarily impede the efficient operation of regulated entities	9, 10, 11, 12	98%	+	++	++	++	++
2. Communication with regulated entities is clear, targeted and effective	5, 6, 7, 8	100%	++	++	++	++	++
3. Actions undertaken by regulators are proportionate to the regulatory risk being managed	1, 2, 3, 4	94%	++	++	++	++	++
4. Compliance and monitoring approaches are streamlined and coordinated	1, 2, 3, 4	94%	++	++	++	++	++
5. Regulators are open and transparent in their dealings with regulated entities	5, 6, 7, 8	100%	++	++	++	++	++
6. Regulators actively contribute to the continuous improvement of regulatory frameworks	9, 10, 11, 12	98%	+	++	++	++	++

RPF results

Please refer to section 8.2 tables for details on the relevant CP KPI methodologies.

RPF 1: Regulators do not unnecessarily impede the efficient operation of regulated entities

See Corporate Plan	2016–17	2017–18	2018–19	2019–20	2020–21
CP KPIs 9-12	+	++	++	++	++

Focus areas include auditing and evaluation, effective complaint handling, resourcing, cost effectiveness

NOPSEMA continued to ensure regulatory burden and impact was minimised for regulated entities while still maintaining regulatory objectives. This was demonstrated by engaging and understanding our regulated entities and other stakeholders, identifying and understanding emerging issues, responding to complaints and feedback, and ensuring we have the resources to undertake regulatory activities in an efficient, cost-effective, and timely manner.

Examples include:

- NOPSEMA published a suite of resources for stakeholders
- continue to enhance our consultation practices for advice (guidance)
- developed new ways of connecting and collaborating
- continued to provide stakeholders with opportunities to give feedback
- delivered offshore health and safety training remotely
- continued streamlining processes under the offshore petroleum regime
- maintained collaborations with NOPTA on decommissioning matters associated with offshore oil and gas activities
- compliance costs were minimised where appropriate
- current and emerging risks were identified in the annual environment scan.
- continued to control, review, audit and improve regulatory processes
- introduced combined inspections for safety, well integrity and environmental management
- managed relationships and response arrangements across borders
- continued to allocate resources proportionate to identified risks
- continued to maintain our cost-effectiveness

RPF 2: Communication with regulated entities is clear, targeted, and effective

See Corporate Plan	2016–17	2017–18	2018–19	2019–20	2020–21
CP KPIs 5-8	++	++	++	++	++

Focus areas include publishing information and results, guidance, consultation and feedback.

NOPSEMA continued to prioritise stakeholder engagement as demonstrated through the establishment and coordination of the transparency initiative, which progressed a suite of projects to improve the transparency and community confidence in the offshore petroleum regulatory regime.

In addition, NOPSEMA:

- continued to communicate with duty holders prior to and during assessment periods
- communicated regulatory decisions and reasons to duty holders in a timely manner
- continued to update and publish guidance material for duty holders e.g., new environmental regulations regarding transparency
- continued to implement transparency plans to improve community confidence in the regime
- industry and NOPSEMA performance data continue to be published quarterly on the website
- continued to review the adequacy of guidance and communication mechanisms to ensure stakeholders maintain an understanding of assessment processes, particularly with respect to risk assessment
- several information brochures and technical bulletins were produced or updated
- conducted and participated in workshops and consultation with relevant stakeholders where appropriate, and published this information online
- continued the NOPSEMA Community and Environmental Reference Group (CERG)
- provided electronic and printed copies of *The Regulator* quarterly magazine to duty holders
- processed feedback and complaints about NOPSEMA in a timely manner, as per published mechanisms

RPF 3: Actions undertaken by regulators are proportionate to the regulatory risk being managed

See Corporate Plan	2016–17	2017–18	2018–19	2019–20	2020–21
CP KPIs 1-4	++	++	++	++	++

Focus areas include risk-based and proportionate regulatory actions

NOPSEMA's overarching compliance strategy incorporates the following principle: *Decisions and actions taken by NOPSEMA are targeted, proportionate, accountable, fair, informed, flexible, systematic, consistent, transparent and consultative.*

Examples of proportionate compliance actions included:

- continued use of a risk-based approach for regulatory activities that considers the relevant risk factors and performance and compliance history
- the NOPSEMA enforcement policy includes options for graduated compliance actions consistent with the regulator's powers and legislation
- continued availability of regulatory risk-based policies and procedures to staff and stakeholders
- compliance and enforcement policies are published on the NOPSEMA website
- continued liaison with duty holders to inform them of the risk-based approach to regulatory actions
- prioritised support and mentoring for those working in isolation
- continued training in risk management policies, processes and procedures
- NOPSEMA's internal compliance committee continued to implement the organisation's compliance strategy, including oversight of regulatory compliance risk and enforcement decisions
- current and emerging risks were identified in the annual environment scan
- focussed on offshore mental health
- maintained focus on maintenance and decommissioning of property.

RPF 4: Compliance and monitoring approaches are streamlined and coordinated

See Corporate Plan	2016–17	2017–18	2018–19	2019–20	2020–21
CP KPIs 1-4	++	++	++	++	++

Focus areas include reducing regulatory burden and working collaboratively

NOPSEMA’s compliance strategy outlines approaches and principles relevant to the agency’s compliance and monitoring activities (see RPF 3).

In addition, examples of streamlining and coordination approaches in 2020–21 include:

- compliance activities were based on risk and considered the operational requirements of duty holders
- assessments and inspections were targeted and completed promptly
- requests for further information from duty holders were specific and necessary, and minimised impact.
- continued assurance through annual planning processes that regulatory activity is coordinated and efficient, in consideration of reducing regulatory burden
- the continuation of a series of management reviews looking to improve both the effectiveness and efficiency of our core processes
- introduced combined inspections for safety, well integrity and environmental management
- communicating NOPSEMA’s expectations to duty holders to assist in effective and efficient inspections
- the provision for cross-divisional coordination in policies and procedures for planning regulatory activities
- regular interaction and working groups with international regulators and industry bodies with regard to best practice in compliance and monitoring approaches
- NOPSEMA’s internal compliance committee continued to implement the organisation’s compliance strategy, including overseeing regulatory compliance risk and enforcement decisions.

RPF 5: Regulators are open and transparent in their dealings with regulated entities

See Corporate Plan	2016–17	2017–18	2018–19	2019–20	2020–21
CP KPIs 5-8	++	++	++	++	++

Focus areas include reporting and publishing information, stakeholder presentations and feedback.

NOPSEMA continued to prioritise stakeholder engagement. This was demonstrated through the establishment and coordination of the transparency initiative, which progressed a suite of projects to improve the transparency and community confidence in the offshore petroleum regulatory regime. The initiative was overseen by a multi-sector steering committee.

NOPSEMA continued to improve its openness and transparency through implementing a range of initiatives to better inform the community of its role and responsibilities.

This included a number of initiatives to demonstrate the rigorous nature of NOPSEMA's regulatory activities.

For example, NOPSEMA has:

- regulatory policies are published on the NOPSEMA website
- ensured duty holders were informed of reasons for regulatory decisions
- a regulatory service charter published on the NOPSEMA website that describes the organisation's approach to stakeholder interactions
- several initiatives to systematically improve consultation processes between relevant persons and titleholders and build community confidence in offshore petroleum regulatory regime
- published guidance readily available to stakeholders on the website
- regularly engaged with duty holders to inform them of NOPSEMA's expectations with numerous feedback opportunities
- stakeholder engagement data is published
- promptly responded to stakeholder feedback, complaints and requests for information
- independent financial audit result and cost effectiveness report published annually
- regularly published performance measurement results on the website
- The Minister's Statement of Expectations is published on NOPSEMA's website.

RPF 6: Regulators actively contribute to the continuous improvement of regulatory frameworks

See Corporate Plan	2016–17	2017–18	2018–19	2019–20	2020–21
CP KPIs 9-12	++	++	++	++	++

Focus areas include process improvements, feedback, maintaining capabilities and cost-effectiveness.

NOPSEMA encourages a high-performance culture and identifies improvements through its internal audit, review, evaluation, collaboration and analysis processes.

Examples of the organisation's active contributions to continuous improvement in 2020–21 include:

- published alerts, lessons learnt articles in our newsletters and technical bulletins
- continued to publish datasets and reports regarding both NOPSEMA and industry performance to identify opportunities for improvement and share better practices
- continued streamlining processes under the offshore petroleum regime, maintaining collaborations with NOPTA on decommissioning matters associated with offshore oil and gas activities.
- sought advice from the NOPSEMA Advisory Board through regular meetings and referrals, noting the continued quality and experience provided by members
- provided regular (quarterly) and topical information reports to the Advisory Board
- member of the AMSA Industry Advisory Board
- continued ongoing collaboration with DISER on legislative change
- participated in international regulatory forums, and continued to represent Australia as a member of the IRF and IOPER, in addition to holding a position as a member of the IRF management committee
- recommendations and opportunities for improvement for various regulatory processes were raised via the internal audits programme
- improvement opportunities were identified via the Comcare COVID-19 Inspection Checklist
- improvement opportunities were identified via the Comcover Risk Management Benchmarking Survey
- active participation and/or co-hosting of industry events
- continued to maintain and improve ongoing professional development of staff
- feedback and complaints about NOPSEMA were considered and actioned accordingly
- embraced opportunities for self-reflection and external review
- supported innovation and the development of new technology e.g. whale detection
- the NOPSEMA Advisory Board received regular reports on NOPSEMA and industry performance
- continue providing advice to our policy department to improve the efficiency and effectiveness and reduce compliance costs of the regulatory framework.

PART 5: Financial statements

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

To the Minister for Resources and Water

Opinion

In my opinion, the financial statements of the National Offshore Petroleum Safety and Environmental Management Authority (the Entity) for the year ended 30 June 2021:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2021 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2021 and for the year then ended:

- Statement by Chief Executive Officer and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Chief Executive Officer is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Chief Executive Officer is also responsible for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Chief Executive Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Peter Kerr
Executive Director
Delegate of the Auditor-General

Canberra

17 September 2021

Statement by Chief Executive Officer and Chief Financial Officer

In our opinion, the attached financial statements for the year ended 30 June 2021 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the corporate Commonwealth entity will be able to pay its debts as and when they fall due.



Stuart Smith, Chief Executive Officer

17 September 2021



Julie Kordic, Chief Financial Officer

17 September 2021

Statement of comprehensive income

Statement of comprehensive income for the period ended 30 June 2021

		2021	2020	2021 Budget
	Notes	\$'000	\$'000	\$'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	28,317	27,941	29,889
Suppliers	1.1B	4,455	4,506	5,435
Depreciation and amortisation	1.1C	3,800	3,532	3,554
Finance costs		62	97	80
Other expenses	1.1D	391	-	-
Total expenses		37,025	36,076	38,958
Own-source revenue				
Levies and fees	1.2A	38,264	36,256	38,830
Interest		66	155	110
Other revenue	1.2B	388	94	18
Total own-source revenue		38,718	36,505	38,958
Net contribution by services		1,693	429	-
Revenue from Government				
Revenue from Government	1.2C	739	-	-
Surplus continuing operations		2,432	429	-
Total comprehensive income		2,432	429	-
The above statement should be read in conjunction with the accompanying notes.				

Statement of financial position

Statement of financial position as at 30 June 2021

		2021	2020	2021 Budget
	Notes	\$'000	\$'000	\$'000
ASSETS				
Financial assets				
Cash and cash equivalents	2.1A	20,461	14,289	14,301
Trade and other receivables	2.1B	5,026	12,139	12,225
Other financial assets	2.1C	1,376	2,313	1,290
Total financial assets		26,863	28,741	27,816
Non-financial assets				
Land and buildings ¹	2.2A	3,485	6,522	2,775
Plant and equipment	2.2A	437	227	1,438
Intangibles	2.2A	1,840	1,623	1,624
Other non-financial assets	2.2B	608	653	653
Total non-financial assets		6,370	9,025	6,490
Total assets		33,233	37,766	34,306
LIABILITIES				
Payables				
Suppliers	2.3A	445	549	549
Other payables	2.3B	1,612	5,965	5,544
Total payables		2,057	6,514	6,093
Interest bearing liabilities				
Leases	2.4A	4,020	7,489	4,050
Total interest bearing liabilities		4,020	7,489	4,050
Provisions				
Employee provisions	3.1A	6,814	6,244	6,665
Other provisions	2.5A	940	549	549
Total provisions		7,754	6,793	7,214

Total liabilities	13,831	20,796	17,357
Net assets	19,402	16,970	16,949
EQUITY			
Contributed equity	896	896	896
Retained surplus	18,506	16,074	16,053
Total equity	19,402	16,970	16,949
The above statement should be read in conjunction with the accompanying notes.			

¹Right-of-use assets are included in this line item

Statement of changes in equity

Statement of changes in equity for the period ended 30 June 2021

	2021	2020	2020 Budget
Notes	\$'000	\$'000	\$'000
CONTRIBUTED EQUITY			
Opening balance			
Balance carried forward from previous period	896	896	896
Adjusted opening balance	896	896	896
Closing balance as at 30 June	896	896	896
RETAINED EARNINGS			
Opening balance			
Balance carried forward from previous period	16,074	13,568	13,951
Adjustment on initial application of AASB 16	-	2,077	-
Adjusted opening balance	16,074	15,645	13,951
Comprehensive income			
Surplus/(Deficit) for the period	2,432	429	-
Total comprehensive income	2,432	429	-

Closing balance as at 30 June	18,506	16,074	-
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	16,970	14,464	16,949
Adjustment for changes in accounting policies	-	2,077	-
Adjusted opening balance	16,970	16,541	16,949
Comprehensive income			
Surplus / (Deficit) for the period	2,432	429	-
Total comprehensive income	2,432	429	-
Transactions with owners			
Transactions with owners	-	-	-
Total transactions with owners	-	-	-
Closing balance as at 30 June	19,402	16,970	16,949
The above statement should be read in conjunction with the accompanying notes.			

Cash flow statement

Cash flow statement for the period ended 30 June 2021

	2021	2020	2021 Budget
Notes	\$'000	\$'0 00	\$'000
OPERATING ACTIVITIES			
Cash received			
Receipts from levies and fees	40,964	35,361	38,830
Sale of goods and rendering of services	-	-	955
Interest ¹	66	162	110
GST received	754	818	-
Other	339	46	-
Receipts from Government	739	-	-
Total cash received	42,862	36,387	39,895
Cash used			
Employees	(27,638)	(26,939)	(29,889)

Suppliers	(3,971)	(4,001)	(5,476)
Interest payments on lease liabilities	(62)	(97)	(80)
GST paid	(793)	(70)	-
Accommodation	(504)	(839)	-
Total cash used	(32,968)	(31,946)	(35,445)
Net cash from operating activities	9,894	4,441	4,450

INVESTING ACTIVITIES

Cash used			
Purchase of property, plant and equipment	(1,190)	(1,148)	(1,000)
Total cash used	(1,190)	(1,148)	(1,000)
Net cash used by investing activities	(1,190)	(1,148)	(1,000)

FINANCING ACTIVITIES

Cash received			
Receipts from investment in sublease	937	896	-
Total cash received	937	896	-

Cash used			
Principal payments of lease liabilities	(3,469)	(3,019)	(3,438)
Total cash used	(3,469)	(3,019)	(3,438)
Net cash used by financing activities	(2,532)	(2,123)	(3,438)

Net increase in cash held	6,172	1,170	12
Cash and cash equivalents at the beginning of the reporting period	14,289	13,119	14,289
Cash and cash equivalents at the end of the reporting period	2.1A 20,461	14,289	14,301

The above statement should be read in conjunction with the accompanying notes.

¹Interest receipts on investment in sublease is included in this line item

Overview

Objectives of the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA)

NOPSEMA's primary role is promoting and securing compliance and improvement by duty holders through monitoring, enforcement and proactive engagement with stakeholders to reduce risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGs Act).

The basis of preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- a) Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR); and
- b) Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars.

Taxation

NOPSEMA is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Events after the reporting period

At the time of completion of these financial statements, NOPSEMA was not aware of any significant events occurring after the reporting date.

1. Financial performance

1.1 Expenses

	2021	2020
	\$'000	\$'000
1.1A: Employee benefits		
Wages and salaries	20,724	20,460
Superannuation:		
Defined benefit plans	507	541
Defined contribution plans	3,351	3,203
Leave and other entitlements	3,619	3,611
Other employee benefits	116	126
Total employee benefits	28,317	27,941
1.1B: Suppliers		
Consultants	782	513
Contractors	65	70
Communication	108	97
Consumables	186	167
Travel and accommodation	140	548
IT services	1,004	1,070
Insurance	58	50
Utility	139	121
Temporary staff	325	326
Training and conferences	309	270
Registration and licenses	692	665
Other	169	134
Total goods and services supplied or rendered	3,977	4,031
Goods supplied	186	167
Services rendered	3,791	3,864
Total goods and services supplied or rendered	3,977	4,031

Other suppliers

Operating lease rentals	443	422
Workers compensation expenses	35	53
Total other suppliers	478	475
Total suppliers	4,455	4,506

1.1C: Depreciation and amortisation

Depreciation:

Land and buildings ¹	2,534	2,534
Plant and equipment	733	676
Total depreciation	3,267	3,210

Amortisation:

Computer Software	533	322
Total depreciation and amortisation	3,800	3,532

1.1D: Other Expenses

Adjustment to Make Good provision	391	-
	391	-

¹Right-of-use assets are included in this line item

1.2 Own-source revenue

	2021	2020
	\$'000	\$'000

1.2A: Revenue from levies and fees

Wells	4,820	4,745
Safety	16,365	17,044
Environment	17,079	14,467
Total revenue from levies and fees	38,264	36,256

Accounting policy

Revenue from the sale of goods is recognised when control has been transferred to the buyer. Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

1.2B: Other revenue

Resources received free of charge	48	48
Other revenue	340	46
Total other revenue	388	94

Accounting policy

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined, and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

1.2C: Revenue from government

Appropriations	739	-
Total revenue from government	739	-

Accounting policyRevenue from government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the entity gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

Funding received or receivable from non-corporate Commonwealth entities (appropriated to the non-corporate Commonwealth entity as a corporate Commonwealth entity payment item for payment to this entity) is recognised as Revenue from Government by the corporate Commonwealth entity unless the funding is in the nature of an equity injection or a loan.

2. Financial position

This section analyses NOPSEMA's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in 3. People and relationships.

2.1: Financial assets

	2021	2020
	\$'000	\$'000
2.1A: Cash and cash equivalents		
Cash at bank	20,461	8,289
Cash on deposit	-	6,000
Total cash and cash equivalents	20,461	14,289

Accounting policy

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- a) cash on hand
 - b) demand deposits in bank accounts with an original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value
 - c) cash in special accounts.
-

2.1B: Trade and other receivables

Goods and services receivables

Goods and services	3,026	10,888
Total goods and services receivables	3,026	10,888

Other receivables

Levy receipts to be appropriated by the Department of Industry, Science, Energy and Resources	1,196	-
Interest	3	3
Accrued revenue	770	1,264
Travel advances	3	3
GST receivable from the Australian Taxation Office	115	76
Other	26	19
Total other receivables	2,114	1,365
Total trade and other receivables (gross)	5,140	12,253

Less impairment loss allowance	(115)	(115)
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Total trade and other receivables (net)	5,026	12,139
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Credit terms for goods and services were within 30 days (2020: 30 days).

Accounting policy

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

2.1C: Other financial assets

Investment in sublease asset	1,376	2,313
Total other financial assets	1,376	2,313

2.2: Non-financial assets**2.2A: Reconciliation of the opening and closing balances of land, buildings, plant and equipment and intangibles**

	Land and buildings	Plant and equipment	Intangibles ¹	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2020				
Gross book value	12,785	2,095	8,619	23,499
Accumulated depreciation, amortisation and impairment	(6,263)	(1,868)	(6,996)	(15,127)
Total as at 1 July 2020	6,522	227	1,623	8,372
Additions				
Purchase	20	421	-	441
Internally developed	-	-	750	750
Depreciation and amortisation	(522)	(211)	(533)	(1,266)
Depreciation on right-of-use assets	(2,534)	-	-	(2,534)
Disposals				
Total as at 30 June 2021	3,486	437	1,840	5,763
Total as at 30 June 2020 represented by				
Gross book value	12,805	2,516	9,369	24,690
Accumulated depreciation, amortisation and impairment	(9,319)	(2,079)	(7,529)	(18,927)
Total as at 30 June 2021	3,486	437	1,840	5,763
Carrying amount of right-of-use assets	2,777	-	-	2,777

¹Intangibles consisted of internally generated software

- No indicators of impairment were found for land, buildings, plant and equipment and intangibles.
- No land, buildings, plant and equipment and intangibles are expected to be sold or disposed of within the next 12 months.
- Fair value for each class of asset were measured at 30 June 2021.

Accounting policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by the entity where there exists an obligation to restore the property to its original condition. These costs are included in the value of the entity's leasehold improvements with a corresponding provision for the 'make good' recognised.

Lease right of use (ROU) assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16, NOPSEMA has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition in Commonwealth agency, GGS and Whole of Government financial statements.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit.

Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2021	2020
Leasehold improvements	Lease term	Lease term
Plant and equipment	3 to 5 years	3 to 5 years

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment

All assets were assessed for impairment at 30 June 2021.

Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset.

Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Intangibles

The entity's intangibles comprise internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the entity's software is 5 years.

All software assets were assessed for indications of impairment as at 30 June 2021.

2.2B: Other non-financial assets

	2021	2020
	\$'000	\$'000
Prepayments	608	653
Total other non-financial assets	608	653

No indicators of impairment were found for other non-financial assets.

2.3: Payables

	2021	2020
	\$'000	\$'000
2.3A: Suppliers		
Trade creditors and accruals	445	549
Total suppliers	445	549

Settlement is usually made within 30 days.

2.3B: Other payables

Salaries and wages	530	421
Unearned income	1,082	5,544
Total other payables	1,612	5,965

2.4: Interest bearing liabilities

	2021	2020
	\$'000	\$'000
2.4A: Leases		
Finance Leases	4,020	7,489
Total leases	4,020	7,489

Total cash outflow for leases for the year ended 30 June 2021 was \$3,530,602.

2.5: Other provisions

	2021	2020
	\$'000	\$'000
2.5A: Other provisions		

Provision for restoration	940	549
Total other provisions	940	549

NOPSEMA currently has two agreements for the leasing of premises in Perth and Melbourne with a provision in place to restore the premises to its original condition at the conclusion of the lease.

NOPSEMA has made a provision to reflect the present value of this obligation.

3. People and relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

3.1: Employee provisions

	2021	2020
	\$'000	\$'000
3.1A: Employee provisions		
Annual leave	2,180	2,102
Long service leave	3,718	3,303
Other	915	838
Total employee provisions	6,814	6,244

Accounting policy

Liabilities for 'short-term employee benefits and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the entity's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an actuary as at 30 June 2020. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Separation and redundancy

Provision is made for separation and redundancy benefit payments. The entity recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

Superannuation

The entity's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The entity makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The entity accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

3.2: Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The entity has determined the key management personnel to be the Chief Executive Officer, 3 Divisional Heads and the General Counsel. Key management personnel remuneration is reported in the table below:

	2021	2020
	\$'000	\$'000
3.2A: Key management personnel remuneration		
Short-term employee benefits	1,577	1,585
Post-employment benefits	257	250
Other long-term employee benefits	32	34
Total key management personnel remuneration¹	1,866	1,869

¹The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the entity.

The total number of key management personnel that are included in the above table are 6 [2020: 5]. The 6th person commenced May 2021.

3.3: Related party disclosures

Related party relationships:

NOPSEMA is an independent statutory authority established under the *Offshore Petroleum Greenhouse Gas Storage Act 2006*. Related parties to NOPSEMA are Key Management Personnel and the portfolio minister.

Transactions with related parties:

Significant transactions with related parties can include:

- the payments of grants or loans
- purchases of goods and services
- asset purchases, sales transfers or leases
- debts forgiven
- guarantees.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no related party transactions to be separately disclosed.

4. Managing uncertainties

This section analyses how NOPSEMA manages financial risks within its operating environment.

4.1: Financial instruments

	2021	2020
	\$'000	\$'000
4.1A: Categories of financial instruments		
Financial Assets		
Financial assets at amortised cost		
Cash and cash equivalents	20,461	14,289
Trade and other receivables	5,026	12,139
Other financial assets	1,376	2,313
Total financial assets at amortised cost	26,863	28,741
Total financial assets	26,863	28,741
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade creditors	445	549
Other payables	1,082	5,544

Total financial liabilities measured at amortised cost	1,527	6,093
Total financial liabilities	1,527	6,093

Accounting policy

Financial assets

With the implementation of AASB 9 Financial Instruments for the first time in 2019, the entity classifies its financial assets in the following categories:

- a) financial assets at fair value through profit or loss;
- b) financial assets at fair value through other comprehensive income; and
- c) financial assets measured at amortised cost.

The classification depends on both the entity's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Comparatives have not been restated on initial application.

Financial assets at amortised cost

Financial assets included in this category need to meet two criteria:

- 1. the financial asset is held in order to collect the contractual cash flows; and
- 2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets measured at fair value through other comprehensive income are held with the objective of both collecting contractual cash flows and selling the financial assets and the cash flows meet the SPPI test.

Any gains or losses as a result of fair value measurement or the recognition of an impairment loss allowance is recognised in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets either doesn't meet the criteria of financial assets held at amortised cost or at FVOCI (i.e. mandatorily held at FVTPL) or may be designated.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Financial liabilities at amortised Cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

4.1B: Net gains or losses on financial assets

Financial assets at amortised cost		
Interest revenue	66	155
Net gains/(losses) on financial assets at amortised cost	66	155

4.1C: Net gains or losses on financial liabilities

Financial liabilities measured at amortised cost		
Interest expense	62	97
Net gains/(losses) on financial liabilities measured at amortised cost	62	97

5. Other information

5.1: Aggregate assets and liabilities

	2021	2020
	\$'000	\$'000
5.1A: Aggregate assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months	26,863	28,741
More than 12 months	6,370	9,025
Total assets	33,233	37,766
Liabilities expected to be settled in:		
No more than 12 months	2,057	6,514
More than 12 months	11,774	14,282
Total liabilities	13,831	20,796

PART 6: Appendices

EPBC Streamlining performance report 2020–21

Data period: 2020–21

Presented to: The Hon. Sussan Ley, Minister for the Environment

In February 2014, NOPSEMA was endorsed as the sole environmental management regulator for petroleum activities in Commonwealth waters. This report provides a summary of NOPSEMA's performance under the streamlined environmental authorisation arrangements for the period 1 July 2020 to 30 June 2021. Further information about the endorsed Program is available at nopsema.gov.au.

Regulatory activity 2020–21

Submission type	Category	Number
Offshore project proposal ¹	Accepted for public comment ²	1
	Accepted ³	3
	Assessments in progress – suitability for publication ⁴	1
	Assessments in progress – for acceptance ⁴	0
Environment plan	Accepted ⁵	35
	Assessments in progress ⁴	9
	Decisions - Refuse to accept ⁵	0
	Assessments stopped/cancelled ⁵	3
	Acceptances that pose unacceptable impacts to matters protected under Part 3 of the EPBC Act	0

1. The offshore project proposal (OPP) process streamlines decision-making on the overall environmental acceptability of offshore projects in Commonwealth waters and is designed to deliver equivalent environmental outcomes to the environmental impact assessment process under the EPBC Act.

2. NOPSEMA publishes OPPs that are open for public comment following its decision that the OPP is suitable for publication. The public then have an opportunity to review and provide comment on the OPP. Based on year of acceptance for public comment (1 July 2020 – 30 June 2021)

3. The final accepted OPP. Based on year of completion (1 July 2020 – 30 June 2021)

4. Based on year of submission (1 July 2020 – 30 June 2021)

5. Based on year of completion (1 July 2020 – 30 June 2021)

The endorsed Program requires that a review takes place every five years after the initial review, that was undertaken one year after the Program arrangements came into effect. The first five-yearly review of the Program was carried out during 2020 as a part of the routine Operational Review of NOPSEMA. The combined Program and NOPSEMA Operational Review was conducted by Deloitte, which was engaged as the independent reviewer by the Department of Industry, Science, Energy and Resources, following consultation with the Department of Agriculture, Water and the Environment (DAWE) for the Program component. The reviewer's full report was tabled in Parliament on 22 July 2021. NOPSEMA will support the Government in developing and implementing the response to any recommendations pertaining to the Program that are contained in the reviewer's report.

In June 2021, the Senate Environment and Communications References Committee published the report on its inquiry into the impact of seismic testing on fisheries and the marine environment. NOPSEMA provided a written submission to the Committee and on 18 March 2021 provided evidence at one of the Committee's public hearings. The inquiry findings and recommendations are relevant to a wide range of matters, including some covered by the Program. Accordingly, NOPSEMA will be working with the Australian Government to develop and implement responses to relevant inquiry recommendations as appropriate.

During the reporting period, NOPSEMA continued to implement the Program Administrative Arrangements. This included sharing information with DAWE about NOPSEMA's regulatory activities such as offshore project proposal and environment plan assessments, inspections, investigation and enforcement actions. NOPSEMA also engages with DAWE on a range of matters, including to ensure clarity and consistency of approaches to application of EPBC Act policies and instruments, such as Recovery Plans.

NOPSEMA continues to apply and improve its regulatory practice to ensure that Program objectives are being met.

Under contract, NOPSEMA also continues to provide regulatory advice to DAWE in relation to assessments of offshore energy projects under the EPBC Act and in support of potential environmental assessment/management policy review.

NOPSEMA has contractual arrangements in place with the Australian Antarctic Division and utilised these provisions to seek specialist marine mammal advice during the reporting period.

Advisory board report

Chair review

The NOPSEMA Ministerial Advisory Board held four meetings during the reporting period and provided regular written reports to the responsible Commonwealth Minister following each meeting. The term of Ms Patricia Kerin concluded in March 2021, and I would like to thank her for her strong contribution to the Advisory Board during her two terms.

Throughout the year the Board provided advice and feedback on a variety of matters to the Minister and the NOPSEMA CEO, covering a broad range of topics from regulatory management to industry performance.

The Board recognises the ongoing leadership of NOPSEMA during the COVID-19 pandemic to ensure the health and well-being of both its employees and employees working in industry onshore and offshore. It was very pleasing that industry and trade unions engaged collaboratively with NOPSEMA on initiatives to manage risks associated with the pandemic.

The Board notes that the significant decrease in the number of hours worked offshore since March 2020 has not rebounded in 2021. In addition to the COVID-19 travel restrictions in place, low commodity prices are forcing operating companies around the globe to defer maintenance and to rationalise onshore engineering and support personnel. The risks associated with both the latent hazard of deferred maintenance and reduced personnel can only be partially mitigated by regulatory oversight and this risk exposure has been highlighted with industry.

During the second half of 2020, NOPSEMA's performance was subject to independent examination in the five yearly operational review. The review concluded NOPSEMA appropriately focuses on improvements in OHS, well integrity and environmental management. The review also concluded NOPSEMA to be compliant with its obligations in administering the streamlined Endorsed Program under the *Environment Protection and Biodiversity Conservation Act 1999*.

The Board provided feedback to the Minister on matters regarding Northern Australia Oil and Gas being placed in administration. The Board supports NOPSEMA's role as an independent regulator and recognised the issues surrounding NOPSEMA's role during the time of uncertainty in the absence of a recognised Titleholder. The Board welcomed the release of the Walker review of the circumstances that led to the administration of the Northern Oil and Gas Australia (NOGA) group of companies. This review concluded that NOPSEMA is a robust, professional, and independent regulator that had significant concerns with the change of operator/titleholder for the Northern Endeavour. The review also identified several opportunities for improvement and the Board notes that the Department of Industry, Science, Energy and Resources (DISER) and NOPSEMA are actioning these recommendations.

The Board recognises the progress made by DISER on several issues, including legislation to transfer greenhouse gas regulatory functions to NOPSEMA, finalising the offshore safety policy framework, the enhanced decommissioning framework, and the introduction of trailing liabilities to give effect to the relevant recommendations from the Walker Review.

The Board has noted the need for heightened oversight of titleholders' compliance with their obligations under s572 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*. NOPSEMA is required, through its regulatory processes, to ensure titleholders maintain structures, equipment, and property in the title area used in connection with operations and to remove them when they are neither used, nor to

be used. NOPSEMA has established a regulatory policy to communicate how it will focus on titleholders' compliance via monitoring and enforcement.

Over the past year, a multitude of enforcement actions have been undertaken. The Board believes that, in taking these actions, NOPSEMA has used its enforcement powers in a transparent and consistent manner and according to the principles of procedural fairness. Further, the Board considers NOPSEMA's enforcement actions throughout the last year were proportionate to the regulatory risks identified across industry.

The Board notes the potential establishment of an offshore electricity infrastructure function with a dedicated team to establish the Offshore Electricity Infrastructure Regulator and to implement appropriate systems, processes, and guidance.

The Board supports an increase in levies to ensure adequate funding for NOPSEMA's ongoing activities. The current proposed levy increase will only be the second in a decade. The Board also supports adequate resourcing for NOPSEMA to update its IT systems and regulatory interface to allow for electronic submission of permissioning documents, notifications, and improved data management.

Management of community and other stakeholder concerns continues to be challenging for governments and industry. NOPSEMA has continued best practice forums and prioritised stakeholder engagement, focussing on improving transparency in relation to environment approvals. During the year, DISER, NOPSEMA and the Department of Agriculture, Water and the Environment (DAWE) held stakeholder meetings and facilitated workshops with the petroleum industry and commercial fishing industry representatives to co-design and develop a proposed guidance framework to support a more collaborative coexistence of the two industries in the Commonwealth marine area. The development of the framework is expected to continue throughout the year and the Board encourages industry to adopt and implement the policy framework.

The Board continues to discuss the importance of addressing industry's process safety performance, and the critical role NOPSEMA's inspectors play in identifying latent hazards in operations and auditing continued compliance with respective safety cases. The CEO raised these concerns in meetings with the APPEA Board of Directors. NOPSEMA has a strong leadership role influencing industry best practice and has developed a strategic plan to set expectations and provide guidance to industry to ensure duty holders implement industry best practice in managing and reporting on process safety.

The Board is aware of potential expansions to NOPSEMA's current scope of responsibilities. Some of these, such as regulating offshore electricity infrastructure, leverage NOPSEMA's existing strengths and experience. Other expanded responsibilities such as the regulation of financial assurance associated with decommissioning, will require the development of new capabilities. These new responsibilities represent a significant change for the leadership team, requiring additional skills and capacity in these areas. The Board recognises there are obvious risks to NOPSEMA's reputation as an independent, competent, and professional regulator if this transition is not adequately resourced. The Board stresses the importance of NOPSEMA being adequately funded and resourced to support this transition.

Ken Fitzpatrick, NOPSEMA Advisory Board Chair

NOPSEMA board functions

The NOPSEMA Board is established under Part 6.9, Division 3 of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGs Act) and is established as a separate entity to NOPSEMA. It does not have a role in decision-making matters, nor may it direct the operations or individual

decisions of NOPSEMA. Section 654 of the OPGGS Act sets out the functions of the Board in full. The Board may provide advice and recommendations to the CEO of NOPSEMA about operational policies and strategies to which the CEO must have regard.

Focus areas

At each of its meetings the CEO provided an update on corporate governance and risk issues arising during the preceding quarter, data on industry and NOPSEMA's performance, and recent and forthcoming changes to the legislation and regulations administered by NOPSEMA. Based on its deliberations, the Board provided general advice to the responsible Commonwealth Minister following each meeting. This included information on the following topics:

2020 Operational Review and *Environment Protection and Biodiversity Conservation Act* Review

During the second half 2020, NOPSEMA's performance was subject to independent examination in the five yearly independent operational review, in addition to a streamlining review of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). The role and functions of the Board were included in the operational review for the first time and the Board welcomed the opportunity to participate in the review process. The review concluded NOPSEMA appropriately focuses on bringing about improvement in OHS, well integrity and environmental management with its functions under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act). The review also concluded NOPSEMA to be compliant with its obligations in administering the streamlined Endorsed Program under the EPBC Act. The review identified 31 recommendations and 21 opportunities for improvement.

Expansion of NOPSEMA's scope of responsibilities

The Board notes the potential expansion of NOPSEMA's current scope of responsibilities in the context of resourcing and maintaining its independence from title administration, noting in the UK and Norway the practice is to separate title administration from regulation of work programs. Other expanded responsibilities such as the regulation of decommissioning will require the development of new capabilities, particularly in financial assurance. This is a significant change for the leadership team, requiring them to build capacity and develop skills in these areas. The Board strongly supports adequate funding and resourcing of NOPSEMA to support the smooth transition to these new roles.

Offshore renewables

The Board noted the establishment of an offshore renewable energy function with a dedicated team. The Board recommends further resources being provided for this new function in due course.

Policy work

The Board was updated and commented on the policy work being undertaken by the Department of Industry, Science, Energy and Resources (DISER). This included regular updates on the COVID 19 response and the Australian resource sector through peak bodies has developed a sector wide approach position on vaccine and workforce issues.

The Board was updated on the activities undertaken by DISER -on the decommissioning of the Northern Endeavor FPSO, the associated subsea infrastructure and proposed offshore petroleum levy to fund the decommissioning and remediation works. The levy will apply to all offshore petroleum production and will terminate on June 30 of the year in which all costs associated with the decommissioning have been recovered.

Following extensive stakeholder consultation, DISER finalised the offshore safety policy framework. The policy framework supports the continuation of the current objective based regulatory regime, facilitates continuous improvement for safety in the offshore industry and represents effective and proportional solutions to the issues being addressed. DISER will issue an exposure draft in late 2021.

DISER, NOPSEMA and the Department of Agriculture, Water and Environment (DAWE) held stakeholder meetings and facilitated workshops with petroleum industry and commercial fishing industry representatives to co design and develop the proposed guidance framework to support more collaborative co-existence of the two industries in the Commonwealth marine area. The development of the framework is expected to continue with Government providing guidance and support for the process as need.

The Board was advised that a review of offshore petroleum oil spill preparedness and response arrangements is underway with a view to ensuring ORPR arrangements are fit-for-purpose, particularly considering the restrictions the pandemic may continue to place on emergency response.

Offshore maintenance activities during Covid-19

The Board notes the significant decrease in the number of hours worked offshore since March 2020 has not rebounded in 2021 and there was a concern that the reduced hours would impact on general maintenance backlogs and increase the risks associated with latent hazards. In addition to the COVID-19 travel restrictions in place, low commodity prices are forcing operating companies around the globe to defer maintenance and to rationalise onshore engineering and support personnel. The risks associated with both the latent hazards of deferred maintenance and reduced personnel can only be partially mitigated by regulatory oversight and the offshore inspections being undertaken by NOPSEMA and this risk exposure has been highlighted with industry.

Tripartite forum

The Board noted the tripartite forum established by NOPSEMA with representatives from industry, unions and State regulators is continuing to be an effective three-way communication forum despite the urgency of COVID-19 pandemic easing across Australia, with all parties wanting to continue the format.

Process safety performance

The Board continued to discuss the importance of addressing industry's process safety performance, the role the inspectors play in identifying latent hazards in operations during routine inspections and auditing continued compliance with the respective safety cases and provided advice to NOPSEMA to assist in the development and monitoring of process safety indicators. The CEO raised the concerns of the Board with the APPEA Board of Directors. NOPSEMA has developed a strategic plan to set expectations and provide guidance to industry to ensure duty holders implement leading industry practices in managing process safety.

The uptake and use of these indicators by duty holders in the regime is not clear and there is no mandatory reporting of common process safety indicators to NOPSEMA. It is the view of the Board that the issue of a comprehensive set of process safety indicators is outstanding. It is preferable that industry report these indicators willingly, however a more formal mechanism may be required in the future.

Walker Review

The Walker review of the circumstances that led to the administration of the Northern Oil and Gas Australia (NOGA) group of companies concluded that NOPSEMA is a robust, professional, and

independent regulator that had significant concerns with the change of operator/titleholder for the Northern Endeavour and identified several opportunities for improvement. The review also suggested NOPSEMA could benefit from more strategic planning of interventions at the facility and/or duty holder level, whereby the priorities for the scope/type of inspection activities are regularly assessed and incorporated into a long-term plan. Different facilities and duty holders ought to require different strategies for inspection. Consideration regarding duty holders' previous performance, the type and condition of facility, and company-related factors need to be identified in developing such plans. Strategic plans could provide an improved approach to help focus priorities, clarify objectives, and manage resources. The review also recommended that NOPSEMA review its inspection practices to identify the root causes of non-compliance, and not just the symptoms, and monitor duty holders' corporate culture and compliance processes.

Environmental performance

In September 2019, the Senate Environment and Communications References Committee initiated an inquiry into the impact of seismic testing on fisheries and the marine environment. NOPSEMA provided a written submission to the inquiry in December 2019 and NOPSEMA staff appeared before the committee at a public hearing in March 2021. The response from Government is expected in the second half of 2021.

NOPSEMA notify and advise the relevant DAWE Program contact officers on environmental management matters triggered under the Administrative Arrangements (e.g., enforcements, decisions on contentious offshore activities) as required under legislation. Key matters for the reporting period continued to include supporting DAWE in clarifying application of Recovery Plans for listed threatened species in assessments and decision-making for offshore energy activities.

NOPSEMA and DAWE continued to maintain a schedule of regular engagement and liaison about Program related matters and streamlining status of prior approvals for offshore petroleum activities under the EPBC Act.

The Board considers that it would be beneficial if the Environmental Performance Reports submitted to NOPSEMA were made publicly available and agreed that this increased transparency would assist to lift standards in industry.

Decommissioning

During the year, NOPSEMA commenced development of a Decommissioning Compliance Strategy to set the direction for how it will work with stakeholders to ensure that decommissioning of wells, structures, equipment, and property is undertaken in a timely, safe, and environmentally responsible manner and is considered across the full life cycle of a project. NOPSEMA has also commenced the development of a Compliance Plan to assist with application of a transparent and risk-based approach to implementing further regulatory actions as part of ensuring titleholder compliance with requirements of section 572 of the OPGGS Act. The Board supports the use of General Directions to ensure equipment is maintained and or removed in a timely manner.

Board membership and attendance

During the reporting period the term of Ms Patricia Kerin concluded (10 March 2021).

There were four meetings during the reporting period, attendance is indicated in the following table. Due to travel restrictions associated with Covid-19, members-based interstate (Ms Kerin, Ms Tinney and Prof

Hopkins) participated in meetings via videoconference, except for the June 2021 meeting, which Ms Tinney attended in person.

Name	9 September 2020 Meeting 35	2 December 2020 Meeting 36	24 February 2021 Meeting 37	23 June 2021 Meeting 38
Ms Trish Kerin	•	•	•	N/A
Mr Ken Fitzpatrick	•	•	•	•
Prof Melinda Hodkiewicz	•	•	•	•
Ms Anthea Tinney	•	•	•	•
Mr Christopher Blackmore	•	•	•	•
Prof Andrew Hopkins	•	•	•	•

The NOPSEMA CEO attended and participated in all Board meetings during the reporting period.

It is the Board's practice that a senior representative of the relevant portfolio Department of Industry, Science, Energy and Resources attends meetings as an observer to ensure there are effective communications between the Board and DISER and that policy issues and their priority are well understood.

Board financial statement

Remuneration of Board members is set by the Remuneration Tribunal. NOPSEMA funds the remuneration of the Board and its members and the cost of travel to meetings. NOPSEMA also provides secretariat support for board meetings. The Board does not employ staff and does not own or lease physical assets.

Expenditure Items	Annual Budget 2020–21	Actuals 2020–21	Variance Favourable/ (Unfavourable)	Last Year's Actuals 2019–20
	\$'000	\$'000	\$'000	\$'000
Members Remuneration	350	254	96	350
Travel and Accommodation	44	0	44	33
Other Expenses	1	1	0	1
TOTAL	395	255	140	384

The year ahead

Considering its functions under the OPGGS Act and allowing for any ministerial and CEO requests for specific advice during the coming year, the Advisory Board's work program includes monitoring and advice on:

- improvements in relation to the transparency of the regulatory approvals process and stakeholder engagement
- the outcomes and recommendations arising from the review into decommissioning, late life asset transfers and cross-over alignment with other agencies and regulators
- the implications of changes to NOPSEMA's scope of responsibilities
- industry performance in the four strategic compliance areas of preventing major accident events, preventing loss of well control, effective oil pollution emergency preparedness and responsible asset stewardship and process safety, environmental management and EPBC Act, executive accountability and, maintenance and removal of property.

Executive remuneration

Remuneration for key management personnel

Name	Position title	Short-term benefits		Post-employment benefits	Other long-term benefits		Termination Benefits	Total Remuneration (\$)
		Base Salary (\$)	Bonuses and other benefits and allowances (\$)		Superannuation Contributions (\$)	Long Service Leave (\$)		
Stuart Smith	Chief Executive Officer	380,678	Nil	58,351	8,872	0	0	447,901
Karl Heiden	Head of Division - Corporate & Financial Assurance	305,398	650	58,550	7,745	0	0	372,343
Cameron Grebe	Head of Division - Environment	301,454	0	47,708	7,745	0	0	356,908
Derrick O'Keefe	Head of Division - Safety and Integrity	302,620	0	48,238	6,196	0	0	357,054
Suzanne Hillier	Director - Legal and Risk / General Counsel	217,962	30,878	38,360	398	0	0	287,599
Nicholas Page	Director - Office of the Chief Executive	32,437	5,306	5,704	906	0	0	44,351
Total		1,540,549	36,833	256,912	31,862	0	0	1,866,156

Note 1: In addition to the Remuneration Tribunal Determination for the Chief Executive Officer, accrued Annual Leave and accrued Long Service Leave are included in accordance with the reporting guide

Note 2: All senior executive staff are included in Key Management Personnel and are therefore not disclosed separately.

Note 3: Nicholas Page commenced as a member of the NOPSEMA Executive from May 2021.

\$470,001 - \$495,000	0	0	0	0	0	0	0	0	0	0	0	-
\$495,001 - ...	0	0	0	0	0	0	0	0	0	0	0	-

Remuneration for other highly paid staff

Total remuneration bands	Short-term benefits			Post-employment benefits		Other long-term benefits		Termination benefits		Total remuneration	
	Number of other highly paid staff	Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration		
\$230,001 - \$245,000	4	205,142	0	247	34,116	854	0	0	238,650		
\$245,001 - \$270,000	20	221,771	0	485	34,550	4,585	0	0	261,391		
\$270,001 - \$295,000	19	237,828	0	1,322	35,870	5,260	0	0	280,280		
\$295,001 - \$320,000	5	269,040	0	2,255	39,976	1,999	0	0	313,270		
\$320,001 - \$345,000	6	280,154	0	581	46,408	5,199	0	0	332,341		
\$345,001 - \$370,000	9	299,862	0	778	45,250	7,748	0	0	353,639		
\$370,001 - \$395,000	2	326,539	0	338	49,891	7,446	0	0	384,215		
\$395,001 - \$420,000	0	0	0	0	0	0	0	0	0		
\$420,001 - \$445,000	0	0	0	0	0	0	0	0	0		

All ongoing employees

2020–21	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
Qld	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
Vic	5	0	5	1	0	1	0	0	0	6
WA	48	0	48	31	9	40	0	0	0	88
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	53	0	53	32	9	41	0	0	0	94

2019–20	Male		Female		Indeterminate			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0
Qld	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0
Vic	5	0	5	1	0	1	0	6
WA	48	0	48	31	9	40	0	88
ACT	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0
Total	53	0	53	32	9	41	0	94

All non-ongoing employees

2020–21	Male			Female			Indeterminate			Total
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female	Full-time	Part-time	Total Indeterminate	
NSW	0	0	0	0	0	0	0	0	0	0
Qld	0	0	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0
Vic	1	1	2	1	0	1	0	0	0	3
WA	19	3	22	8	2	10	0	0	0	32
ACT	0	0	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0
Total	20	4	24	9	2	11	0	0	0	35

2019–20	Male		Female		Indeterminate		Total	
	Full-time	Part-time	Total Male	Full-time	Part-time	Total Female		
NSW	0	0	0	0	0	0	0	0
Qld	0	0	0	0	0	0	0	0
SA	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0
Vic	1	0	1	1	0	1	0	2
WA	14	1	15	12	2	14	0	29
ACT	0	0	0	0	0	0	0	0
NT	0	0	0	0	0	0	0	0
External Territories	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0
Total	15	1	16	13	2	15	0	31

PART 7: Reference material

List of requirements

PGPA Rule Reference	Part of Report	Description	Requirement	PGPA Rule Reference
17BE	Contents of annual report			17BE
17BE(a)	Establishing legislation and principal functions	Details of the legislation establishing the body.	Mandatory	17BE(a)
17BE(b)(i)	Establishing legislation and principal functions	A summary of the objects and functions of the entity as set out in legislation.	Mandatory	17BE(b)(i)
17BE(b)(ii)	Vision, purpose, approach & values	The purposes of the entity as included in the entity's corporate plan for the reporting period.	Mandatory	17BE(b)(ii)
17BE(c)	Our ministers	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers.	Mandatory	17BE(c)
17BE(d)	NA	Directions given to the entity by the Minister under an Act or instrument during the reporting period.	If applicable, mandatory	17BE(d)
17BE(e)	NA	Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act.	If applicable, mandatory	17BE(e)
17BE(f)	NA	Particulars of non-compliance with: (a) a direction given to the entity by the Minister under an Act or instrument during the reporting period; or (b) a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act.	If applicable, mandatory	17BE(f)

17BE(g)	PART 4: Annual performance statements	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule.	Mandatory	17BE(g)
17BE(h),17BE(i)	NA	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non-compliance with finance law and action taken to remedy non-compliance.	If applicable, mandatory	17BE(h),17BE(i)
17BE(j)	Accountable Authority	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period.	Mandatory	17BE(j)
17BE(k)	Organisational structure	Outline of the organisational structure of the entity (including any subsidiaries of the entity).	Mandatory	17BE(k)
17BE(ka)	Employee profile	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender; (d) statistics on staff location.	Mandatory	17BE(ka)
17BE(l)	NOPSEMA office locations	Outline of the location (whether or not in Australia) of major activities or facilities of the entity.	Mandatory	17BE(l)
17BE(m)	Corporate governance	Information relating to the main corporate governance practices used by the entity during the reporting period.	Mandatory	17BE(m)
17BE(n),17BE(o)	NA	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): (a) the decision making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and (b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions.	If applicable, mandatory	17BE(n),17BE(o)
17BE(p)	NA	Any significant activities and changes that affected the operation or structure of the entity during the reporting period.	If applicable, mandatory	17BE(p)

17BE(q)	NA	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity.	If applicable, mandatory	17BE(q)
17BE(r)	NA	Particulars of any reports on the entity given by: (a) the Auditor-General (other than a report under section 43 of the Act); or (b) a Parliamentary Committee; or (c) the Commonwealth Ombudsman; or (d) the Office of the Australian Information Commissioner.	If applicable, mandatory	17BE(r)
17BE(s)	NA	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report.	If applicable, mandatory	17BE(s)
17BE(t)	NA	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer's liability for legal costs).	If applicable, mandatory	17BE(t)
17BE(taa)	Audit committee	The following information about the audit committee for the entity: (a) a direct electronic address of the charter determining the functions of the audit committee; (b) the name of each member of the audit committee; (c) the qualifications, knowledge, skills or experience of each member of the audit committee; (d) information about each member's attendance at meetings of the audit committee; (e) the remuneration of each member of the audit committee.	Mandatory	17BE(taa)
17BE(ta)	Executive remuneration	Information about executive remuneration.	Mandatory	17BE(ta)
17BF	Disclosure requirements for government business enterprises			
17BF(1)(a)(i)	NA	An assessment of significant changes in the entity's overall financial structure and financial conditions.	If applicable, mandatory	17BF(1)(a)(i)
17BF(1)(a)(ii)	NA	An assessment of any events or risks that could cause financial information that is reported not to be indicative of	If applicable, mandatory	17BF(1)(a)(ii)

		future operations or financial conditions.		
17BF(1)(b)	NA	Information on dividends paid or recommended.	If applicable, mandatory	17BF(1)(b)
17BF(1)(c)	NA	Details of any community service obligations the government business enterprise has including: (a) an outline of actions taken to fulfil those obligations; and (b) an assessment of the cost of fulfilling those obligations.	If applicable, mandatory	17BF(1)(c)
17BF(2)	NA	A statement regarding the exclusion of information on the grounds that the information is commercially sensitive and would be likely to result in unreasonable commercial prejudice to the government business enterprise.	If applicable, mandatory	17BF(2)

Our contact details and locations

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